**EXECUTIVE BUDGET BILL**

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

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

| | For Fiscal Year Ending Sept. 30, 2017 | For Fiscal Year Ending Sept. 30, 2018 |
|---|---|---|
| **APPROPRIATION SUMMARY** | | |
| **GROSS APPROPRIATION** | **$ 38,711,935,000** | **$ 38,272,050,300** |
| Total interdepartmental grants and intradepartmental transfers | 867,312,100 | 864,462,100 |
| ADJUSTED GROSS APPROPRIATION | $ 37,844,622,900 | $ 37,407,588,200 |
| Total federal revenues | 20,586,209,100 | 20,298,418,600 |
| Total local revenues | 220,598,300 | 215,598,300 |
| Total private revenues | 174,703,200 | 174,703,200 |
| Total other state restricted revenues | 8,462,277,600 | 8,487,385,700 |
| State general fund/general purpose | $ 8,400,834,700 | $ 8,231,482,400 |

**Article 1**

**DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT**

PART 1

LINE-ITEM APPROPRIATIONS AND ANTICIPATED APPROPRIATIONS

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

| | For Fiscal Year Ending Sept. 30, 2017 | For Fiscal Year Ending Sept. 30, 2018 |
|---|---|---|
| **DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT** | | |
| **APPROPRIATION SUMMARY** | | |
| Full-time equated unclassified positions..... | 6.0 | 6.0 |
| Full-time equated classified positions..... | 473.0 | 473.0 |
| **GROSS APPROPRIATION ..... $** | **91,591,300 $** | **91,591,300** |
| Total interdepartmental grants and intradepartmental | | |
| transfers..... | 323,200 | 323,200 |
| ADJUSTED GROSS APPROPRIATION ..... $ | 91,268,100 $ | 91,268,100 |
| Total federal revenues ..... | 10,471,200 | 10,471,200 |
| Total private revenues ..... | 130,700 | 130,700 |
| Total other state restricted revenues ..... | 32,629,300 | 31,429,300 |
| State general fund/general purpose ..... $ | 48,036,900 $ | 49,236,900 |
| *State general fund/general purpose schedule:* | | |
| *Ongoing state general fund/general purpose .....* | *48,036,900* | *49,236,900* |
| *One-time state general fund/general purpose .....* | *0* | *0* |
| **Sec. 1-102. DEPARTMENTWIDE** | | |
| Full-time equated unclassified positions..... | 6.0 | 6.0 |
| Full-time equated classified positions..... | 32.0 | 32.0 |
| Commissions and boards ..... $ | 23,800 $ | 23,800 |
| Unclassified positions ..... | 545,900 | 545,900 |
| Executive direction-9.0 FTE positions ..... | 1,413,500 | 1,413,500 |
| Operational services-19.0 FTE positions ..... | 1,882,700 | 1,882,700 |
| Statistical reporting services-1.0 FTE position ..... | 153,600 | 153,600 |
| Emergency management-3.0 FTE positions ..... | 614,600 | 614,600 |
| Accounting service center ..... | 1,141,600 | 1,141,600 |
| Building occupancy charges ..... | 631,200 | 631,200 |
| **GROSS APPROPRIATION ..... $** | **6,406,900 $** | **6,406,900** |
| Appropriated from: | | |
| Federal revenues: | | |
| HHS, multiple grants ..... | 331,900 | 331,900 |
| Special revenue funds: | | |
| Private-commodity group revenue ..... | 79,100 | 79,100 |

| | For Fiscal Year Ending Sept. 30, 2017 | For Fiscal Year Ending Sept. 30, 2018 |
|---|---|---|
| Agricultural preservation fund | 15,200 | 15,200 |
| Agriculture licensing and inspection fees | 263,900 | 263,900 |
| Commodity inspection fees | 1,100 | 1,100 |
| Dairy and food safety fund | 416,900 | 416,900 |
| Feed control fund | 38,900 | 38,900 |
| Fertilizer control fund | 24,000 | 24,000 |
| Freshwater protection fund | 67,500 | 67,500 |
| Gasoline inspection and testing fund | 80,000 | 80,000 |
| Grain dealers fee fund | 7,900 | 7,900 |
| Industry support funds | 54,300 | 54,300 |
| Migratory labor housing fund | 28,600 | 28,600 |
| Nonretail liquor fees | 28,100 | 28,100 |
| State general fund/general purpose | $ 4,969,500 | $ 4,969,500 |
| **Sec. 1-103. INFORMATION AND TECHNOLOGY** | | |
| Information technology services and projects | $ 1,768,500 | $ 1,768,500 |
| **GROSS APPROPRIATION** | **$ 1,768,500** | **$ 1,768,500** |
| Appropriated from: | | |
| Interdepartmental grant revenues: | | |
| IDG from LARA, liquor quality testing fees | 3,200 | 3,200 |
| Special revenue funds: | | |
| Agricultural preservation fund | 200 | 200 |
| Agriculture licensing and inspection fees | 93,800 | 93,800 |
| Dairy and food safety fund | 61,200 | 61,200 |
| Freshwater protection fund | 100 | 100 |
| Gasoline inspection and testing fund | 31,800 | 31,800 |
| Nonretail liquor fees | 500 | 500 |
| State general fund/general purpose | $ 1,577,700 | $ 1,577,700 |
| **Sec. 1-104. FOOD AND DAIRY** | | |
| Full-time equated classified positions | 123.0 | 123.0 |
| Food safety and quality assurance-93.0 FTE positions | $ 14,755,400 | $ 14,755,400 |
| Milk safety and quality assurance-30.0 FTE positions | 4,260,100 | 4,260,100 |
| **GROSS APPROPRIATION** | **$ 19,015,500** | **$ 19,015,500** |

| | For Fiscal Year Ending Sept. 30, 2017 | For Fiscal Year Ending Sept. 30, 2018 |
|---|---|---|
| Appropriated from: | | |
| Federal revenues: | | |
| USDA, multiple grants | 136,300 | 136,300 |
| HHS, multiple grants | 1,193,800 | 1,193,800 |
| Special revenue funds: | | |
| Consumer and industry food safety education fund | 355,400 | 355,400 |
| Dairy and food safety fund | 4,434,500 | 4,434,500 |
| State general fund/general purpose | $ 12,895,500 | $ 12,895,500 |
| **Sec. 1-105. ANIMAL INDUSTRY** | | |
| Full-time equated classified positions | 60.0 | 60.0 |
| Animal disease prevention and response-60.0 FTE positions | $ 9,054,500 | $ 9,054,500 |
| Indemnification - livestock depredation | 50,000 | 50,000 |
| **GROSS APPROPRIATION** | **$ 9,104,500** | **$ 9,104,500** |
| Appropriated from: | | |
| Federal revenues: | | |
| USDA, multiple grants | 527,900 | 527,900 |
| Department of interior | 50,800 | 50,800 |
| HHS, multiple grants | 46,600 | 46,600 |
| Special revenue funds: | | |
| Private-commodity group revenue | 30,500 | 30,500 |
| Agriculture licensing and inspection fees | 59,300 | 59,300 |
| Animal welfare fund | 193,300 | 193,300 |
| State general fund/general purpose | $ 8,196,100 | $ 8,196,100 |
| **Sec. 1-106. PESTICIDE AND PLANT PEST MANAGEMENT** | | |
| Full-time equated classified positions | 92.0 | 92.0 |
| Pesticide and plant pest management-86.0 FTE positions | $ 13,672,000 | $ 13,672,000 |
| Producer security/grain dealers-6.0 FTE positions | 653,500 | 653,500 |
| **GROSS APPROPRIATION** | **$ 14,325,500** | **$ 14,325,500** |
| Appropriated from: | | |
| Federal revenues: | | |
| USDA, multiple grants | 843,800 | 843,800 |

| | For Fiscal Year Ending Sept. 30, 2017 | For Fiscal Year Ending Sept. 30, 2018 |
|---|---|---|
| Department of interior | 101,700 | 101,700 |
| EPA, multiple grants | 533,100 | 533,100 |
| HHS, multiple grants | 325,000 | 325,000 |
| Special revenue funds: | | |
| Private-slow-the-spread foundation | 21,100 | 21,100 |
| Agriculture licensing and inspection fees | 3,611,600 | 3,611,600 |
| Commodity inspection fees | 514,900 | 514,900 |
| Feed control fund | 948,600 | 948,600 |
| Fertilizer control fund | 738,600 | 738,600 |
| Freshwater protection fund | 153,900 | 153,900 |
| Grain dealers fee fund | 607,100 | 607,100 |
| Horticulture fund | 38,800 | 38,800 |
| Industry support funds | 246,400 | 246,400 |
| State general fund/general purpose | $ 5,640,900 | $ 5,640,900 |
| **Sec. 1-107. ENVIRONMENTAL STEWARDSHIP** | | |
| Full-time equated classified positions | 55.0 | 55.0 |
| MAEAP - environmental stewardship-23.0 FTE positions | $ 9,146,800 | $ 9,146,800 |
| Farmland and open space preservation-7.0 FTE positions | 1,422,100 | 1,422,100 |
| Qualified forest program-9.0 FTE positions | 2,582,700 | 2,582,700 |
| Migrant labor housing-9.0 FTE positions | 1,199,400 | 1,199,400 |
| Right-to-farm-3.0 FTE positions | 577,600 | 577,600 |
| Intercounty drain-4.0 FTE positions | 484,400 | 484,400 |
| **GROSS APPROPRIATION** | **$ 15,413,000** | **$ 15,413,000** |
| Appropriated from: | | |
| Interdepartmental grant revenues: | | |
| IDG from MDEQ, biosolids | 103,100 | 103,100 |
| Federal revenues: | | |
| USDA, multiple grants | 922,300 | 922,300 |
| Department of interior | 121,300 | 121,300 |
| EPA, multiple grants | 608,300 | 608,300 |
| Special revenue funds: | | |
| Agricultural preservation fund | 594,400 | 594,400 |

| | For Fiscal Year Ending Sept. 30, 2017 | For Fiscal Year Ending Sept. 30, 2018 |
|---|---|---|
| Freshwater protection fund | 6,179,800 | 6,179,800 |
| Migratory labor housing fund | 139,200 | 139,200 |
| Private forestland enhancement fund | 288,200 | 288,200 |
| State general fund/general purpose | $ 6,456,400 | $ 6,456,400 |
| **Sec. 1-108. LABORATORY PROGRAM** | | |
| Full-time equated classified positions | 96.0 | 96.0 |
| Laboratory services-42.0 FTE positions | $ 6,611,000 | $ 6,611,000 |
| USDA monitoring-13.0 FTE positions | 1,616,500 | 1,616,500 |
| Consumer protection program-41.0 FTE positions | 6,637,400 | 6,637,400 |
| **GROSS APPROPRIATION** | **$ 14,864,900** | **$ 14,864,900** |
| Appropriated from: | | |
| Interdepartmental grant revenues: | | |
| IDG from LARA, liquor quality testing fees | 216,900 | 216,900 |
| Federal revenues: | | |
| USDA, multiple grants | 1,617,400 | 1,617,400 |
| EPA, multiple grants | 171,700 | 171,700 |
| HHS, multiple grants | 623,300 | 623,300 |
| Special revenue funds: | | |
| Agriculture licensing and inspection fees | 78,800 | 78,800 |
| Dairy and food safety fund | 71,200 | 71,200 |
| Feed control fund | 147,700 | 147,700 |
| Gasoline inspection and testing fund | 1,878,400 | 1,878,400 |
| Refined petroleum fund | 2,373,200 | 1,173,200 |
| Testing fees | 293,100 | 293,100 |
| Weights and measures regulation fees | 793,500 | 793,500 |
| State general fund/general purpose | $ 6,599,700 | $ 7,799,700 |
| **Sec. 1-109. AGRICULTURE DEVELOPMENT** | | |
| Full-time equated classified positions | 15.0 | 15.0 |
| Agriculture development-11.0 FTE positions | $ 3,604,300 | $ 3,604,300 |
| Grape and wine program-3.0 FTE positions | 921,000 | 921,000 |
| Rural development fund grant program-1.0 FTE position | 2,000,000 | 2,000,000 |
| Value-added grants | 500,000 | 500,000 |

| | For Fiscal Year Ending Sept. 30, 2017 | For Fiscal Year Ending Sept. 30, 2018 |
|---|---|---|
| **GROSS APPROPRIATION** | **$ 7,025,300** | **$ 7,025,300** |
| Appropriated from: | | |
| Federal revenues: | | |
| USDA, multiple grants | 2,316,000 | 2,316,000 |
| Special revenue funds: | | |
| Industry support funds | 132,600 | 132,600 |
| Nonretail liquor fees | 875,600 | 875,600 |
| Rural development fund | 2,000,000 | 2,000,000 |
| State general fund/general purpose | $ 1,701,100 | $ 1,701,100 |
| **Sec. 1-110. FAIRS AND EXPOSITIONS** | | |
| Fairs and racing | $ 256,600 | $ 256,600 |
| Purses and supplements - fairs/licensed tracks | 708,300 | 708,300 |
| Licensed tracks - light horse racing | 40,300 | 40,300 |
| Light horse racing – breeders' awards | 20,000 | 20,000 |
| Standardbred breeders' awards | 345,900 | 345,900 |
| Standardbred purses and supplements-licensed tracks | 671,800 | 671,800 |
| Standardbred sire stakes | 275,000 | 275,000 |
| Thoroughbred supplements - licensed tracks | 601,900 | 601,900 |
| Thoroughbred breeders' awards | 368,600 | 368,600 |
| Thoroughbred sire stakes | 378,800 | 378,800 |
| **GROSS APPROPRIATION** | **$ 3,667,200** | **$ 3,667,200** |
| Appropriated from: | | |
| Special revenue funds: | | |
| Agriculture equine industry development fund | 3,667,200 | 3,667,200 |
| State general fund/general purpose | $ 0 | $ 0 |

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FISCAL YEAR 2017

**GENERAL SECTIONS**

Sec. 1-201. Pursuant to section 30 of article IX of the state constitution of 1963,

total state spending from state resources under part 1 for fiscal year 2016-2017 is $80,666,200.00 and state spending from state resources to be paid to local units of government for fiscal year 2016-2017 is $4,750,000.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT

| | | |
|---|---|---|
| MAEAP - environmental stewardship | $ | 3,250,000 |
| Qualified forest program | | 1,500,000 |
| TOTAL | $ | 4,750,000 |

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

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

(a) "Department" means the department of agriculture and rural development.

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

(c) "EPA" means the United States environmental protection agency.

(d) "FDA" means United States food and drug administration.

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

(f) "HHS" means the United States department of health and human services.

(g) "IDG" means interdepartmental grant.

(h) "LARA" means the Michigan department of licensing and regulatory affairs.

(i) "MAEAP" means Michigan agriculture environmental assurance program.

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

(k) "MOU" means memorandum of understanding.

(*l*) "USDA" means the United States department of agriculture.

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

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

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

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

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

(a) The dates of each travel occurrence.

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

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

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

Sec. 1-210. (1) In addition to the funds appropriated in part 1, there is

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

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

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

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

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

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

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

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

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

(e) Job specifications and wage rates.

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

Sec. 1-213. The department shall maintain, on a publicly accessible website, a

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

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

**DEPARTMENTWIDE**

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

(a) Management services publications.

(b) Management services audit and licensing functions.

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

(d) Pesticide and plant pest management grading services.

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

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

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

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

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

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

(3) The department shall post on its website a list of all the fees charged by the

department under the authorization provided in this section, including, but not limited to, rates, number of individuals paying each fee, and the revenue generated by each fee in the previous fiscal year. Notification of the location of the report on the website shall be sent to the subcommittees, fiscal agencies, and state budget office by February 1 each year.

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

**FOOD AND DAIRY**

Sec. 1-402. The department shall provide information on significant food-borne outbreaks and emergencies, including any enforcement actions taken related to food safety during the immediately preceding fiscal year in the food and dairy annual report and post that report on the department's website no later than April 1. The department shall provide electronic notification of where the report can be found on the department's website to the appropriation subcommittees, fiscal agencies, and state budget office.

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

**ANIMAL INDUSTRY**

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

(2) From the funds appropriated in part 1 for indemnification – livestock depredation, the department may provide for indemnity as provided for pursuant to the

wildlife depredations indemnification act, 2012 PA 487, MCL 285.361 to 285.365.

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

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

**ENVIRONMENTAL STEWARDSHIP**

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

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

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

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

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

**LABORATORY PROGRAM**

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

**AGRICULTURE DEVELOPMENT**

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

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

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

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

(5) The unexpended portion of the value-added grant program is considered a work project appropriation in accordance with the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

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

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

**FAIRS AND EXPOSITIONS**

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

## Article 2

## DEPARTMENT OF ATTORNEY GENERAL

PART 1

LINE-ITEM APPROPRIATIONS AND ANTICIPATED APPROPRIATIONS

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

| | For Fiscal Year Ending Sept. 30, 2017 | For Fiscal Year Ending Sept. 30, 2018 |
|---|---|---|
| **DEPARTMENT OF ATTORNEY GENERAL** | | |
| **APPROPRIATION SUMMARY** | | |
| Full-time equated unclassified positions..... | 6.0 | 6.0 |
| Full-time equated classified positions..... | 527.0 | 522.5 |
| **GROSS APPROPRIATION ..... | **$ 95,185,800** | **$ 94,485,800** |
| Total interdepartmental grants and intradepartmental transfers..... | 28,989,700 | 28,989,700 |
| ADJUSTED GROSS APPROPRIATION ..... | $ 66,196,100 | $ 65,496,100 |
| Total federal revenues ..... | 9,476,700 | 9,476,700 |
| Total local revenues ..... | 0 | 0 |
| Total private revenues ..... | 0 | 0 |
| Total other state restricted revenues ..... | 17,578,900 | 17,578,900 |
| State general fund/general purpose ..... | $ 39,140,500 | $ 38,440,500 |
| *State general fund/general purpose schedule:* | | |
| *Ongoing state general fund/general purpose ..... | *38,440,500* | *38,440,500* |
| *One-time general fund/general purpose ..... | *700,000* | *0* |
| **Sec. 2-102. ATTORNEY GENERAL OPERATIONS** | | |
| Full-time equated unclassified positions..... | 6.0 | 6.0 |
| Full-time equated classified positions..... | 522.5 | 522.5 |
| Attorney general ..... | $ 112,500 | $ 112,500 |
| Unclassified positions-5.0 FTE positions ..... | 754,000 | 754,000 |
| Attorney general operations-479.5 FTE positions ..... | 83,800,000 | 83,800,000 |
| Child support enforcement-25.0 FTE positions ..... | 3,503,800 | 3,503,800 |
| Prosecuting attorneys coordinating council-12.0 FTE positions..... | 2,142,600 | 2,142,600 |
| Public safety initiative-1.0 FTE position ..... | 905,800 | 905,800 |
| Sexual assault law enforcement-5.0 FTE positions ..... | 1,713,500 | 1,713,500 |
| **GROSS APPROPRIATION ..... | **$ 92,932,200** | **$ 92,932,200** |
| Appropriated from: | | |
| Interdepartmental grant revenues: | | |
| IDG from MDHHS, health policy ..... | 206,900 | 206,900 |
| IDG from MDHHS, medical services administration ..... | 691,200 | 691,200 |

| | For Fiscal Year Ending Sept. 30, 2017 | For Fiscal Year Ending Sept. 30, 2018 |
|---|---|---|
| IDG from MDHHS, WIC | 152,500 | 152,500 |
| IDG from department of corrections | 660,300 | 660,300 |
| IDG from MDE | 595,600 | 595,600 |
| IDG from MDEQ | 2,009,000 | 2,009,000 |
| IDG from MDHHS, human services | 5,932,500 | 5,932,500 |
| IDG from MDIFS, financial and insurance services | 1,213,000 | 1,213,000 |
| IDG from TED, workforce development agency | 89,600 | 89,600 |
| IDG from MDLARA, fireworks safety fund | 83,000 | 83,000 |
| IDG from MDLARA, health professions | 3,037,400 | 3,037,400 |
| IDG from MDLARA, licensing and regulation fees | 335,600 | 335,600 |
| IDG from MDLARA, Michigan occupational safety and health administration | 107,700 | 107,700 |
| IDG from MDLARA, remonumentation fees | 106,100 | 106,100 |
| IDG from MDLARA, securities fees | 188,300 | 188,300 |
| IDG from MDLARA, unlicensed builders | 334,700 | 334,700 |
| IDG from MDMVA | 164,900 | 164,900 |
| IDG from MDOS, children's protection registry | 45,000 | 45,000 |
| IDG from MDOT, comprehensive transportation fund | 204,500 | 204,500 |
| IDG from MDOT, state aeronautics fund | 177,600 | 177,600 |
| IDG from MDOT, state trunkline fund | 2,429,200 | 2,429,200 |
| IDG from MDSP | 257,300 | 257,300 |
| IDG from DTMB | 463,800 | 463,800 |
| IDG from DTMB, civil service commission | 305,900 | 305,900 |
| IDG from DTMB, risk management revolving fund | 1,468,400 | 1,468,400 |
| IDG from Michigan state housing development authority | 676,600 | 676,600 |
| IDG from treasury | 6,874,000 | 6,874,000 |
| IDG from TED, strategic fund | 179,100 | 179,100 |
| Federal revenues: | | |
| DAG, state administrative match grant/food stamps | 137,000 | 137,000 |
| Federal funds | 3,145,100 | 3,145,100 |
| HHS, medical assistance, medigrant | 384,800 | 384,800 |
| HHS-OS, state Medicaid fraud control units | 5,688,600 | 5,688,600 |

| | For Fiscal Year Ending Sept. 30, 2017 | For Fiscal Year Ending Sept. 30, 2018 |
|---|---|---|
| National criminal history improvement program ..... | 121,200 | 121,200 |
| Special revenue funds: | | |
| Antitrust enforcement collections ..... | 762,600 | 762,600 |
| Attorney general's operations fund ..... | 767,000 | 767,000 |
| Auto repair facilities fees ..... | 327,400 | 327,400 |
| Franchise fees ..... | 382,400 | 382,400 |
| Game and fish protection fund ..... | 751,100 | 751,100 |
| Human trafficking commission fund ..... | 390,000 | 390,000 |
| Liquor purchase revolving fund ..... | 1,459,200 | 1,459,200 |
| Manufactured housing fees ..... | 250,600 | 250,600 |
| Merit award trust fund ..... | 495,700 | 495,700 |
| Michigan employment security act – administrative fund | 2,241,500 | 2,241,500 |
| Prisoner reimbursement ..... | 625,200 | 625,200 |
| Prosecuting attorneys training fees ..... | 411,500 | 411,500 |
| Public utility assessments ..... | 2,077,300 | 2,077,300 |
| Real estate enforcement fund ..... | 100,700 | 100,700 |
| Reinstatement fees ..... | 257,700 | 257,700 |
| Retirement funds ..... | 1,042,200 | 1,042,200 |
| Second injury fund ..... | 821,700 | 821,700 |
| Self-insurers security fund ..... | 571,200 | 571,200 |
| Silicosis and dust disease fund ..... | 225,700 | 225,700 |
| State building authority revenue ..... | 120,900 | 120,900 |
| State casino gaming fund ..... | 1,861,900 | 1,861,900 |
| State lottery fund ..... | 345,100 | 345,100 |
| Utility consumers fund ..... | 780,800 | 780,800 |
| Waterways fund ..... | 140,000 | 140,000 |
| Worker's compensation administrative revolving fund ... | 369,500 | 369,500 |
| State general fund/general purpose ..... | $ 36,886,900 | $ 36,886,900 |
| **Sec. 2-103. INFORMATION TECHNOLOGY** | | |
| Information technology service and projects ..... | $ 1,553,600 | $ 1,553,600 |
| **GROSS APPROPRIATION ..... ** | **$ 1,553,600** | **$ 1,553,600** |
| Appropriated from: | | |

| | For Fiscal Year Ending Sept. 30, 2017 | For Fiscal Year Ending Sept. 30, 2018 |
|---|---|---|
| Special revenue funds: | | |
| State general fund/general purpose ..... | $ 1,553,600 | $ 1,553,600 |
| **Sec. 2-104. ONE-TIME APPROPRIATIONS** | | |
| Full-time equated classified positions..... | 4.5 | 0.0 |
| Prescription drug abuse enforcement ..... | $ 700,000 | $ 0 |
| **GROSS APPROPRIATION ..... | **$ 700,000** | **$ 0** |
| Appropriated from: | | |
| Special revenue funds: | | |
| State general fund/general purpose ..... | $ 700,000 | $ 0 |

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FISCAL YEAR 2017

**GENERAL SECTIONS**

Sec. 2-201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for fiscal year 2016-2017 is $56,719,400.00 and state spending from state resources to be paid to local units of government for fiscal year 2016-2017 is $0.00.

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

Sec. 2-203. As used in this article:

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

(b) "Department" means the department of attorney general.

(c) "DTMB" means the department of technology, management and budget.

(d) "FTE" means full-time equated.

(e) "HHS" means the United States department of health and human services.

(f) "HHS-OS" means the HHS – office of the secretary.

(g) "IDG" means interdepartmental grant.

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

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

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

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

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

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

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

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

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

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

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

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

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

Sec. 2-206. The director of each department receiving appropriations in part 1 shall take all reasonable steps to ensure businesses in deprived and depressed communities compete for and perform contracts to provide services or supplies, or both. Each director shall strongly encourage firms with which the department contracts to subcontract with certified businesses in depressed and deprived communities for services, supplies, or both.

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

(a) The dates of each travel occurrence.

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

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

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

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

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

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

(4) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed $100,000.00 for private contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this article under

section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

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

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

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

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

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

(e) Job specifications and wage rates.

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

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

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

**DEPARTMENT OF ATTORNEY GENERAL**

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

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

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

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

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

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

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

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

Sec. 2-307. (1) In addition to the antitrust revenues in part 1, antitrust, securities fraud, consumer protection or class action enforcement revenues, or attorney

fees recovered by the department, not to exceed $250,000.00, are appropriated to the department for antitrust, securities fraud, and consumer protection or class action enforcement cases.

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

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

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

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

Sec. 2-309. From the prisoner reimbursement funds appropriated in part 1, the department may spend up to $625,200.00 on activities related to the state correctional facility reimbursement act, 1935 PA 253, MCL 800.401 to 800.406. In addition to the funds appropriated in part 1, if the department collects in excess of $1,131,000.00 in gross annual prisoner reimbursement receipts provided to the general fund, the excess, up to a maximum of $1,000,000.00, is appropriated to the department of attorney general and may be spent on the representation of the department of corrections and its officers, employees, and agents, including, but not limited to, the defense of litigation against the state, its departments, officers, employees, or agents in civil actions filed by prisoners.

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

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

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

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

## Article 3

## DEPARTMENT OF CIVIL RIGHTS

PART 1

LINE-ITEM APPROPRIATIONS AND ANTICIPATED APPROPRIATIONS

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

| | For Fiscal Year Ending Sept. 30, 2017 | For Fiscal Year Ending Sept. 30, 2018 |
|---|---|---|
| **DEPARTMENT OF CIVIL RIGHTS** | | |
| **APPROPRIATION SUMMARY** | | |
| Full-time equated unclassified positions..... | 6.0 | 6.0 |
| Full-time equated classified positions..... | 132.0 | 129.0 |
| **GROSS APPROPRIATION ..... | **$ 16,721,900** | **$ 16,371,900** |
| Total interdepartmental grants and intradepartmental transfers..... | 293,600 | 293,600 |
| ADJUSTED GROSS APPROPRIATION ..... | $ 16,428,300 | $ 16,078,300 |
| Total federal revenues ..... | 2,763,000 | 2,763,000 |
| Total private revenues ..... | 18,700 | 18,700 |
| Total other state restricted revenues ..... | 151,900 | 151,900 |
| State general fund/general purpose ..... | $ 13,494,700 | $ 13,144,700 |
| *State general fund/general purpose schedule:* | | |
| *Ongoing state general fund/general purpose .....* | *13,144,700* | *13,144,700* |
| *One-time state general fund/general purpose .....* | *350,000* | *0* |
| **Sec. 3-102. CIVIL RIGHTS OPERATIONS** | | |
| Full-time equated unclassified positions..... | 6.0 | 6.0 |
| Full-time equated classified positions..... | 129.0 | 129.0 |
| Unclassified positions-6.0 FTE positions ..... | $ 660,300 | $ 660,300 |
| Civil rights operations-121.0 FTE positions ..... | 13,831,700 | 13,831,700 |
| Division on deaf and hard of hearing-6.0 FTE positions | 798,600 | 798,600 |
| Hispanic/Latino commission of Michigan-1.0 FTE position | 261,000 | 261,000 |
| Asian Pacific American affairs commission-1.0 FTE position..... | 112,400 | 112,400 |
| **GROSS APPROPRIATION ..... | **$ 15,664,000** | **$ 15,664,000** |
| Appropriated from: | | |
| Interdepartmental grant revenues: | | |
| IDG from DTMB ..... | 293,600 | 293,600 |
| Federal revenues: | | |
| EEOC, state and local antidiscrimination agency contracts..... | 1,211,500 | 1,211,500 |
| HUD grant ..... | 1,536,500 | 1,536,500 |

| | For Fiscal Year Ending Sept. 30, 2017 | For Fiscal Year Ending Sept. 30, 2018 |
|---|---|---|
| Special revenue funds: | | |
| Private revenues ..... | 18,700 | 18,700 |
| Division on deafness fund ..... | 93,400 | 93,400 |
| State restricted indirect funds ..... | 58,500 | 58,500 |
| State general fund/general purpose ..... | $ 12,451,800 | $ 12,451,800 |
| **Sec. 3-103. INFORMATION TECHNOLOGY** | | |
| Information technology services and projects ..... | $ 707,900 | $ 707,900 |
| **GROSS APPROPRIATION ..... | **$ 707,900** | **$ 707,900** |
| Appropriated from: | | |
| Federal revenues: | | |
| EEOC, state and local antidiscrimination agency contracts..... | 15,000 | 15,000 |
| Special revenue funds: | | |
| State general fund/general purpose ..... | $ 692,900 | $ 692,900 |
| **Sec. 3-104. ONE-TIME APPROPRIATIONS** | | |
| Full-time equated classified positions..... | 3.0 | 0.0 |
| Civil rights operations-2.0 FTE positions ..... | $ 250,000 | $ 0 |
| Commission on Middle Eastern American affairs-1.0 FTE position..... | 100,000 | 0 |
| **GROSS APPROPRIATION ..... | **$ 350,000** | **$ 0** |
| Appropriated from: | | |
| Special revenue funds: | | |
| State general fund/general purpose ..... | $ 350,000 | $ 0 |

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FISCAL YEAR 2017

**GENERAL SECTIONS**

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

government for fiscal year 2016-2017 is $0.

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

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

(a) "Department" means the department of civil rights.

(b) "Director" means the director of the department of civil rights.

(c) "DTMB" means the department of technology, management and budget.

(d) "EEOC" means the United States equal employment opportunity commission.

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

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

(g) "IDG" means interdepartmental grant.

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

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

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

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

part with funds appropriated in the department's budget. The report shall be submitted to the senate and house appropriations committees, the house and senate fiscal agencies, and the state budget director. The report shall include the following information:

(a) The dates of each travel occurrence.

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

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

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

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

(2) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed $750,000.00 for private contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this article under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

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

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

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

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

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

(e) Job specifications and wage rates.

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

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

Sec. 3-214. Total authorized appropriations from all sources under part 1 for legacy costs for the fiscal year ending September 30, 2017 is $3,062,000.00. From this amount, total agency appropriations for pension-related legacy costs are estimated at $1,697,800.00. Total agency appropriations for retiree health care legacy costs are estimated at $1,364,200.00.

**CIVIL RIGHTS OPERATIONS**

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

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

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

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

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

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

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

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

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

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

## Article 4

## DEPARTMENT OF CORRECTIONS

PART 1

LINE-ITEM APPROPRIATIONS AND ANTICIPATED APPROPRIATIONS

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

| | For Fiscal Year Ending Sept. 30, 2017 | For Fiscal Year Ending Sept. 30, 2018 |
|---|---|---|
| **DEPARTMENT OF CORRECTIONS** | | |
| **APPROPRIATION SUMMARY** | | |
| Average population | 44,493 | 44,493 |
| Full-time equated unclassified positions | 16.0 | 16.0 |
| Full-time equated classified positions | 14,049.6 | 14,049.6 |
| **GROSS APPROPRIATION** | **$ 2,029,386,100** | **$ 2,019,898,700** |
| Total interdepartmental grants and intradepartmental transfers | 0 | 0 |
| ADJUSTED GROSS APPROPRIATION | $ 2,029,386,100 | $ 2,019,898,700 |
| Total federal revenues | 5,523,700 | 5,523,700 |
| Total local revenues | 8,692,800 | 8,692,800 |
| Total private revenues | 0 | 0 |
| Total other state restricted revenues | 35,711,700 | 35,711,700 |
| State general fund/general purpose | $ 1,979,457,900 | $ 1,969,970,500 |
| *State general fund/general purpose schedule:* | | |
| *Ongoing state general fund/general purpose* | *1,969,970,500* | *1,969,970,500* |
| *One-time state general fund/general purpose* | *9,487,400* | *0* |
| **Sec. 4-102. EXECUTIVE** | | |
| Full-time equated unclassified positions | 16.0 | 16.0 |
| Full-time equated classified positions | 20.0 | 20.0 |
| Unclassified positions-16.0 FTE positions | $ 1,793,800 | $ 1,793,800 |
| Executive direction-20.0 FTE positions | 4,208,600 | 4,208,600 |
| **GROSS APPROPRIATION** | **$ 6,002,400** | **$ 6,002,400** |
| Appropriated from: | | |
| Special revenue funds: | | |
| State general fund/general purpose | $ 6,002,400 | $ 6,002,400 |
| **Sec. 4-103. PRISONER RE-ENTRY AND COMMUNITY SUPPORT** | | |
| Full-time equated classified positions | 343.4 | 343.4 |
| Prisoner re-entry local service providers | $ 13,208,600 | $ 13,208,600 |
| Prisoner re-entry MDOC programs | 9,124,100 | 9,124,100 |
| Prisoner re-entry federal grants | 750,000 | 750,000 |
| Public safety initiative | 4,500,000 | 4,500,000 |

| | | For Fiscal Year Ending Sept. 30, 2017 | For Fiscal Year Ending Sept. 30, 2018 |
|---|---|---|---|
| Re-entry services-70.0 FTE positions ..... | | 21,755,100 | 21,755,100 |
| Education program-273.4 FTE positions ..... | | 36,555,500 | 36,555,500 |
| Community corrections comprehensive plans and services | | 12,158,000 | 12,158,000 |
| Felony drunk driver jail reduction and community treatment program..... | | 1,440,100 | 1,440,100 |
| Residential services ..... | | 15,475,500 | 15,475,500 |
| **GROSS APPROPRIATION ..... | **$** | **114,966,900** | **$** **114,966,900** |
| Appropriated from: | | | |
| Federal revenues: | | | |
| DOJ, prisoner reintegration ..... | | 250,000 | 250,000 |
| DOJ, second chance act reentry initiative ..... | | 500,000 | 500,000 |
| Federal education funding ..... | | 1,757,300 | 1,757,300 |
| Special revenue funds: | | | |
| Program and special equipment fund ..... | | 5,213,200 | 5,213,200 |
| State general fund/general purpose ..... | $ | 107,246,400 | $ 107,246,400 |
| **Sec. 4-104. BUDGET AND OPERATIONS ADMINISTRATION** | | | |
| Full-time equated classified positions..... | | 247.0 | 247.0 |
| Budget and operations administration-185.0 FTE positions..... | $ | 24,696,700 | $ 24,696,700 |
| Prison industries operations-62.0 FTE positions ..... | | 9,837,400 | 9,837,400 |
| New custody staff training ..... | | 9,216,500 | 9,216,500 |
| Compensatory buyout and union leave bank ..... | | 100 | 100 |
| Worker’s compensation ..... | | 14,171,300 | 14,171,300 |
| Rent ..... | | 2,349,100 | 2,349,100 |
| Equipment and special maintenance ..... | | 1,559,700 | 1,559,700 |
| Administrative hearings officers ..... | | 3,407,100 | 3,407,100 |
| Judicial data warehouse user fees ..... | | 50,000 | 50,000 |
| Sheriffs’ coordinating and training office ..... | | 100,000 | 100,000 |
| Prosecutorial and detainer expenses ..... | | 5,001,000 | 5,001,000 |
| County jail reimbursement program ..... | | 13,597,100 | 13,597,100 |
| **GROSS APPROPRIATION ..... | **$** | **83,986,000** | **$** **83,986,000** |
| Appropriated from: | | | |

| | For Fiscal Year Ending Sept. 30, 2017 | For Fiscal Year Ending Sept. 30, 2018 |
|---|---|---|
| Federal revenues: | | |
| DOJ, prison rape elimination act grant ..... | 674,700 | 674,700 |
| Special revenue funds: | | |
| Jail reimbursement program fund ..... | 5,900,000 | 5,900,000 |
| Local corrections officer training fund ..... | 100,000 | 100,000 |
| Correctional industries revolving fund ..... | 10,451,800 | 10,451,800 |
| Program and special equipment fund ..... | 100 | 100 |
| State general fund/general purpose ..... | $ 66,859,400 | $ 66,859,400 |
| **Sec. 4-105. FIELD OPERATIONS ADMINISTRATION** | | |
| Full-time equated classified positions..... | 2,194.6 | 2,194.6 |
| Field operations-1,881.9 FTE positions ..... | $ 213,669,400 | $ 213,669,400 |
| Detroit detention center-63.1 FTE positions ..... | 8,487,400 | 8,487,400 |
| Detroit re-entry center-216.6 FTE positions ..... | 27,073,900 | 27,073,900 |
| Parole board operations-33.0 FTE positions ..... | 3,812,000 | 3,812,000 |
| Parole/probation services ..... | 940,000 | 940,000 |
| **GROSS APPROPRIATION ..... | **$ 253,982,700** | **$ 253,982,700** |
| Appropriated from: | | |
| Special revenue funds: | | |
| Local - community tether program reimbursement ..... | 205,400 | 205,400 |
| Local revenues ..... | 8,487,400 | 8,487,400 |
| Re-entry center offender reimbursements ..... | 24,300 | 24,300 |
| Parole and probation oversight fees ..... | 4,428,600 | 4,428,600 |
| Parole and probation oversight fees set-aside ..... | 940,000 | 940,000 |
| Tether program participant contributions ..... | 2,480,900 | 2,480,900 |
| State general fund/general purpose ..... | $ 237,416,100 | $ 237,416,100 |
| **Sec. 4-106. CORRECTIONAL FACILITIES ADMINISTRATION** | | |
| Full-time equated classified positions..... | 319.0 | 319.0 |
| Correctional facilities administration-21.0 FTE positions..... | $ 5,046,600 | $ 5,046,600 |
| Prison food service ..... | 54,455,900 | 54,455,900 |
| Transportation-211.0 FTE positions ..... | 25,113,200 | 25,113,200 |
| Central records-52.0 FTE positions ..... | 6,015,600 | 6,015,600 |

| | For Fiscal Year Ending Sept. 30, 2017 | For Fiscal Year Ending Sept. 30, 2018 |
|---|---|---|
| Inmate legal services | 790,900 | 790,900 |
| Housing inmates in federal institutions | 611,000 | 611,000 |
| Prison store operations-35.0 FTE positions | 3,372,600 | 3,372,600 |
| Leased beds and alternatives to leased beds | 100 | 100 |
| Cost-effective housing initiative | 100 | 100 |
| Public works programs | 1,000,000 | 1,000,000 |
| Inmate housing fund | 100 | 100 |
| **GROSS APPROPRIATION** | **$ 96,406,100** | **$ 96,406,100** |
| Appropriated from: | | |
| Federal revenues: | | |
| DOJ-BOP, federal prisoner reimbursement | 411,000 | 411,000 |
| SSA-SSI, incentive payment | 272,000 | 272,000 |
| Special revenue funds: | | |
| Correctional industries revolving fund | 569,000 | 569,000 |
| Public works user fees | 1,000,000 | 1,000,000 |
| Resident stores | 3,372,600 | 3,372,600 |
| State general fund/general purpose | $ 90,781,500 | $ 90,781,500 |
| **Sec. 4-107. HEALTH CARE** | | |
| Full-time equated classified positions | 1,491.9 | 1,491.9 |
| Prisoner health care services | $ 71,380,400 | $ 71,380,400 |
| Vaccination program | 691,200 | 691,200 |
| Interdepartmental grant to human services, eligibility specialists | 100,000 | 100,000 |
| Substance abuse testing and treatment services-8.0 FTE positions | 22,340,600 | 22,340,600 |
| Healthy Michigan plan administration-12.0 FTE positions | 1,100,700 | 1,100,700 |
| Clinical and mental health services and support-1,471.9 FTE positions | 232,759,700 | 232,759,700 |
| **GROSS APPROPRIATION** | **$ 328,372,600** | **$ 328,372,600** |
| Appropriated from: | | |
| Federal revenues: | | |
| Federal revenues and reimbursements | 373,700 | 373,700 |

| | For Fiscal Year Ending Sept. 30, 2017 | For Fiscal Year Ending Sept. 30, 2018 |
|---|---|---|
| DOJ, office of justice programs, RSAT ..... | 250,200 | 250,200 |
| Special revenue funds: | | |
| Prisoner health care copayments ..... | 257,200 | 257,200 |
| State general fund/general purpose ..... | $ 327,491,500 | $ 327,491,500 |
| **Sec. 4-108. CORRECTIONAL FACILITIES** | | |
| Average population..... | 44,493 | 44,493 |
| Full-time equated classified positions ..... | 9,433.7 | 9,433.7 |
| Alger correctional facility – Munising-260.0 FTE positions..... | $ 30,602,300 | $ 30,602,300 |
| Baraga correctional facility – Baraga-294.8 FTE positions..... | 35,306,500 | 35,306,500 |
| Bellamy Creek correctional facility – Ionia-390.2 FTE positions..... | 43,850,900 | 43,850,900 |
| Earnest C. Brooks correctional facility – Muskegon-440.9 FTE positions..... | 50,797,100 | 50,797,100 |
| Carson City correctional facility – Carson City-425.4 FTE positions..... | 46,557,100 | 46,557,100 |
| Central Michigan correctional facility – St. Louis-391.6 FTE positions..... | 46,105,600 | 46,105,600 |
| Chippewa correctional facility – Kincheloe-435.1 FTE positions..... | 50,450,800 | 50,450,800 |
| Cooper Street correctional facility – Jackson-263.1 FTE positions..... | 29,792,800 | 29,792,800 |
| G. Robert Cotton correctional facility – Jackson-392.3 FTE positions..... | 44,232,800 | 44,232,800 |
| Charles E. Egeler correctional facility – Jackson-374.6 FTE positions..... | 43,525,500 | 43,525,500 |
| Richard A. Handlon correctional facility – Ionia-252.7 FTE positions..... | 29,843,400 | 29,843,400 |
| Gus Harrison correctional facility – Adrian-442.6 FTE positions..... | 49,475,100 | 49,475,100 |
| Ionia correctional facility – Ionia-286.3 FTE positions | 33,696,600 | 33,696,600 |

| | For Fiscal Year Ending Sept. 30, 2017 | For Fiscal Year Ending Sept. 30, 2018 |
|---|---|---|
| Kinross correctional facility – Kincheloe-268.1 FTE positions..... | 33,170,000 | 33,170,000 |
| Lakeland correctional facility – Coldwater-279.4 FTE positions..... | 33,339,500 | 33,339,500 |
| Macomb correctional facility – New Haven-294.8 FTE positions..... | 34,675,200 | 34,675,200 |
| Marquette branch prison – Marquette-321.7 FTE positions | 38,109,600 | 38,109,600 |
| Michigan reformatory – Ionia-311.7 FTE positions ..... | 35,442,700 | 35,442,700 |
| Muskegon correctional facility – Muskegon-205.0 FTE positions..... | 25,467,100 | 25,467,100 |
| Newberry correctional facility – Newberry-200.1 FTE positions..... | 24,402,400 | 24,402,400 |
| Oaks correctional facility – Eastlake-290.4 FTE positions..... | 34,091,800 | 34,091,800 |
| Ojibway correctional facility – Marenisco-203.1 FTE positions..... | 23,545,600 | 23,545,600 |
| Parnall correctional facility – Jackson-260.0 FTE positions..... | 28,461,800 | 28,461,800 |
| Pugsley correctional facility – Kingsley-209.9 FTE positions..... | 24,996,100 | 24,996,100 |
| Saginaw correctional facility – Freeland-274.9 FTE positions..... | 32,952,700 | 32,952,700 |
| Special alternative incarceration program – (Camp Cassidy Lake)-119.0 FTE positions..... | 13,733,700 | 13,733,700 |
| St. Louis correctional facility – St. Louis-303.6 FTE positions..... | 36,687,100 | 36,687,100 |
| Thumb correctional facility – Lapeer-283.6 FTE positions..... | 33,052,400 | 33,052,400 |
| Women's Huron Valley correctional complex – Ypsilanti-501.9 FTE positions..... | 59,117,400 | 59,117,400 |
| Woodland correctional facility – Whitmore Lake-284.9 FTE positions..... | 33,279,200 | 33,279,200 |

| | For Fiscal Year Ending Sept. 30, 2017 | For Fiscal Year Ending Sept. 30, 2018 |
|---|---|---|
| Northern region administration and support-48.0 FTE positions | 4,509,900 | 4,509,900 |
| Southern region administration and support-124.0 FTE positions | 24,098,000 | 24,098,000 |
| **GROSS APPROPRIATION** | **$ 1,107,368,700** | **$ 1,107,368,700** |
| Appropriated from: | | |
| Federal revenues: | | |
| DOJ, state criminal alien assistance program | 1,034,800 | 1,034,800 |
| Special revenue funds: | | |
| State restricted revenues and reimbursements | 102,100 | 102,100 |
| State general fund/general purpose | $ 1,106,231,800 | $ 1,106,231,800 |
| **Sec. 4-109. INFORMATION TECHNOLOGY** | | |
| Information technology services and projects | $ 28,813,300 | $ 28,813,300 |
| **GROSS APPROPRIATION** | **$ 28,813,300** | **$ 28,813,300** |
| Appropriated from: | | |
| Special revenue funds: | | |
| Correctional industries revolving fund | 177,100 | 177,100 |
| Parole and probation oversight fees set-aside | 694,800 | 694,800 |
| State general fund/general purpose | $ 27,941,400 | $ 27,941,400 |
| **Sec. 4-110. ONE-TIME APPROPRIATIONS** | | |
| New custody training staff-one-time | $ 8,506,100 | $ 0 |
| Ballistic vests-one-time | 981,300 | 0 |
| **GROSS APPROPRIATION** | **$ 9,487,400** | **$ 0** |
| Appropriated from: | | |
| State general fund/general purpose | $ 9,487,400 | $ 0 |

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FISCAL YEAR 2017

**GENERAL SECTIONS**

Sec. 4-201. Pursuant to section 30 of article IX of the state constitution of 1963,

total state spending from state resources under part 1 for fiscal year 2016-2017 is $2,015,169,600.00 and state spending from state resources to be paid to local units of government for fiscal year 2016-2017 is $110,420,700.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF CORRECTIONS

| | | |
|---|---|---|
| Field operations – assumption of county probation staff ..... | $ | 61,749,900 |
| Community corrections comprehensive plans and services ..... | | 12,158,000 |
| Re-entry services - intensive detention re-entry program ..... | | 1,500,000 |
| Residential services ..... | | 15,475,500 |
| County jail reimbursement program ..... | | 13,597,100 |
| Felony drunk driver jail reduction and community treatment program .. | | 1,440,100 |
| Leased beds and alternatives to leased beds ..... | | 100 |
| Public safety initiative ..... | | 4,500,000 |
| TOTAL ..... | $ | 110,420,700 |

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

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

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

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

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

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

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

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

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

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

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

(j) "Objective risk and needs assessment" means an evaluation of an offender's criminal history; the offender's noncriminal history; and any other factors relevant to the risk the offender would present to the public safety, including, but not limited to, having demonstrated a pattern of violent behavior, and a criminal record that indicates a pattern of violent offenses.

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

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

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

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

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

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

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

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

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

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

Sec. 4-204. The departments and agencies receiving appropriations in part 1 shall use the Internet to fulfill the reporting requirements of this article. This requirement may

include transmission of reports via electronic mail to the recipients identified for each reporting requirement, or it may include placement of reports on an Internet or Intranet site.

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

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

(a) The dates of each travel occurrence.

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

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

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

and house appropriations committees, and the senate and house fiscal agencies.

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

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

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

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

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

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

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

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

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

(e) Job specifications and wage rates.

Sec. 4-212. Within 14 days after the release of the executive budget recommendation, the department shall cooperate with the state budget office to provide the senate and house appropriations chairs, the senate and house appropriations subcommittees chairs, and the senate and house fiscal agencies with an annual report on estimated state restricted fund balances, state restricted fund projected revenues, and state restricted fund expenditures

for the fiscal years ending September 30, 2016 and September 30, 2017.

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

Sec. 4-214. Total authorized appropriations from all sources under part 1 for legacy costs for the fiscal year ending September 30, 2017 is $337,858,200.00. From this amount, total agency appropriations for pension-related legacy costs are estimated at $187,327,100.00. Total agency appropriations for retiree health care legacy costs are estimated at $150,531,100.00.

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

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

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

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

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

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

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

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

**EXECUTIVE**

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

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

**PRISONER RE-ENTRY AND COMMUNITY SUPPORT**

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

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

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

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

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

(a) Reduce admissions to prison of offenders who would likely be sentenced to imprisonment, including probation violators.

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

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

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

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

(f) Contribute to offender success.

(2) The award of community corrections comprehensive plans and residential services funds shall be based on criteria that include, but are not limited to, the prison commitment rate by category of offenders, trends in prison commitment rates and jail utilization, historical trends in community corrections program capacity and program

utilization, and the projected impact and outcome of annual policies and procedures of programs on offender success, prison commitment rates, and jail utilization.

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

Sec. 4-411. The comprehensive corrections plans shall also include, where appropriate, descriptive information on the full range of sanctions and services that are available and utilized within the local jurisdiction and an explanation of how jail beds, residential services, the special alternative incarceration program, probation detention centers, the electronic monitoring program for probationers, and treatment and rehabilitative services will be utilized to support the objectives and priorities of the comprehensive corrections plans and the purposes and priorities of section 8(4) of the community corrections act, 1988 PA 511, MCL 791.408, that contribute to the success of offenders. The plans shall also include, where appropriate, provisions that detail how the local communities plan to respond to sentencing guidelines found in chapter XVII of the code of criminal procedure, 1927 PA 175, MCL 777.1 to 777.69, and use the county jail reimbursement program under section 414. The state community corrections board shall encourage local community corrections advisory boards to include in their comprehensive corrections plans strategies to collaborate with local alcohol and drug treatment agencies of the MDHHS for the provision of alcohol and drug screening, assessment, case management planning, and delivery of treatment to alcohol- and drug-involved offenders.

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

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

(a) The felon’s sentencing guidelines recommended range upper limit is more than 18 months, the felon’s sentencing guidelines recommended range lower limit is 12 months or less, the felon’s prior record variable score is 35 or more points, and the felon’s sentence is not for commission of a crime in crime class G or crime class H or a nonperson

crime in crime class F under chapter XVII of the code of criminal procedure, 1927 PA 175, MCL 777.1 to 777.69.

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

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

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

(4) As used in this subsection:

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

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

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

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

department shall distribute the documentation requirements to all counties.

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

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

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

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

(3) The department shall collaborate with the department of military and veterans affairs to create and maintain a process by which prisoners can obtain a copy of their DD Form 214 or other military discharge documentation if necessary.

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

(2) The department shall provide quarterly electronic mail reports to the senate and house appropriations subcommittees on corrections, the legislative corrections ombudsman, the senate and house fiscal agencies, and the state budget director. The reports shall

include information on end-of-month prisoner populations in county jails, the net operating capacity according to the most recent certification report, identified by date, and end-of-month data, year-to-date data, and comparisons to the prior year for the following:

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

(b) Parole populations.

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

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

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

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

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

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

**BUDGET AND OPERATIONS ADMINISTRATION**

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

Sec. 4-502. Funds included in part 1 for the sheriffs' coordinating and training office are appropriated for and may be expended to defray costs of continuing education, certification, recertification, decertification, and training of local corrections officers, the personnel and administrative costs of the sheriffs' coordinating and training

office, the local corrections officers advisory board, and the sheriffs' coordinating and training council under the local corrections officers training act, 2003 PA 125, MCL 791.531 to 791.546.

**FIELD OPERATIONS ADMINISTRATION**

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

(2) Program participant contributions and local program reimbursement for the curfew monitoring program appropriated in part 1 are related to program expenditures and may be used to offset expenditures for this purpose.

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

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

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

Sec. 4-615. The department shall submit a report containing a list detailing the

number of prisoners who have received life imprisonment sentences with the possibility of parole and who are currently eligible for parole to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, the legislative corrections ombudsman, and the state budget director by January 1.

Sec. 4-616. The parole board shall review its policies related to the review and parole of those offenders serving a parolable life sentence with consideration given to those that do not pose an ongoing risk to society.

**HEALTH CARE**

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

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

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

**CORRECTIONAL FACILITIES ADMINISTRATION**

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

the entire cost of such an agreement.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Sec. 4-924. The department shall evaluate all prisoners at intake for substance abuse disorders, serious developmental disorders, serious mental illness, and other mental health disorders. Prisoners with serious mental illness or serious developmental disorders shall not be removed from the general population as a punitive response to behavior caused by their serious mental illness or serious developmental disorder. Due to persistent high violence risk or severe disruptive behavior that is unresponsive to treatment, prisoners with serious mental illness or serious developmental disorders may be placed in secure residential housing programs that will facilitate access to institutional programming and ongoing mental health services. A prisoner with serious mental illness or serious developmental disorder who is confined in these specialized housing programs shall be evaluated or monitored by a medical professional at a frequency of not less than every 12 hours.

Sec. 4-925. By March 1, the department shall report to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, the legislative corrections ombudsman, and the state budget director on the annual number of prisoners in administrative segregation between October 1, 2016 and September 30, 2017, and

the annual number of prisoners in administrative segregation between October 1, 2016 and September 30, 2017 who at any time during the current or prior prison term were diagnosed with serious mental illness or have a developmental disorder and the number of days each of the prisoners with serious mental illness or a developmental disorder have been confined to administrative segregation.

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

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

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

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

**INFORMATION TECHNOLOGY**

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

**ONE-TIME APPROPRIATIONS**

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

## Article 5

## DEPARTMENT OF EDUCATION

PART 1

LINE-ITEM APPROPRIATIONS AND ANTICIPATED APPROPRIATIONS

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

| | For Fiscal Year Ending Sept. 30, 2017 | For Fiscal Year Ending Sept. 30, 2018 |
|---|---|---|
| **DEPARTMENT OF EDUCATION** | | |
| **APPROPRIATION SUMMARY** | | |
| Full-time equated unclassified positions..... | 6.0 | 6.0 |
| Full-time equated classified positions..... | 596.5 | 596.5 |
| **GROSS APPROPRIATION ..... $** | **316,917,400 $** | **308,367,300** |
| Total interdepartmental grants and intradepartmental transfers..... | 0 | 0 |
| ADJUSTED GROSS APPROPRIATION ..... $ | 316,917,400 $ | 308,367,300 |
| Total federal revenues ..... | 225,164,100 | 217,114,100 |
| Total local revenues ..... | 5,557,200 | 5,557,200 |
| Total private revenues ..... | 2,034,200 | 2,034,200 |
| Total other state restricted revenues ..... | 7,780,700 | 7,780,600 |
| State general fund/general purpose ..... $ | 76,381,200 $ | 75,881,200 |
| *State general fund/general purpose schedule:* | | |
| *Ongoing state general fund/general purpose.....* | *75,881,200* | *75,881,200* |
| *One-time state general fund/general purpose.....* | *500,000* | *0* |
| **Sec. 5-102. STATE BOARD OF EDUCATION/OFFICE OF THE SUPERINTENDENT** | | |
| Full-time equated unclassified positions..... | 6.0 | 6.0 |
| Full-time equated classified positions..... | 10.0 | 10.0 |
| State board of education, per diem payments ..... $ | 24,400 $ | 24,400 |
| Unclassified positions-6.0 FTE positions ..... | 827,200 | 827,200 |
| State board/superintendent operations-10.0 FTE positions..... | 1,888,700 | 1,888,700 |
| Education commission of the states ..... | 120,800 | 120,800 |
| **GROSS APPROPRIATION ..... $** | **2,861,100 $** | **2,861,100** |
| Appropriated from: | | |
| Federal revenues: | | |
| Federal revenues ..... | 227,000 | 227,000 |
| Special revenue funds: | | |
| Private foundations ..... | 28,100 | 28,100 |
| Certification fees ..... | 771,400 | 771,400 |
| State general fund/general purpose ..... $ | 1,834,600 $ | 1,834,600 |

| | For Fiscal Year Ending Sept. 30, 2017 | For Fiscal Year Ending Sept. 30, 2018 |
|---|---|---|
| **Sec. 5-103. CENTRAL SUPPORT** | | |
| Full-time equated classified positions..... | 23.6 | 23.6 |
| Central support operations-23.6 FTE positions ..... | $ 6,686,700 | $ 6,686,700 |
| Worker's compensation ..... | 24,300 | 24,300 |
| Building occupancy charges – property management services..... | 3,196,200 | 3,196,200 |
| Training and orientation workshops ..... | 150,000 | 150,000 |
| Terminal leave payments ..... | 353,300 | 353,300 |
| **GROSS APPROPRIATION ..... | **$ 10,410,500** | **$ 10,410,500** |
| Appropriated from: | | |
| Federal revenues: | | |
| Federal revenues ..... | 3,690,100 | 3,690,100 |
| Federal indirect funds ..... | 2,430,700 | 2,430,700 |
| Special revenue funds: | | |
| Certification fees ..... | 399,300 | 399,300 |
| Teacher testing fees ..... | 4,000 | 4,000 |
| Training and orientation workshop fees ..... | 150,000 | 150,000 |
| Private foundations ..... | 1,000,000 | 1,000,000 |
| State general fund/general purpose ..... | $ 2,736,400 | $ 2,736,400 |
| **Sec. 5-104. INFORMATION TECHNOLOGY SERVICES** | | |
| Information technology operations ..... | $ 4,192,600 | $ 4,192,600 |
| **GROSS APPROPRIATION ..... | **$ 4,192,600** | **$ 4,192,600** |
| Appropriated from: | | |
| Federal revenues: | | |
| Federal revenues ..... | 616,900 | 616,900 |
| Federal indirect funds ..... | 1,824,300 | 1,824,300 |
| Special revenue funds: | | |
| Certification fees ..... | 397,500 | 397,500 |
| State general fund/general purpose ..... | $ 1,353,900 | $ 1,353,900 |
| **Sec. 5-105. SPECIAL EDUCATION SERVICES** | | |
| Full-time equated classified positions ..... | 47.0 | 47.0 |
| Special education operations-47.0 FTE positions ..... | $ 9,320,500 | $ 9,320,500 |

| | For Fiscal Year Ending Sept. 30, 2017 | For Fiscal Year Ending Sept. 30, 2018 |
|---|---|---|
| **GROSS APPROPRIATION** | **$ 9,320,500** | **$ 9,320,500** |
| Appropriated from: | | |
| Federal revenues: | | |
| Federal revenues | 8,544,000 | 8,544,000 |
| Special revenue funds: | | |
| Private foundations | 110,100 | 110,100 |
| Certification fees | 44,700 | 44,700 |
| State general fund/general purpose | $ 621,700 | $ 621,700 |
| **Sec. 5-106. MICHIGAN SCHOOLS FOR THE DEAF AND BLIND** | | |
| Full-time equated classified positions | 77.0 | 77.0 |
| Michigan schools for the deaf and blind operations-76.0 FTE positions | $ 12,812,700 | $ 12,812,700 |
| Camp Tuhsmeheta-1.0 FTE position | 296,000 | 296,000 |
| Private gifts - blind | 200,000 | 200,000 |
| Private gifts - deaf | 150,000 | 150,000 |
| **GROSS APPROPRIATION** | **$ 13,458,700** | **$ 13,458,700** |
| Appropriated from: | | |
| Federal revenues: | | |
| Federal revenues | 7,048,600 | 7,048,600 |
| Special revenue funds: | | |
| Local cost sharing (schools for blind/deaf) | 5,233,000 | 5,233,000 |
| Local school district service fees | 312,500 | 312,500 |
| Gifts, bequests, and donations | 646,000 | 646,000 |
| Student insurance revenue | 218,600 | 218,600 |
| State general fund/general purpose | $ 0 | $ 0 |
| **Sec. 5-107. PROFESSIONAL PREPARATION SERVICES** | | |
| Full-time equated classified positions | 33.0 | 33.0 |
| Professional preparation operations-33.0 FTE positions | $ 5,653,900 | $ 5,653,900 |
| **GROSS APPROPRIATION** | **$ 5,653,900** | **$ 5,653,900** |
| Appropriated from: | | |
| Federal revenues: | | |
| Federal revenues | 1,464,100 | 1,464,100 |

| | For Fiscal Year Ending Sept. 30, 2017 | For Fiscal Year Ending Sept. 30, 2018 |
|---|---|---|
| Special revenue funds: | | |
| Certification fees | 3,602,000 | 3,602,000 |
| Teacher testing fees | 364,100 | 364,100 |
| State general fund/general purpose | $ 223,700 | $ 223,700 |
| **Sec. 5-108. MICHIGAN OFFICE OF GREAT START** | | |
| Full-time equated classified positions | 66.0 | 66.0 |
| Office of great start operations-65.0 FTE positions | $ 23,177,400 | $ 23,177,400 |
| Child development and care external support | 27,182,800 | 27,182,800 |
| Head start collaboration office-1.0 FTE position | 309,900 | 309,900 |
| Child development and care public assistance | 124,200,000 | 124,200,000 |
| **GROSS APPROPRIATION** | **$ 174,870,100** | **$ 174,870,100** |
| Appropriated from: | | |
| Federal revenues: | | |
| Federal revenues | 136,964,800 | 136,964,800 |
| Special revenue funds: | | |
| Private foundations | 250,000 | 250,000 |
| Certification fees | 64,600 | 64,600 |
| State general fund/general purpose | $ 37,590,700 | $ 37,590,700 |
| **Sec. 5-109. STATE AID AND SCHOOL FINANCE SERVICES** | | |
| Full-time equated classified positions | 11.5 | 11.5 |
| State aid and school finance operations-11.5 FTE positions | $ 1,638,600 | $ 1,638,600 |
| **GROSS APPROPRIATION** | **$ 1,638,600** | **$ 1,638,600** |
| Appropriated from: | | |
| Special revenue funds: | | |
| State general fund/general purpose | $ 1,638,600 | $ 1,638,600 |
| **Sec. 5-110. AUDIT SERVICES** | | |
| Full-time equated classified positions | 4.5 | 4.5 |
| Audit operations-4.5 FTE positions | $ 612,500 | $ 612,500 |
| **GROSS APPROPRIATION** | **$ 612,500** | **$ 612,500** |
| Appropriated from: | | |
| Federal revenues: | | |

| | For Fiscal Year Ending Sept. 30, 2017 | For Fiscal Year Ending Sept. 30, 2018 |
|---|---|---|
| Federal indirect funds ..... | 486,800 | 486,800 |
| Special revenue funds: | | |
| Certification fees ..... | 62,300 | 62,300 |
| State general fund/general purpose ..... | $ 63,400 | $ 63,400 |
| **Sec. 5-111. ADMINISTRATIVE LAW SERVICES** | | |
| Full-time equated classified positions..... | 2.0 | 2.0 |
| Administrative law operations-2.0 FTE positions ..... | $ 1,364,300 | $ 1,364,300 |
| **GROSS APPROPRIATION ..... | **$ 1,364,300** | **$ 1,364,300** |
| Appropriated from: | | |
| Federal revenues: | | |
| Federal revenues ..... | 564,200 | 564,200 |
| Special revenue funds: | | |
| Certification fees ..... | 701,500 | 701,500 |
| State general fund/general purpose ..... | $ 98,600 | $ 98,600 |
| **Sec. 5-112. ACCOUNTABILITY SERVICES** | | |
| Full-time equated classified positions..... | 64.6 | 64.6 |
| Accountability services operations-64.6 FTE positions . | $ 14,619,400 | $ 14,619,400 |
| **GROSS APPROPRIATION ..... | **$ 14,619,400** | **$ 14,619,400** |
| Appropriated from: | | |
| Federal revenues: | | |
| Federal revenues ..... | 13,476,200 | 13,476,200 |
| Special revenue funds: | | |
| State general fund/general purpose ..... | $ 1,143,200 | $ 1,143,200 |
| **Sec. 5-113. SCHOOL SUPPORT SERVICES** | | |
| Full-time equated classified positions..... | 83.6 | 83.6 |
| School support services operations-83.6 FTE positions . | $ 15,495,200 | $ 15,495,200 |
| **GROSS APPROPRIATION ..... | **$ 15,495,200** | **$ 15,495,200** |
| Appropriated from: | | |
| Federal revenues: | | |
| Federal revenues ..... | 14,455,700 | 14,455,700 |
| Special revenue funds: | | |
| Local school district service fees ..... | 11,700 | 11,700 |

| | For Fiscal Year Ending Sept. 30, 2017 | For Fiscal Year Ending Sept. 30, 2018 |
|---|---|---|
| Certification fees ..... | 86,900 | 86,900 |
| Commodity distribution fees ..... | 71,700 | 71,700 |
| State general fund/general purpose ..... | $ 869,200 | $ 869,200 |
| **Sec. 5-114. FIELD SERVICES** | | |
| Full-time equated classified positions..... | 45.0 | 45.0 |
| Field services operations-45.0 FTE positions ..... | $ 9,349,200 | $ 9,349,200 |
| **GROSS APPROPRIATION ..... | **$ 9,349,200** | **$ 9,349,200** |
| Appropriated from: | | |
| Federal revenues: | | |
| Federal revenues ..... | 8,599,200 | 8,599,200 |
| Special revenue funds: | | |
| Certification fees ..... | 37,300 | 37,300 |
| State general fund/general purpose ..... | $ 712,700 | $ 712,700 |
| **Sec. 5-115. EDUCATIONAL IMPROVEMENT AND INNOVATION SERVICES** | | |
| Full-time equated classified positions..... | 49.7 | 49.7 |
| Educational improvement and innovation operations-49.7 FTE positions..... | $ 9,689,900 | $ 9,689,900 |
| **GROSS APPROPRIATION ..... | **$ 9,689,900** | **$ 9,689,900** |
| Appropriated from: | | |
| Federal revenues: | | |
| Federal revenues ..... | 6,596,600 | 6,596,600 |
| Special revenue funds: | | |
| Certification fees ..... | 565,100 | 565,100 |
| State general fund/general purpose ..... | $ 2,528,200 | $ 2,528,200 |
| **Sec. 5-116. CAREER AND TECHNICAL EDUCATION** | | |
| Full-time equated classified positions..... | 29.0 | 29.0 |
| Career and technical education operations-29.0 FTE positions..... | $ 5,220,800 | $ 5,220,800 |
| **GROSS APPROPRIATION ..... | **$ 5,220,800** | **$ 5,220,800** |
| Appropriated from: | | |
| Federal revenues: | | |
| Federal revenues ..... | 3,887,400 | 3,887,400 |

| | For Fiscal Year Ending Sept. 30, 2017 | For Fiscal Year Ending Sept. 30, 2018 |
|---|---|---|
| Special revenue funds: | | |
| State general fund/general purpose | $ 1,333,400 | $ 1,333,400 |
| **Sec. 5-117. LIBRARY OF MICHIGAN** | | |
| Full-time equated classified positions | 33.0 | 33.0 |
| Library of Michigan operations-31.0 FTE positions | $ 4,497,400 | $ 4,497,400 |
| Library services and technology program-1.0 FTE position | 5,610,100 | 5,610,100 |
| State aid to libraries | 9,876,000 | 9,876,000 |
| Michigan eLibrary-1.0 FTE position | 1,752,300 | 1,752,300 |
| Renaissance zone reimbursements | 5,300,000 | 5,300,000 |
| **GROSS APPROPRIATION** | **$ 27,035,800** | **$ 27,035,800** |
| Appropriated from: | | |
| Federal revenues: | | |
| Federal revenues | 5,610,100 | 5,610,100 |
| Special revenue funds: | | |
| State general fund/general purpose | $ 21,425,700 | $ 21,425,700 |
| **Sec. 5-118. EDUCATOR TALENT AND POLICY COORDINATION** | | |
| Full-time equated classified positions | 17.0 | 17.0 |
| Educator talent and policy coordination operations-17.0 FTE positions | $ 2,574,200 | $ 2,574,200 |
| **GROSS APPROPRIATION** | **$ 2,574,200** | **$ 2,574,200** |
| Appropriated from: | | |
| Federal revenues: | | |
| Federal revenues | 627,400 | 627,400 |
| Certification fees | 239,600 | 239,600 |
| Special revenue funds: | | |
| State general fund/general purpose | $ 1,707,200 | $ 1,707,200 |
| **Sec. 5-119. ONE-TIME APPROPRIATIONS** | | |
| Certification fees subsidy | $ 500,000 | $ 0 |
| Flint declaration of emergency | 8,050,100 | 0 |
| **GROSS APPROPRIATION** | **$ 8,550,100** | **$ 0** |
| Appropriated from: | | |

| | For Fiscal Year Ending Sept. 30, 2017 | For Fiscal Year Ending Sept. 30, 2018 |
|---|---|---|
| Federal revenues: | | |
| Federal revenues ..... | 8,050,000 | 0 |
| Special revenue funds: | | |
| Flint emergency reserve fund ..... | 100 | 0 |
| State general fund/general purpose ..... | $ 500,000 | $ 0 |

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FISCAL YEAR 2017

**GENERAL SECTIONS**

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

DEPARTMENT OF EDUCATION

| | |
|---|---|
| State aid to libraries ..... | $ 9,876,000 |
| Renaissance zone reimbursements ..... | 5,300,000 |
| TOTAL ..... | $ 15,176,000 |

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

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

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

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

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

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

site.

Sec. 5-205. Funds appropriated in part 1 shall not be used for the purchase of foreign goods or services, or both, if competitively priced and of comparable quality American goods or services, or both, are available. Preference shall be given to goods or services, or both, manufactured or provided by Michigan businesses, if they are competitively priced and of comparable quality. In addition, preference should be given to goods or services, or both, that are manufactured or provided by Michigan businesses owned and operated by veterans, if they are competitively priced and of comparable quality.

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

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

(a) The dates of each travel occurrence.

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

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

Sec. 5-209. Not later than November 30, the state budget office shall prepare and

transmit a report that provides for estimates of the total general fund/general purpose appropriation lapses at the close of the prior fiscal year. This report shall summarize the projected year-end general fund/general purpose appropriation lapses by major departmental program or program areas. The report shall be transmitted to the chairpersons of the senate and house appropriations committees, and the senate and house fiscal agencies.

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

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

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

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

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

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

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

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

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

(e) Job specifications and wage rates.

Sec. 5-212. Within 14 days after the release of the executive budget recommendation,

the department shall cooperate with the state budget office to provide the senate and house appropriations chairs, the senate and house appropriations subcommittees chairs, and the senate and house fiscal agencies with an annual report on estimated state restricted fund balances, state restricted fund projected revenues, and state restricted fund expenditures for the fiscal years ending September 30, 2016 and September 30, 2017.

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

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

Sec. 5-215. The department shall provide through the Internet the state board of education agenda and all supporting documents, and shall notify the state budget director and the senate and house fiscal agencies that the agenda and supporting documents are available on the Internet, at the time the agenda and supporting documents are provided to state board of education members.

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

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

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

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

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

**STATE BOARD OF EDUCATION/OFFICE OF THE SUPERINTENDENT**

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

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

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

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

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

**MICHIGAN SCHOOLS FOR THE DEAF AND BLIND**

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

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

Sec. 5-406. (1) The Michigan schools for the deaf and blind may promote its

residential program as a possible appropriate option for children who are deaf or hard of hearing or who are blind or visually impaired. The Michigan schools for the deaf and blind shall distribute information detailing its services to all intermediate school districts in the state.

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

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

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

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

**PROFESSIONAL PREPARATION SERVICES**

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

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

**FIELD SERVICES**

Sec. 5-701. (1) From the funds appropriated in part 1 for field services operations,

the department shall produce a report detailing the progress made by districts with grades K-3 receiving at-risk funding under section 31a of the state aid act, 1979 PA 94, MCL 388.1631a in implementing multi-tiered systems of supports in the prior school fiscal year.

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

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

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

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

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

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

**LIBRARY OF MICHIGAN**

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

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

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

eligible public libraries.

**SPECIAL EDUCATION SERVICES**

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

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

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

**MICHIGAN OFFICE OF GREAT START**

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

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

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

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

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

(e) The types of activities that are intended to improve licensing consultant

performance and child care provider quality and the number of times those activities are performed by the managers and administrators.

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

**ONE-TIME APPROPRIATIONS**

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

(a) Pilot the expansion of child development and care eligibility to children ages birth to three for half-day childcare services by removing household income as a determinate of eligibility.

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

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

## Article 6

## DEPARTMENT OF ENVIRONMENTAL QUALITY

PART 1

LINE-ITEM APPROPRIATIONS AND ANTICIPATED APPROPRIATIONS

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

| | For Fiscal Year Ending Sept. 30, 2017 | For Fiscal Year Ending Sept. 30, 2018 |
|---|---|---|
| **DEPARTMENT OF ENVIRONMENTAL QUALITY** | | |
| **APPROPRIATION SUMMARY** | | |
| Full-time equated unclassified positions..... | 6.0 | 6.0 |
| Full-time equated classified positions..... | 1,232.0 | 1,222.0 |
| **GROSS APPROPRIATION ..... | **$ 513,499,400** | **$ 486,749,300** |
| Total interdepartmental grants and intradepartmental transfers..... | 9,225,700 | 9,225,700 |
| ADJUSTED GROSS APPROPRIATION ..... | $ 504,273,700 | $ 477,523,600 |
| Total federal revenues ..... | 138,687,200 | 138,687,200 |
| Total local revenues ..... | 0 | 0 |
| Total private revenues ..... | 555,300 | 555,300 |
| Total other state restricted revenues ..... | 317,344,800 | 302,944,700 |
| State general fund/general purpose ..... | $ 47,686,400 | $ 35,336,400 |
| *State general fund/general purpose schedule:* | | |
| *Ongoing state general fund/general purpose .....* | *35,336,400* | *35,366,400* |
| *One-time general fund/general purpose .....* | *12,350,000* | *0* |
| **Sec. 6-102. EXECUTIVE OPERATIONS** | | |
| Full-time equated unclassified positions..... | 6.0 | 6.0 |
| Full-time equated classified positions..... | 13.0 | 13.0 |
| Unclassified salaries ..... | $ 754,000 | $ 754,000 |
| Executive direction-13.0 FTE positions ..... | 2,099,400 | 2,099,400 |
| **GROSS APPROPRIATION ..... | **$ 2,853,400** | **$ 2,853,400** |
| Appropriated from: | | |
| Federal revenues ..... | 27,600 | 27,600 |
| State restricted revenues ..... | 1,317,500 | 1,317,500 |
| State general fund/general purpose ..... | $ 1,508,300 | $ 1,508,300 |
| **Sec. 6-103. OFFICE OF THE GREAT LAKES** | | |
| Full-time equated classified positions..... | 12.0 | 12.0 |
| Office of the Great Lakes-12.0 FTE positions ..... | $ 2,170,700 | $ 2,170,700 |
| Coastal management grants ..... | 1,250,000 | 1,250,000 |
| **GROSS APPROPRIATION ..... | **$ 3,420,700** | **$ 3,420,700** |
| Appropriated from: | | |

| | For Fiscal Year Ending Sept. 30, 2017 | For Fiscal Year Ending Sept. 30, 2018 |
|---|---|---|
| Federal revenues | 2,037,900 | 2,037,900 |
| State restricted revenues | 483,100 | 483,100 |
| State general fund/general purpose | $ 899,700 | $ 899,700 |
| **Sec. 6-104. GREAT LAKES RESTORATION INITIATIVE** | | |
| Full-time equated classified positions | 6.0 | 6.0 |
| Great Lakes restoration initiative-6.0 FTE positions | $ 15,090,700 | $ 15,090,700 |
| **GROSS APPROPRIATION** | **$ 15,090,700** | **$ 15,090,700** |
| Appropriated from: | | |
| Federal revenues | 15,090,700 | 15,090,700 |
| State general fund/general purpose | $ 0 | $ 0 |
| **Sec. 6-105. DEPARTMENT SUPPORT SERVICES** | | |
| Full-time equated classified positions | 34.0 | 34.0 |
| Central support services-34.0 FTE positions | $ 4,147,800 | $ 4,147,800 |
| Accounting service center | 1,391,400 | 1,391,400 |
| Administrative hearings | 381,200 | 381,200 |
| Automated data processing | 2,053,400 | 2,053,400 |
| Building occupancy charges | 4,582,800 | 4,582,800 |
| Environmental support projects | 5,000,000 | 5,000,000 |
| Rent | 2,240,600 | 2,240,600 |
| **GROSS APPROPRIATION** | **$ 19,797,200** | **$ 19,797,200** |
| Appropriated from: | | |
| Interdepartmental grant revenues | 2,266,800 | 2,266,800 |
| State restricted revenues | 15,441,600 | 15,441,600 |
| State general fund/general purpose | $ 2,088,800 | $ 2,088,800 |
| **Sec. 6-106. OFFICE OF ENVIRONMENTAL ASSISTANCE** | | |
| Full-time equated classified positions | 38.0 | 38.0 |
| Office of environmental assistance-38.0 FTE positions | $ 6,257,700 | $ 6,257,700 |
| Pollution prevention local grants | 250,000 | 250,000 |
| **GROSS APPROPRIATION** | **$ 6,507,700** | **$ 6,507,700** |
| Appropriated from: | | |
| Federal revenues | 704,800 | 704,800 |
| Private revenues | 364,200 | 364,200 |

| | For Fiscal Year Ending Sept. 30, 2017 | For Fiscal Year Ending Sept. 30, 2018 |
|---|---|---|
| State restricted revenues ..... | 2,571,200 | 2,571,200 |
| State general fund/general purpose ..... | $ 2,867,500 | $ 2,867,500 |
| **Sec. 6-107. WATER RESOURCE DIVISION** | | |
| Full-time equated classified positions..... | 316.0 | 316.0 |
| Land and water interface permit programs-82.0 FTE positions..... | $ 11,659,600 | $ 11,659,600 |
| Program direction and project assistance-27.0 FTE positions..... | 3,030,700 | 3,030,700 |
| Water withdrawal assessment programs-4.0 FTE positions | 1,423,500 | 1,423,500 |
| Expedited water/wastewater permits-1.0 FTE position ... | 50,900 | 50,900 |
| Fish contaminant monitoring ..... | 316,100 | 316,100 |
| Groundwater discharge permit program-22.0 FTE positions | 3,215,900 | 3,215,900 |
| Aquatic nuisance control program-6.0 FTE positions .... | 913,200 | 913,200 |
| NPDES nonstormwater program-83.0 FTE positions ..... | 13,003,900 | 13,003,900 |
| Surface water-86.0 FTE positions ..... | 15,871,800 | 15,871,800 |
| Water quality and use initiative-5.0 FTE positions .... | 1,645,700 | 1,645,700 |
| Real-time beach monitoring program ..... | 500,000 | 500,000 |
| Wetlands program ..... | 1,000,000 | 1,000,000 |
| Federal - Great Lakes remedial action plan grants ..... | 583,800 | 583,800 |
| Federal - nonpoint source water pollution grants ..... | 4,083,300 | 4,083,300 |
| Contaminated lake and river sediment cleanup program .. | 1,565,000 | 1,565,000 |
| Nonpoint source pollution prevention and control project program..... | 2,000,000 | 2,000,000 |
| Wetland mitigation banking grants and loans ..... | 3,000,000 | 3,000,000 |
| Water quality protection grants ..... | 100,000 | 100,000 |
| **GROSS APPROPRIATION ..... | **$ 63,963,400** | **$ 63,963,400** |
| Appropriated from: | | |
| Interdepartmental grant revenues ..... | 1,249,000 | 1,249,000 |
| Federal revenues ..... | 19,479,100 | 19,479,100 |
| State restricted revenues ..... | 25,039,200 | 25,039,200 |
| State general fund/general purpose ..... | $ 18,196,100 | $ 18,196,100 |
| **Sec. 6-108. LAW ENFORCEMENT DIVISION** | | |

| | For Fiscal Year Ending Sept. 30, 2017 | For Fiscal Year Ending Sept. 30, 2018 |
|---|---|---|
| Full-time equated classified positions..... | 14.0 | 14.0 |
| Environmental investigations-14.0 FTE positions ..... | $ 2,837,200 | $ 2,837,200 |
| **GROSS APPROPRIATION ..... | **$ 2,837,200** | **$ 2,837,200** |
| Appropriated from: | | |
| Interdepartmental grant revenues ..... | 15,800 | 15,800 |
| Federal revenues ..... | 575,700 | 575,700 |
| State restricted revenues ..... | 1,675,700 | 1,675,700 |
| State general fund/general purpose ..... | $ 570,000 | $ 570,000 |
| **Sec. 6-109. AIR QUALITY DIVISION** | | |
| Full-time equated classified positions..... | 188.0 | 188.0 |
| Air quality programs-188.0 FTE positions ..... | $ 27,231,500 | $ 27,231,500 |
| **GROSS APPROPRIATION ..... | **$ 27,231,500** | **$ 27,231,500** |
| Appropriated from: | | |
| Federal revenues ..... | 7,450,200 | 7,450,200 |
| State restricted revenues ..... | 15,377,000 | 15,377,000 |
| State general fund/general purpose ..... | $ 4,404,300 | $ 4,404,300 |
| **Sec. 6-110. RESOURCE MANAGEMENT DIVISION** | | |
| Full-time equated classified positions..... | 305.0 | 305.0 |
| Drinking water and environmental health-106.0 FTE positions..... | $ 14,901,900 | $ 14,901,900 |
| Hazardous waste management program-45.0 FTE positions . | 6,946,100 | 6,946,100 |
| Low-level radioactive waste authority-2.0 FTE positions | 232,600 | 232,600 |
| Medical waste program-2.0 FTE positions ..... | 302,300 | 302,300 |
| Municipal assistance-29.0 FTE positions ..... | 4,800,500 | 4,800,500 |
| Radiological protection program-12.0 FTE positions .... | 1,966,500 | 1,966,500 |
| Recycling initiative-3.0 FTE positions ..... | 1,008,700 | 1,008,700 |
| Scrap tire regulatory program-10.0 FTE positions ..... | 1,334,700 | 1,334,700 |
| Oil, gas and mineral services-59.0 FTE positions ..... | 6,794,800 | 6,794,800 |
| Solid waste management program-37.0 FTE positions ..... | 5,026,400 | 5,026,400 |
| Scrap tire grants ..... | 3,500,000 | 3,500,000 |
| Drinking water program grants ..... | 830,000 | 830,000 |
| Noncommunity water grants ..... | 2,000,000 | 2,000,000 |

| | For Fiscal Year Ending Sept. 30, 2017 | For Fiscal Year Ending Sept. 30, 2018 |
|---|---|---|
| Septage waste compliance grants ..... | 275,000 | 275,000 |
| Strategic water quality initiative grants and loans ... | 97,000,000 | 97,000,000 |
| Water pollution control and drinking water revolving fund | 84,993,000 | 84,993,000 |
| **GROSS APPROPRIATION ..... $** | **231,912,500 $** | **231,912,500** |
| Appropriated from: | | |
| Interdepartmental grant revenues ..... | 1,658,600 | 1,658,600 |
| Federal revenues ..... | 86,027,300 | 86,027,300 |
| State restricted revenues ..... | 139,860,500 | 139,860,500 |
| State general fund/general purpose ..... $ | 4,366,100 $ | 4,366,100 |
| **Sec. 6-111. REMEDIATION AND REDEVELOPMENT DIVISION** | | |
| Full-time equated classified positions..... | 291.0 | 291.0 |
| Contaminated site investigation, cleanup, and revitalization-127.0 FTE positions..... $ | 13,859,200 $ | 13,859,200 |
| Federal cleanup project management-40.0 FTE positions . | 6,934,500 | 6,934,500 |
| Laboratory services-39.0 FTE positions ..... | 6,175,300 | 6,175,300 |
| Emergency cleanup actions ..... | 4,000,000 | 4,000,000 |
| Environmental cleanup support ..... | 1,840,000 | 1,840,000 |
| Environmental cleanup and redevelopment program ..... | 29,900,000 | 15,000,000 |
| Refined petroleum product cleanup program-85.0 FTE positions..... | 34,475,700 | 35,675,700 |
| Superfund cleanup ..... | 1,000,000 | 1,000,000 |
| **GROSS APPROPRIATION ..... $** | **98,184,700 $** | **84,484,700** |
| Appropriated from: | | |
| Interdepartmental grant revenues ..... | 3,858,800 | 3,858,800 |
| Federal revenues ..... | 6,305,400 | 6,305,400 |
| Private revenues ..... | 191,100 | 191,100 |
| State restricted revenues ..... | 87,829,400 | 74,129,400 |
| State general fund/general purpose ..... $ | 0 $ | 0 |
| **Sec. 6-112. UNDERGROUND STORAGE TANK AUTHORITY** | | |
| Full-time equated classified positions..... | 5.0 | 5.0 |
| Underground storage tank cleanup program-5.0 FTE position..... $ | 20,011,400 $ | 20,011,400 |

| | For Fiscal Year Ending Sept. 30, 2017 | For Fiscal Year Ending Sept. 30, 2018 |
|---|---|---|
| **GROSS APPROPRIATION** | **$ 20,011,400** | **$ 20,011,400** |
| Appropriated from: | | |
| State restricted revenues | 20,011,400 | 20,011,400 |
| State general fund/general purpose | $ 0 | $ 0 |
| **Sec. 6-113. INFORMATION TECHNOLOGY** | | |
| Information technology services and projects | $ 8,638,900 | $ 8,638,900 |
| **GROSS APPROPRIATION** | **$ 8,638,900** | **$ 8,638,900** |
| Appropriated from: | | |
| Interdepartmental grant revenues | 176,700 | 176,700 |
| Federal revenues | 988,500 | 988,500 |
| State restricted revenues | 7,038,100 | 7,038,100 |
| State general fund/general purpose | $ 435,600 | $ 435,600 |
| **Sec. 6-114. ONE-TIME APPROPRIATIONS** | | |
| Full-time equated classified positions | 10.0 | 0.0 |
| Contaminated lake and river sediment cleanup program (one-time) | $ 700,000 | $ 0 |
| Flint declaration of emergency-10.0 FTE positions | 5,400,100 | 0 |
| Oil, gas and mineral services (one-time) | 4,000,000 | 0 |
| Water pollution control and drinking water revolving fund | 2,950,000 | 0 |
| **GROSS APPROPRIATION** | **$ 13,050,100** | **$ 0** |
| Appropriated from: | | |
| State restricted revenues | 700,100 | 0 |
| State general fund/general purpose | $ 12,350,000 | $ 0 |

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FISCAL YEAR 2017

**GENERAL SECTIONS**

Sec. 6-201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for fiscal year 2016-2017 is

$365,031,200.00 and state spending from state resources to be paid to local units of government for fiscal year 2016-2017 is $3,750,000.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF ENVIRONMENTAL QUALITY

| | | |
|---|---|---|
| Drinking water and environmental health | $ | 212,000 |
| Drinking water program grants | | 157,000 |
| Emergency cleanup actions | | 106,000 |
| Noncommunity water grants | | 1,700,000 |
| Scrap tire grants | | 500,000 |
| Pollution prevention local grants | | 250,000 |
| Real-time beach monitoring program | | 500,000 |
| Septage waste compliance grants | | 100,000 |
| Solid waste management program | | 65,000 |
| Surface water | | 160,000 |
| TOTAL | $ | 3,750,000 |

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

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

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

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

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

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

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

Sec. 6-205. Funds appropriated in part 1 shall not be used for the purchase of foreign goods or services, or both, if competitively priced and of comparable quality American goods or services, or both, are available. Preference shall be given to goods or services, or both, manufactured or provided by Michigan businesses, if they are competitively priced and of comparable quality. In addition, preference should be given to

goods or services, or both, that are manufactured or provided by Michigan businesses owned and operated by veterans, if they are competitively priced and of comparable quality.

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

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

(a) The dates of each travel occurrence.

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

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

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

Sec. 6-210. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed $30,000,000.00 for federal contingency funds. These

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

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

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

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

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

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

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

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

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

(e) Job specifications and wage rates.

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

Sec. 6-213. The department shall maintain, on a publicly accessible website, a department scorecard that identifies, tracks and regularly updates key metrics that are

used to monitor and improve the agency's performance.

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

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

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

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

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

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

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

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

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

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

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

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

(c) The total amount of bonds issued for the environmental protection bond program pursuant to part 193 of the natural resources and environmental protection act, 1994 PA

451, MCL 324.19301 to 324.19306, and bonds issued pursuant to the clean Michigan initiative act, 1998 PA 284, MCL 324.95101 to 324.95108.

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

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

(2) Unexpended and unencumbered amounts remaining from appropriations from the environmental protection bond fund contained in 2003 PA 173, 2005 PA 109, 2006 PA 343, 2011 PA 63, and 2012 PA 236 are appropriated for expenditure for any site listed in this part and part 1 and any site listed in the public acts referenced in this section.

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

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

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

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

**REMEDIATION AND REDEVELOPMENT DIVISION**

Sec. 6-301. Revenues remaining in the interdepartmental transfers, laboratory

services at the end of the fiscal year shall carry forward into the succeeding fiscal year.

Sec. 6-302. The unexpended funds appropriated in part 1 for emergency cleanup actions, the environmental cleanup and redevelopment program, and the refined petroleum product cleanup program are considered work project appropriations and any unencumbered or unallotted funds are carried forward into the succeeding fiscal year. The following is in compliance with section 451a(1) of the management and budget act, 1984 PA 431, MCL 18.1451a:

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

(b) The projects will be accomplished by contract.

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

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

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

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

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

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

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

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

(2) Upon the sale of bonds for projects described in subsection (1), the department

shall credit the general fund of the state an amount equal to that expended from the general fund.

**RESOURCE MANAGEMENT DIVISION**

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

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

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

(b) The projects will be accomplished by contract.

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

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

**UNDERGROUND STORAGE TANK AUTHORITY**

Sec. 6-701. The unexpended funds appropriated in part 1 for the underground storage tank cleanup program are considered work project appropriations and any unencumbered or unallotted funds are carried forward into the succeeding fiscal year. The following is in compliance with section 451a(1) of the management and budget act, 1984 PA 431, MCL 18.1451a:

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

(b) The projects will be accomplished by contract.

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

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

**ONE-TIME APPROPRIATIONS**

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

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

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

**Article 7**

**EXECUTIVE OFFICE**

PART 1

LINE-ITEM APPROPRIATIONS AND ANTICIPATED APPROPRIATIONS

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

| | For Fiscal Year Ending Sept. 30, 2017 | For Fiscal Year Ending Sept. 30, 2018 |
|---|---|---|
| **EXECUTIVE OFFICE** | | |
| **APPROPRIATION SUMMARY** | | |
| Full-time equated unclassified positions..... | 10.0 | 10.0 |
| Full-time equated classified positions..... | 74.2 | 74.2 |
| **GROSS APPROPRIATION ..... | **$ 5,636,300** | **$ 5,636,300** |
| Total interdepartmental grants and intradepartmental transfers..... | 0 | 0 |
| ADJUSTED GROSS APPROPRIATION ..... | $ 5,636,300 | $ 5,636,300 |
| Total federal revenues ..... | 0 | 0 |
| Total local revenues ..... | 0 | 0 |
| Total private revenues ..... | 0 | 0 |
| Total other state restricted revenues ..... | 0 | 0 |
| State general fund/general purpose ..... | $ 5,636,300 | $ 5,636,300 |
| *State general fund/general purpose schedule:* | | |
| *Ongoing state general fund/general purpose ..... | *5,636,300* | *5,636,300* |
| *One-time state general fund/general purpose ..... | *0* | *0* |
| **Sec. 7-102. EXECUTIVE OFFICE OPERATIONS** | | |
| Full-time equated unclassified positions..... | 10.0 | 10.0 |
| Full-time equated classified positions..... | 74.2 | 74.2 |
| Governor ..... | $ 159,300 | $ 159,300 |
| Lieutenant governor ..... | 111,600 | 111,600 |
| Executive office-74.2 FTE positions ..... | 4,108,100 | 4,108,100 |
| Unclassified positions-8.0 FTE positions ..... | 1,257,300 | 1,257,300 |
| **GROSS APPROPRIATION ..... | **$ 5,636,300** | **$ 5,636,300** |
| Appropriated from: | | |
| Special revenue funds: | | |
| State general fund/general purpose ..... | $ 5,636,300 | $ 5,636,300 |

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FISCAL YEAR 2017

**GENERAL SECTIONS**

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

## Article 8

## DEPARTMENT OF HEALTH AND HUMAN SERVICES

PART 1

LINE-ITEM APPROPRIATIONS AND ANTICIPATED APPROPRIATIONS

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

| | For Fiscal Year Ending Sept. 30, 2017 | For Fiscal Year Ending Sept. 30, 2018 |
|---|---|---|
| **DEPARTMENT OF HEALTH AND HUMAN SERVICES** | | |
| **APPROPRIATION SUMMARY** | | |
| Full-time equated classified positions..... | 15,554.5 | 15,553.5 |
| Unclassified positions..... | 6.0 | 6.0 |
| Total full-time equated positions..... | 15,560.5 | 15,559.5 |
| **GROSS APPROPRIATION ..... | **$ 24,707,967,700** | **$ 24,434,360,300** |
| Interdepartmental grant revenues: | | |
| Total interdepartmental grants and intradepartmental transfers..... | 13,513,700 | 13,513,700 |
| ADJUSTED GROSS APPROPRIATION ..... | $ 24,694,454,000 | $ 24,420,846,600 |
| Federal revenues: | | |
| Social security act, temporary assistance for needy families..... | 556,929,300 | 533,947,800 |
| Federal supplemental security income ..... | 8,588,600 | 8,588,600 |
| Total other federal revenues ..... | 17,169,165,700 | 16,923,106,700 |
| Special revenue funds: | | |
| Total private revenues ..... | 156,279,300 | 156,279,300 |
| Total local revenues ..... | 123,892,300 | 123,892,300 |
| Total other state restricted revenues ..... | 2,328,831,500 | 2,362,899,800 |
| State general fund/general purpose ..... | $ 4,350,767,300 | $ 4,312,132,100 |
| *State general fund/general purpose schedule:* | | |
| *Ongoing state general fund/general purpose .....* | *4,310,548,100* | *4,312,132,100* |
| *One-time general fund/general purpose .....* | *40,219,200* | *0* |
| **Sec. 8-102. DEPARTMENTWIDE ADMINISTRATION** | | |
| Full-time equated unclassified positions..... | 6.0 | 6.0 |
| Full-time equated classified positions..... | 714.2 | 714.2 |
| Director and other unclassified-6.0 FTE positions ..... | $ 1,119,300 | $ 1,119,300 |
| Departmental administration and management-520.2 FTE positions..... | 82,269,600 | 82,269,600 |
| Demonstration projects—7.0 FTE positions ..... | 6,905,100 | 6,905,100 |
| Developmental disabilities council and projects-10.0 FTE positions..... | 3,067,000 | 3,067,000 |

| | For Fiscal Year Ending Sept. 30, 2017 | For Fiscal Year Ending Sept. 30, 2018 |
|---|---|---|
| Information technology projects and services ..... | 158,998,300 | 158,998,300 |
| Michigan Medicaid information system ..... | 50,634,400 | 50,634,400 |
| Office of inspector general—177.0 FTE positions ..... | 21,633,000 | 21,633,000 |
| Rent and state office facilities ..... | 62,783,800 | 62,783,800 |
| State office of administrative hearings and rules ..... | 11,140,300 | 11,140,300 |
| Terminal pay and other employee costs ..... | 5,686,100 | 5,686,100 |
| Worker's compensation program ..... | 7,956,500 | 7,956,500 |
| **GROSS APPROPRIATION ..... | **$ 412,193,400** | **$ 412,193,400** |
| Appropriated from: | | |
| Interdepartmental grant revenues: | | |
| IDG from department of education ..... | 2,979,000 | 2,979,000 |
| Federal revenues: | | |
| Social security act, temporary assistance for needy families..... | 33,546,800 | 33,546,800 |
| Total other federal revenues ..... | 192,558,400 | 192,558,400 |
| Special revenue funds: | | |
| Total local revenues ..... | 16,400 | 16,400 |
| Total private revenues ..... | 23,842,000 | 23,842,000 |
| Total other state restricted revenues ..... | 2,836,300 | 2,836,300 |
| State general fund/general purpose ..... | $ 156,414,500 | $ 156,414,500 |
| **Sec. 8-103. CHILD SUPPORT ENFORCEMENT** | | |
| Full-time equated classified positions..... | 185.7 | 185.7 |
| Child support enforcement operations—179.7 FTE positions..... | $ 22,151,300 | $ 22,151,300 |
| Legal support contracts ..... | 113,359,100 | 113,359,100 |
| Child support incentive payments ..... | 24,409,600 | 24,409,600 |
| State disbursement unit—6.0 FTE positions ..... | 8,101,700 | 8,101,700 |
| Child support automation ..... | 41,877,600 | 41,877,600 |
| **GROSS APPROPRIATION ..... | **$ 209,899,300** | **$ 209,899,300** |
| Appropriated from: | | |
| Federal revenues: | | |
| Total other federal revenues ..... | 175,393,000 | 175,393,000 |

| | For Fiscal Year Ending Sept. 30, 2017 | For Fiscal Year Ending Sept. 30, 2018 |
|---|---|---|
| State general fund/general purpose | $ 34,506,300 | $ 34,506,300 |
| **Sec. 8-104. COMMUNITY SERVICES AND OUTREACH** | | |
| Full-time equated classified positions | 70.6 | 70.6 |
| Bureau of community services and outreach—16.0 FTE positions | $ 2,103,700 | $ 2,103,700 |
| Community services block grants | 25,840,000 | 25,840,000 |
| Weatherization assistance | 16,340,000 | 16,340,000 |
| School success partnership program | 450,000 | 450,000 |
| Homeless programs | 15,721,900 | 15,721,900 |
| Domestic violence prevention and treatment-14.6 FTE positions | 15,766,200 | 15,766,200 |
| Rape prevention and services-0.5 FTE position | 5,097,300 | 5,097,300 |
| Child advocacy centers-0.5 FTE position | 2,000,000 | 2,000,000 |
| Michigan community service commission-15.0 FTE positions | 11,621,300 | 11.621,300 |
| Housing and support services | 13,031,000 | 13,031,000 |
| Grants administration services-13.0 FTE positions | 2,165,100 | 2,165,100 |
| Justice assistance grants | 59,279,300 | 59,279,300 |
| Crime victim rights services grants | 16,870,000 | 16,870,000 |
| Community services and outreach administration-11.0 FTE positions | 1,459,100 | 1,459,100 |
| **GROSS APPROPRIATION** | **$ 187,744,900** | **$ 187,744,900** |
| Appropriated from: | | |
| Federal revenues: | | |
| Social security act, temporary assistance for needy families | 11,673,100 | 11,673,100 |
| Total other federal revenues | 142,139,000 | 142,139,000 |
| Special revenue funds: | | |
| Private - collections | 44,100 | 44,100 |
| Child advocacy centers fund | 2,000,000 | 2,000,000 |
| Sexual assault victims' prevention and treatment fund | 3,000,000 | 3,000,000 |
| Compulsive gambling prevention fund | 1,043,100 | 1,043,100 |

| | For Fiscal Year Ending Sept. 30, 2017 | For Fiscal Year Ending Sept. 30, 2018 |
|---|---|---|
| Crime victims rights fund ..... | 15,327,200 | 15,327,200 |
| State general fund/general purpose ..... | $ 12,518,400 | $ 12,518,400 |
| **Sec. 8-105. CHILDREN'S SERVICES AGENCY – CHILD WELFARE** | | |
| Full-time equated classified positions..... | 3,848.2 | 3,848.2 |
| Children's services administration-169.0 FTE positions..... | $ 19,513,200 | $ 19,513,200 |
| Title IV-E compliance and accountability office-4.0 FTE positions..... | 421,300 | 421,300 |
| Child welfare field staff - caseload compliance-2,511.0 FTE positions..... | 230,862,600 | 230,862,600 |
| Child welfare field staff – noncaseload compliance-320.0 FTE positions..... | 33,671,400 | 33,671,400 |
| Education planners-15.0 FTE positions ..... | 1,521,100 | 1,521,100 |
| Peer coaches-45.5 FTE positions ..... | 5,702,100 | 5,702,100 |
| Child welfare first line supervisors-578.0 FTE positions..... | 72,313,800 | 72,313,800 |
| Second line supervisors and technical staff-54.0 FTE positions..... | 8,833,600 | 8,833,600 |
| Permanency resources managers-28.0 FTE positions ..... | 3,170,200 | 3,170,200 |
| Contractual services, supplies, and materials ..... | 9,280,000 | 9,280,000 |
| Settlement monitor ..... | 1,885,800 | 1,885,800 |
| Foster care payments ..... | 184,213,500 | 184,213,500 |
| Guardianship assistance program ..... | 11,966,500 | 11,966,500 |
| Child care fund ..... | 180,201,700 | 180,201,700 |
| Child care fund administration-4.2 FTE positons ..... | 592,900 | 592,900 |
| Adoption subsidies ..... | 223,365,400 | 223,365,400 |
| Adoption support services-10.0 FTE positions ..... | 26,926,700 | 26,926,700 |
| Youth in transition-4.5 FTE positions ..... | 15,021,900 | 15,021,900 |
| Child welfare medical/psychiatric evaluations ..... | 10,435,500 | 10,435,500 |
| Psychotropic oversight ..... | 618,200 | 618,200 |
| Performance based funding implementation-3.0 FTE positions..... | 1,778,900 | 1,778,900 |

| | For Fiscal Year Ending Sept. 30, 2017 | For Fiscal Year Ending Sept. 30, 2018 |
|---|---|---|
| Family support subsidy | 16,951,400 | 16,951,400 |
| Interstate compact | 179,600 | 179,600 |
| Strong families/safe children | 12,350,100 | 12,350,100 |
| Family preservation programs-23.0 FTE positions | 38,872,800 | 38,872,800 |
| Family preservation and prevention services administration—9.0 FTE positions | 1,291,300 | 1,291,300 |
| Child abuse and neglect – children's justice act—1.0 FTE position | 621,800 | 621,800 |
| Children's trust fund-12.0 FTE positions | 3,323,400 | 3,323,400 |
| Attorney general contract | 4,321,800 | 4,321,800 |
| Prosecuting attorney contracts | 3,061,700 | 3,061,700 |
| Child protection | 800,300 | 800,300 |
| Child welfare licensing-57.0 FTE positions | 6,549,800 | 6,549,800 |
| Child welfare administration travel | 375,000 | 375,000 |
| **GROSS APPROPRIATION** | **$ 1,130,995,300** | **$ 1,130,995,300** |
| Appropriated from: | | |
| Interdepartmental grant revenues: | | |
| IDG from department of education | 90,200 | 90,200 |
| Federal revenues: | | |
| Social security act, temporary assistance for needy families | 312,560,100 | 312,560,100 |
| Total other federal revenues | 365,783,600 | 365,783,600 |
| Special revenue funds: | | |
| Private – collections | 2,424,000 | 2,424,000 |
| Local funds – county chargeback | 14,194,000 | 14,194,000 |
| Children's trust fund | 2,090,500 | 2,090,500 |
| State general fund/general purpose | $ 433,852,900 | $ 433,852,900 |
| **Sec. 8-106. CHILDREN'S SERVICES AGENCY – JUVENILE JUSTICE** | | |
| Full-time equated classified positions | 111.5 | 111.5 |
| W.J. Maxey training school | $ 1,000,000 | $ 1,000,0000 |
| Bay pines center-42.0 FTE positions | 4,933,300 | 4,933,300 |
| Shawono center-42.0 FTE positions | 5,021,400 | 5,021,400 |

| | For Fiscal Year Ending Sept. 30, 2017 | For Fiscal Year Ending Sept. 30, 2018 |
|---|---|---|
| County juvenile officers | 3,904,300 | 3,904,300 |
| Community support services-3.0 FTE positions | 2,110,500 | 2,110,500 |
| Juvenile justice, administration and maintenance-22.0 FTE positions | 3,543,700 | 3,543,700 |
| Committee on juvenile justice administration-2.5 FTE positions | 350,700 | 350,700 |
| Committee on juvenile justice grants | 3,000,000 | 3,000,000 |
| **GROSS APPROPRIATION** | **$ 23,863,900** | **$ 23,863,900** |
| Appropriated from: | | |
| Federal revenues: | | |
| Total other federal revenues | 8,028,400 | 8,028,400 |
| Special revenue funds: | | |
| Local funds – state share education funds | 1,324,200 | 1,324,200 |
| Local funds – county chargeback | 4,512,000 | 4,512,000 |
| State general fund/general purpose | $ 9,999,300 | $ 9,999,300 |
| **Sec. 8-107. PUBLIC ASSISTANCE** | | |
| Full-time equated classified positions | 8.0 | 8.0 |
| Family independence program | $ 115,224,600 | $ 115,224,600 |
| State disability assistance payments | 12,353,900 | 12,353,900 |
| Food assistance program benefits | 2,348,117,400 | 2,348,117,400 |
| State supplementation | 63,357,400 | 63,357,400 |
| State supplementation administration | 2,381,100 | 2,381,100 |
| Low-income home energy assistance program | 174,951,600 | 174,951,600 |
| Food bank funding | 1,795,000 | 1,795,000 |
| Multicultural integration funding | 13,303,800 | 13,303,800 |
| Indigent burial | 4,300,000 | 4,300,000 |
| Emergency services local office allocations | 10,357,500 | 10,357,500 |
| Michigan energy assistance program—1.0 FTE position | 50,000,000 | 50,000,000 |
| Refugee assistance program—7.0 FTE positions | 27,986,100 | 27,986,100 |
| **GROSS APPROPRIATION** | **$ 2,824,128,400** | **$ 2,824,128,400** |
| Appropriated from: | | |
| Federal revenues: | | |

| | For Fiscal Year Ending Sept. 30, 2017 | For Fiscal Year Ending Sept. 30, 2018 |
|---|---|---|
| Social security act, temporary assistance for needy families | 69,267,600 | 69,267,600 |
| Total other federal revenues | 2,545,749,600 | 2,545,749,600 |
| Special revenue funds: | | |
| Child support collections | 10,863,700 | 10,863,700 |
| Supplemental security income recoveries | 5,470,900 | 5,470,900 |
| Public assistance recoupment revenue | 6,290,000 | 6,290,000 |
| Low-income energy assistance fund | 50,000,000 | 50,000,000 |
| Michigan merit award trust fund | 30,100,000 | 30,100,000 |
| State general fund/general purpose | $ 106,386,600 | $ 106,386,600 |
| **Sec. 8-108. FIELD OPERATIONS AND SUPPORT SERVICES** | | |
| Full-time equated classified positions | 6,546.5 | 6,546.5 |
| Public assistance field staff-5,349.5 FTE positions | $ 533,255,500 | $ 533,255,500 |
| Contractual services, supplies, and materials | 16,282,000 | 16,282,000 |
| Medical/psychiatric evaluations | 1,420,100 | 1,420,100 |
| Donated funds positions-538.0 FTE positions | 60,878,700 | 60,878,700 |
| Training and program support-65.0 FTE positions | 10,252,400 | 10,252,400 |
| Volunteer services and reimbursement | 942,400 | 942,400 |
| Field policy and administration-66.0 FTE positions | 10,262,400 | 10,262,400 |
| Nutrition education-2.0 FTE positions | 23,042,700 | 23,042,700 |
| Employment and training support services | 4,219,100 | 4,219,100 |
| Michigan rehabilitation services-526.0 FTE positions | 131,171,800 | 131,171,800 |
| Independent living | 12,031,600 | 12,031,600 |
| Electronic benefit transfer (EBT) | 8,509,000 | 8,509,000 |
| Elder law of Michigan MiCAFE contract | 350,000 | 350,000 |
| Field staff travel | 8,103,900 | 8,103,900 |
| **GROSS APPROPRIATION** | **$ 820,721,600** | **$ 820,721,600** |
| Appropriated from: | | |
| Interdepartmental grant revenues: | | |
| IDG from department of corrections | 101,200 | 101,200 |
| IDG from department of education | 7,678,800 | 7,678,800 |

| | For Fiscal Year Ending Sept. 30, 2017 | For Fiscal Year Ending Sept. 30, 2018 |
|---|---|---|
| Federal revenues: | | |
| Social security act, temporary assistance for needy families | 102,539,700 | 102,539,700 |
| Federal supplemental security income | 8,588,600 | 8,588,600 |
| Total other federal revenues | 410,322,600 | 410,322,600 |
| Special revenue funds: | | |
| Local funds – donated funds | 11,137,600 | 11,137,600 |
| Local vocational rehabilitation match | 6,534,600 | 6,534,600 |
| Private funds – donated funds | 18,440,200 | 18,440,200 |
| Private funds – gifts, bequests, and donations | 1,854,600 | 1,854,600 |
| Rehabilitation service fees | 400,000 | 400,000 |
| Second injury fund | 40,000 | 40,000 |
| State general fund/general purpose | $ 253,083,700 | $ 253,083,700 |
| **Sec. 8-109. DISABILITY DETERMINATION SERVICES** | | |
| Full-time equated classified positions | 587.4 | 587.4 |
| Disability determination operations—583.3 FTE positions | $ 111,392,700 | $ 111,392,700 |
| Retirement disability determination—4.1 FTE positions | 602,900 | 602,900 |
| **GROSS APPROPRIATION** | **$ 111,995,600** | **$ 111,995,600** |
| Appropriated from: | | |
| Interdepartmental grant revenues: | | |
| IDG from DTMB – office of retirement services | 778,300 | 778,300 |
| Federal revenues: | | |
| Total other federal revenues | 107,784,000 | 107,784,000 |
| State general fund/general purpose | $ 3,433,300 | $ 3,433,300 |
| **Sec. 8-110. BEHAVIORAL HEALTH PROGRAM ADMINISTRATION AND SPECIAL PROJECTS** | | |
| Full-time equated classified positions | 100.0 | 100.0 |
| Behavioral health program administration—99.0 FTE positions | $ 60,084,200 | $ 60,084,200 |
| Gambling addiction—1.0 FTE position | 3,005,900 | 3,005,900 |
| Protection and advocacy services support | 194,400 | 194,400 |

| | For Fiscal Year Ending Sept. 30, 2017 | For Fiscal Year Ending Sept. 30, 2018 |
|---|---|---|
| Federal and other special projects ..... | 2,535,600 | 2,535,600 |
| Office of recipient rights ..... | 2,700,000 | 2,700,000 |
| **GROSS APPROPRIATION ..... | **$ 68,520,100** | **$ 68,520,100** |
| Appropriated from: | | |
| Federal revenues: | | |
| Social security act, temporary assistance for needy families..... | 180,500 | 180,500 |
| Total other federal revenues ..... | 36,493,600 | 36,493,600 |
| Special revenue funds: | | |
| Total private revenues ..... | 1,004,700 | 1,004,700 |
| Total other state restricted revenues ..... | 3,005,900 | 3,005,900 |
| State general fund/general purpose ..... | $ 27,835,400 | $ 27,835,400 |
| **Sec. 8-111. BEHAVIORAL HEALTH SERVICES** | | |
| Full-time equated classified positions..... | 9.5 | 9.5 |
| Medicaid mental health services ..... | $ 2,287,190,100 | $ 2,287,190,100 |
| Community mental health non-Medicaid services ..... | 117,050,400 | 117,050,400 |
| Medicaid substance abuse disorder services ..... | 49,964,500 | 49,964,500 |
| Civil service charges ..... | 1,499,300 | 1,499,300 |
| Federal mental health block grant—2.5 FTE positions ... | 15,454,600 | 15,454,600 |
| State disability assistance program substance use disorder services..... | 2,018,800 | 2,018,800 |
| Community substance use disorder, prevention, education, and treatment..... | 73,811,800 | 73,811,800 |
| Children’s waiver home care program ..... | 20,000,000 | 20,000,000 |
| Nursing home PAS/ARR-OBRA—7.0 FTE positions ..... | 12,272,000 | 12,272,000 |
| Children with serious emotional disturbance waiver .... | 12,647,900 | 12,647,900 |
| Health homes ..... | 3,369,000 | 3,369,000 |
| Healthy Michigan Plan – behavioral health ..... | 226,210,300 | 226,210,300 |
| Autism services ..... | 63,036,800 | 63,036,800 |
| University autism programs ..... | 2,500,000 | 2,500,000 |
| **GROSS APPROPRIATION ..... | **$ 2,887,025,500** | **$ 2,887,025,500** |
| Appropriated from: | | |

| | For Fiscal Year Ending Sept. 30, 2017 | For Fiscal Year Ending Sept. 30, 2018 |
|---|---|---|
| Federal revenues: | | |
| Total other federal revenues | 1,894,552,800 | 1,889,805,800 |
| Special revenue funds: | | |
| Total local revenues | 25,475,800 | 25,475,800 |
| Total other state restricted revenues | 22,512,700 | 22,512,700 |
| State general fund/general purpose | $ 944,484,200 | $ 949,231,200 |
| **Sec. 8-112. STATE PSYCHIATRIC HOSPITALS AND FORENSIC MENTAL HEALTH SERVICES** | | |
| Total average population | 770.0 | 770.0 |
| Full-time equated classified positions | 2,181.9 | 2,181.9 |
| Caro regional mental health center-psychiatric hospital-adult—461.3 FTE positions | $ 57,270,900 | $ 57,270,900 |
| Average population | 145.0 | 145.0 |
| Kalamazoo psychiatric hospital-adult—466.1 FTE positions | 65,674,600 | 65,674,600 |
| Average population | 170.0 | 170.0 |
| Walter P. Reuther psychiatric hospital-adult—420.8 FTE positions | 56,872,000 | 56,872,000 |
| Average population | 160.0 | 160.0 |
| Hawthorn center-psychiatric hospital-children and adolescents—226.4 FTE positions | 29,142,500 | 29,142,500 |
| Average population | 55.0 | 55.0 |
| Center for forensic psychiatry—607.3 FTE positions | 81,702,000 | 81,702,000 |
| Average population | 240.0 | 240.0 |
| Revenue recapture | 750,000 | 750,000 |
| IDEA, federal special education | 120,000 | 120,000 |
| Special maintenance | 924,600 | 924,600 |
| Purchase of medical services for residents of hospitals and centers | 445,600 | 445,600 |
| Gifts and bequests for patient living and treatment environment | 1,000,000 | 1,000,000 |
| **GROSS APPROPRIATION** | **$ 293,902,200** | **$ 293,902,200** |
| Appropriated from: | | |

| | For Fiscal Year Ending Sept. 30, 2017 | For Fiscal Year Ending Sept. 30, 2018 |
|---|---|---|
| Federal revenues: | | |
| Total other federal revenues | 35,545,300 | 35,545,300 |
| Special revenue funds: | | |
| Other local revenues | 19,886,700 | 19,886,700 |
| Total private revenues | 1,000,000 | 1,000,000 |
| Total other state restricted revenues | 19,238,100 | 19,238,100 |
| State general fund/general purpose | $ 218,232,100 | $ 218,232,100 |
| **Sec. 8-113. HEALTH POLICY** | | |
| Full-time equated classified positions | 32.8 | 32.8 |
| Bone marrow transplant registry | $ 250,000 | $ 250,000 |
| Certificate of need program administration-12.3 FTE positions | 2,803,800 | 2,803,800 |
| Health innovation grants | 1,500,000 | 1,500,000 |
| Health policy administration-15.1 FTE positions | 26,564,000 | 26,564,000 |
| Human trafficking intervention services | 200,000 | 200,000 |
| Michigan essential health provider | 3,591,300 | 3,591,300 |
| Minority health grants and contracts | 612,700 | 612,700 |
| Nurse education and research program-3.0 FTE positions | 780,900 | 780,900 |
| Primary care services-1.4 FTE positions | 4,068,500 | 4,068,500 |
| Rural health services-1.0 FTE position | 1,555,500 | 1,555,500 |
| **GROSS APPROPRIATION** | **$ 41,926,700** | **$ 41,926,700** |
| Appropriated from: | | |
| Interdepartmental grant revenues: | | |
| Interdepartmental grant from the department of licensing and regulatory affairs | 780,900 | 780,900 |
| Interdepartmental grant from the department of treasury, Michigan state hospital finance authority | 117,700 | 117,700 |
| Federal revenues: | | |
| Total other federal revenues | 31,631,200 | 31,631,200 |
| Special revenues funds: | | |
| Total private revenues | 865,000 | 865,000 |
| Total other state restricted revenues | 2,686,100 | 2,686,100 |

| | For Fiscal Year Ending Sept. 30, 2017 | For Fiscal Year Ending Sept. 30, 2018 |
|---|---|---|
| State general fund/general purpose ..... | $ 5,845,800 | $ 5,845,800 |
| **Sec. 8-114. LABORATORY SERVICES** | | |
| Full-time equated classified positions..... | 100.0 | 100.0 |
| Laboratory services-100.0 FTE positions ..... | $ 20,520,500 | $ 20,520,500 |
| **GROSS APPROPRIATION ..... ** | **$ 20,520,500** | **$ 20,520,500** |
| Appropriated from: | | |
| Interdepartmental grant revenues: | | |
| Interdepartmental grant from the department of environmental quality..... | 987,600 | 987,600 |
| Federal revenues: | | |
| Total other federal revenues ..... | 2,326,300 | 2,326,300 |
| Special revenue funds: | | |
| Total other state restricted revenues ..... | 10,403,900 | 10,403,900 |
| State general fund/general purpose ..... | $ 6,802,700 | $ 6,802,700 |
| **Sec. 8-115. DISEASE CONTROL, PREVENTION, AND EPIDEMIOLOGY** | | |
| Full-time equated classified positions..... | 74.9 | 74.9 |
| Epidemiology administration-43.6 FTE positions ..... | $ 16,044,500 | $ 16,044,500 |
| Healthy homes program-8.0 FTE positions ..... | 4,254,900 | 4,254,900 |
| Immunization program-12.8 FTE positions ..... | 19,372,100 | 19,372,100 |
| Newborn screening follow-up and treatment services-10.5 FTE positions..... | 7,253,500 | 7,253,500 |
| **GROSS APPROPRIATION ..... ** | **$ 46,925,000** | **$ 46,925,000** |
| Appropriated from: | | |
| Federal revenues: | | |
| Total other federal revenues ..... | 28,704,900 | 28,704,900 |
| Special revenue funds: | | |
| Total private revenues ..... | 2,339,400 | 2,339,400 |
| Total other state restricted revenues ..... | 9,501,300 | 9,501,300 |
| State general fund/general purpose ..... | $ 6,379,400 | $ 6,379,400 |
| **Sec. 8-116. LOCAL HEALTH AND ADMINISTRATIVE SERVICES** | | |
| Full-time equated classified positions..... | 236.2 | 236.2 |
| AIDS prevention, testing, and care programs-47.7 FTE | | |

| | For Fiscal Year Ending Sept. 30, 2017 | For Fiscal Year Ending Sept. 30, 2018 |
|---|---|---|
| positions | $ 70,605,900 | $ 70,605,900 |
| Cancer prevention and control program-13.0 FTE positions | 15,051,600 | 15,051,600 |
| Chronic disease control and health promotion administration-27.4 FTE positions | 6,044,800 | 6,044,800 |
| Dental programs-3.8 FTE positions | 1,949,800 | 1,949,800 |
| Diabetes and kidney program-8.0 FTE positions | 3,049,100 | 3,049,100 |
| Essential local public health services-8.3 FTE positions | 42,905,400 | 42,905,400 |
| Health and wellness initiatives-11.7 FTE positions | 8,994,100 | 8,994,100 |
| Implementation of 1993 PA 133, MCL 333.17015 | 20,000 | 20,000 |
| Medicaid outreach cost reimbursement to local health departments | 9,000,000 | 9,000,000 |
| Sexually transmitted disease control program-20.0 FTE positions | 6,279,600 | 6,279,600 |
| Smoking prevention program-12.0 FTE positions | 2,142,100 | 2,142,100 |
| Violence prevention-2.9 FTE positions | 2,122,500 | 2,122,500 |
| Vital records and health statistics-81.4 FTE positions | 11,932,300 | 11,932,300 |
| **GROSS APPROPRIATION** | **$ 180,097,200** | **$ 180,097,200** |
| Appropriated from: | | |
| Federal revenues: | | |
| Total other federal revenues | 71,477,800 | 71,477,800 |
| Special revenue funds: | | |
| Total local revenues | 5,150,000 | 5,150,000 |
| Total private revenues | 39,028,400 | 39,028,400 |
| Total other state restricted revenues | 20,164,900 | 20,164,900 |
| State general fund/general purpose | $ 44,276,100 | $ 44,276,100 |
| **Sec. 8-117. FAMILY, MATERNAL, AND CHILD HEALTH** | | |
| Full-time equated classified positions | 110.8 | 110.8 |
| Childhood lead program-2.5 FTE positions | $ 1,571,400 | $ 1,571,400 |
| Family, maternal, and child health administration-49.3 FTE positions | 8,460,900 | 8,460,900 |
| Family planning local agreements | 8,912,800 | 8,912,800 |

| | For Fiscal Year Ending Sept. 30, 2017 | For Fiscal Year Ending Sept. 30, 2018 |
|---|---|---|
| Local MCH services ..... | 7,018,100 | 7,018,100 |
| Prenatal care outreach and service delivery support- | | |
| 14.0 FTE positions..... | 18,422,600 | 18,422,600 |
| Special projects ..... | 6,289,100 | 6,289,100 |
| Sudden infant death syndrome program ..... | 321,300 | 321,300 |
| Women, infants, and children program administration | | |
| and special projects-45.0 FTE positions..... | 18,014,400 | 18,014,400 |
| Women, infants, and children program local agreements | | |
| and food costs ..... | 256,285,000 | 256,285,000 |
| **GROSS APPROPRIATION ..... | **$ 325,295,600** | **$ 325,295,600** |
| Appropriated from: | | |
| Federal revenues: | | |
| Total other federal revenues ..... | 254,324,000 | 254,324,000 |
| Special revenue funds: | | |
| Total local revenues ..... | 75,000 | 75,000 |
| Total private revenues ..... | 61,702,400 | 61,702,400 |
| State general fund/general purpose ..... | $ 9,194,200 | $ 9,194,200 |
| **Sec. 8-118. EMERGENCY MEDICAL SERVICES, TRAUMA, AND PREPAREDNESS** | | |
| Full-time equated classified positions..... | 75.0 | 75.0 |
| Emergency medical services program-23.0 FTE positions . | $ 6,563,600 | $ 6,563,600 |
| Bioterrorism preparedness-52.0 FTE positions ..... | 30,207,700 | 30,207,700 |
| **GROSS APPROPRIATION ..... | **$ 36,771,300** | **$ 36,771,300** |
| Appropriated from: | | |
| Federal revenues: | | |
| Total other federal revenues ..... | 31,332,300 | 31,332,300 |
| Special revenue funds: | | |
| Total other state restricted revenues ..... | 4,004,900 | 4,004,900 |
| State general fund/general purpose ..... | $ 1,434,100 | $ 1,434,100 |
| **Sec. 8-119. CHILDREN'S SPECIAL HEALTH CARE SERVICES** | | |
| Full-time equated classified positions..... | 46.8 | 46.8 |
| Children's special health care services | | |
| administration-44.0 FTE positions..... | $ 5,990,100 | $ 5,990,100 |

| | For Fiscal Year Ending Sept. 30, 2017 | For Fiscal Year Ending Sept. 30, 2018 |
|---|---|---|
| Bequests for care and services-2.8 FTE positions ..... | 1,534,800 | 1,534,800 |
| Outreach and advocacy ..... | 5,510,000 | 5,510,000 |
| Nonemergency medical transportation ..... | 905,900 | 905,900 |
| Medical care and treatment ..... | 232,655,300 | 232,655,300 |
| **GROSS APPROPRIATION ..... $** | **246,596,100 $** | **246,596,100** |
| Appropriated from: | | |
| Federal revenues: | | |
| Total other federal revenues ..... | 112,529,500 | 112,529,500 |
| Special revenue funds: | | |
| Total private revenues ..... | 1,013,200 | 1,013,200 |
| Total other state restricted revenues ..... | 3,383,000 | 3,383,000 |
| State general fund/general purpose ..... $ | 129,670,400 $ | 129,670,400 |
| **Sec. 8-120. AGING AND ADULT SERVICES AGENCY** | | |
| Full-time equated classified positions..... | 48.0 | 48.0 |
| Aging and adult services administration-48.0 FTE positions..... $ | 9,344,100 $ | 9,344,100 |
| Community services ..... | 39,163,900 | 39,163,900 |
| Nutrition services ..... | 39,044,000 | 39,044,000 |
| Employment assistance ..... | 3,500,000 | 3,500,000 |
| Respite care program ..... | 5,868,700 | 5,868,700 |
| Senior volunteer service programs ..... | 4,465,300 | 4,465,300 |
| **GROSS APPROPRIATION ..... $** | **101,386,000 $** | **101,386,000** |
| Appropriated from: | | |
| Federal revenues: | | |
| Total other federal revenues ..... | 58,561,800 | 58,561,800 |
| Special revenue funds: | | |
| Total private revenues ..... | 520,000 | 520,000 |
| Merit award trust fund ..... | 4,068,700 | 4,068,700 |
| Total other state restricted revenues ..... | 1,400,000 | 1,400,000 |
| State general fund/general purpose ..... $ | 36,835,500 $ | 36,835,500 |
| **Sec. 8-121. MEDICAL SERVICES ADMINISTRATION** | | |
| Full-time equated classified positions..... | 465.5 | 465.5 |

| | For Fiscal Year Ending Sept. 30, 2017 | For Fiscal Year Ending Sept. 30, 2018 |
|---|---|---|
| Medical services administration-395.5 FTE positions ... | $ 83,565,600 | $ 83,565,600 |
| Healthy Michigan plan administration-31.0 FTE positions | 68,412,400 | 68,412,400 |
| Electronic health record incentive program-24.0 FTE positions..... | 144,297,800 | 144,297,800 |
| Technology supporting integrated service delivery-15.0 FTE positions..... | 12,307,500 | 12,307,500 |
| **GROSS APPROPRIATION ..... | **$ 308,583,300** | **$ 308,583,300** |
| Appropriated from: | | |
| Federal revenues: | | |
| Total other federal revenues ..... | 253,134,200 | 253,134,200 |
| Social security act, temporary assistance for needy families..... | 4,180,000 | 4,180,000 |
| Special revenues funds: | | |
| Total local revenues ..... | 107,300 | 107,300 |
| Total private revenues ..... | 101,300 | 101,300 |
| Total other state restricted revenues ..... | 336,300 | 336,300 |
| State general fund/general purpose ..... | $ 50,724,200 | $ 50,724,200 |
| **Sec. 8-122. MEDICAL SERVICES** | | |
| Hospital services and therapy ..... | $ 1,150,265,400 | $ 1,150,265,400 |
| Hospital disproportionate share payments ..... | 45,000,000 | 45,000,000 |
| Physician services ..... | 314,884,100 | 314,884,100 |
| Medicare premium payments ..... | 458,763,500 | 458,763,500 |
| Pharmaceutical services ..... | 617,729,900 | 617,729,900 |
| Home health services ..... | 6,287,800 | 6,287,800 |
| Hospice services ..... | 96,732,000 | 96,732,000 |
| Transportation ..... | 20,094,000 | 20,094,000 |
| Auxiliary medical services ..... | 5,489,200 | 5,489,200 |
| Dental services ..... | 250,790,000 | 250,790,000 |
| Ambulance services ..... | 17,604,500 | 17,604,500 |
| Long-term care services ..... | 1,665,789,800 | 1,665,789,800 |
| Integrated care organization services ..... | 220,300,000 | 220,300,000 |
| Medicaid home-and community-based services waiver ..... | 342,650,500 | 342,650,500 |

| | For Fiscal Year Ending Sept. 30, 2017 | For Fiscal Year Ending Sept. 30, 2018 |
|---|---|---|
| Adult home help services | 327,364,500 | 327,364,500 |
| Personal care services | 9,639,800 | 9,639,800 |
| Program of all-inclusive care for the elderly | 92,524,400 | 92,524,400 |
| Health plan services | 4,668,657,900 | 4,560,308,000 |
| Federal Medicare pharmaceutical program | 261,845,200 | 261,845,200 |
| Maternal and child health | 20,279,500 | 20,279,500 |
| Healthy Michigan Plan | 3,193,386,100 | 3,188,936,000 |
| Subtotal basic medical services program | 13,786,078,100 | 13,673,278,100 |
| School-based services | 112,102,700 | 112,102,700 |
| Dental clinic program | 1,000,000 | 1,000,000 |
| Special Medicaid reimbursement | 368,887,600 | 368,887,600 |
| Subtotal special medical services payments | 481,990,300 | 481,990,300 |
| **GROSS APPROPRIATION** | **$ 14,268,068,400** | **$ 14,155,268,400** |
| Appropriated from: | | |
| Federal revenues: | | |
| Total other federal revenues | 10,313,660,600 | 10,169,481,400 |
| Special revenue funds: | | |
| Total local revenues | 35,478,700 | 35,478,700 |
| Total private revenues | 2,100,000 | 2,100,000 |
| Merit awards trust fund | 40,604,100 | 16,563,600 |
| Total other state restricted revenues | 2,057,586,000 | 2,116,168,700 |
| State general fund/general purpose | $ 1,818,639,000 | $ 1,815,476,000 |
| **Sec. 8-123. ONE-TIME APPROPRIATIONS** | | |
| Full-time equated classified positions | 1.0 | 0.0 |
| Family preservation programs-1.0 FTE position | $ 10,000,000 | $ 0 |
| Integrated service delivery | 36,922,500 | 0 |
| Flint declaration of emergency | 15,138,100 | 0 |
| MiSACWIS implementation | 11,538,600 | 0 |
| Pharmacy reserve | 86,083,200 | 0 |
| Autism navigator | 1,125,000 | 0 |
| **GROSS APPROPRIATION** | **$ 160,807,400** | **$ 0** |
| Appropriated from: | | |

| | For Fiscal Year Ending Sept. 30, 2017 | For Fiscal Year Ending Sept. 30, 2018 |
|---|---|---|
| Federal revenues: | | |
| Social security act, temporary assistance for needy families | 22,981,500 | 0 |
| Total other federal revenues | 97,132,800 | 0 |
| Total other state restricted revenues | 473,900 | 0 |
| State general fund/general purpose | $ 40,219,200 | $ 0 |

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FISCAL YEAR 2017

**GENERAL SECTIONS**

Sec. 8-201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for fiscal year 2016-2017 is $6,679,598,800.00 and state spending from state resources to be paid to local units of government for fiscal year 2016-2017 is $1,259,438,500.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

| | |
|---|---|
| DEPARTMENT OF HEALTH AND HUMAN SERVICES | |
| COMMUNITY SERVICES AND OUTREACH | |
| Housing and support services | $ 638,300 |
| Crime victim rights services grants | 6,825,000 |
| CHILDREN'S SERVICES AGENCY-CHILD WELFARE | |
| Child care fund | 137,512,800 |
| CHILDREN'S SERVICES AGENCY-JUVENILE JUSTICE | |
| County juvenile officers | 3,525,200 |
| PUBLIC ASSISTANCE | |
| Family independence program | 8,500 |
| State disability assistance payments | 948,400 |
| Multicultural integration funding | 5,478,200 |
| BEHAVIORAL HEALTH SERVICES | |
| Medicaid mental health services | 769,585,300 |
| Community mental health non-Medicaid services | 117,050,400 |

| | |
|---|---|
| Medicaid substance use disorder services | 16,661,100 |
| State disability assistance program substance use disorder services | 1,914,000 |
| Community substance use disorder prevention, education, and treatment | 13,547,400 |
| Children's waiver home care program | 4,579,800 |
| Nursing home PAS/ARR-OBRA | 2,407,300 |
| HEALTH POLICY | |
| Primary care services | 87,700 |
| LABORATORY SERVICES | |
| Laboratory services | 5,200 |
| DISEASE CONTROL, PREVENTION, AND EPIDEMIOLOGY | |
| Immunization program | 1,042,700 |
| LOCAL HEALTH ADMINISTRATION AND GRANTS | |
| Essential local public health services | 32,304,800 |
| Implementation of 1993 PA 133, MCL 333.17015 | 300 |
| Health and wellness initiatives | 1,918,300 |
| Sexually transmitted disease control program | 194,300 |
| Cancer prevention and control program | 102,700 |
| Chronic disease control and health promotion administration | 7,100 |
| AIDS prevention, testing, and care programs | 929,400 |
| FAMILY, MATERNAL, AND CHILDREN'S HEALTH SERVICES | |
| Prenatal care outreach and service delivery support | 3,469,800 |
| CHILDREN'S SPECIAL HEALTH CARE SERVICES | |
| Outreach and advocacy | 2,440,900 |
| Medical care and treatment | 949,800 |
| AGING AND ADULT SERVICES AGENCY | |
| Community services | 16,533,500 |
| Nutrition services | 11,087,000 |
| Respite care program | 6,500,300 |
| Senior volunteer service programs | 963,600 |
| MEDICAL SERVICES | |
| Hospital services and therapy | 2,449,500 |
| Physician services | 12,504,900 |

| | | |
|---|---|---|
| Transportation | | 949,800 |
| Dental services | | 1,402,400 |
| Long-term care services | | 82,912,800 |
| TOTAL OF PAYMENTS TO LOCAL UNITS OF GOVERNMENT | $ | 1,259,438,500 |

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

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

(a) "AFC" means adult foster care.

(b) "AIDS" means acquired immunodeficiency syndrome.

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

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

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

(f) "DSH" means disproportionate share hospital.

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

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

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

(j) "GME" means graduate medical education.

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

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

(m) "HMO" means health maintenance organization.

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

(o) "IDG" means interdepartmental grant.

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

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

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

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

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

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

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

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

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

(y) "SSI" means supplemental security income.

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

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

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

(cc) "Title IV-E" means part E of title IV of the social security act, 42 USC 670 to 679c.

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

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

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

MCL 18.1393. These funds shall not be made available to increase TANF authorization.

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

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

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

Sec. 8-207. The department shall maintain, on a publicly accessible website, a department scorecard that identifies, tracks and regularly updates key metrics that are used to monitor and improve the agency's performance.

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

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

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

for services, supplies, or both.

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

Sec. 8-212. (1) On or before February 1 of the current fiscal year, the department shall report to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, and the state budget director on the detailed name and amounts of estimated federal, restricted, private, and local sources of revenue that support the appropriations in each of the line items in part 1.

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

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

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

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

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

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

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

Sec. 8-215. If a legislative objective of this part or of a bill or amendment to a bill to amend the social welfare act, 1939 PA 280, MCL 400.1 to 400.119b, cannot be

implemented because implementation would conflict with or violate federal regulations, the department shall notify the state budget director, the chairs of the house and senate subcommittees on the department budget, and the house and senate fiscal agencies and policy offices of that fact.

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

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

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

(a) The dates of each travel occurrence.

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

Sec. 8-219. (1) The department may contract with the Michigan Public Health Institute for the design and implementation of projects and for other public health-related activities prescribed in section 2611 of the public health code, 1978 PA 368, MCL 333.2611. The department may develop a master agreement with the Institute to carry out these purposes for up to a 3-year period. The department shall report to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, and the state budget director on or before January 1 of the current fiscal year

all of the following:

(a) A detailed description of each funded project.

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

(c) The expected project duration.

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

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

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

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

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

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

(2) Neither the department nor private service providers or licensees shall be

granted preferential treatment or considered automatically to be in compliance with administrative rules based on whether they have collective bargaining agreements with direct care workers. Private service providers or licensees without collective bargaining agreements shall not be subjected to additional requirements or conditions of licensure based on their lack of collective bargaining agreements.

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

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

(b) Any cost increases or reductions that resulted from rent or building occupancy changes.

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

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

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

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

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

(*i*) Direct services to clients.

(*ii*) Administrative expenditures.

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

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

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

(*iii*) Average TANF spending per client.

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

Sec. 8-263. (1) Upon submission of a Medicaid waiver, a Medicaid state plan amendment, or a similar proposal to the Centers for Medicare and Medicaid Services, the department shall notify the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, and the state budget office of the submission.

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

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

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

all of the following:

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

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

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

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

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

(a) TANF.

(b) Title XX social services block grant.

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

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

(e) Low-income home energy assistance program.

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

Sec. 8-279. (1) All master contracts relating to human services as funded by the appropriations in section 103, 104, 105, 106, 107, 108, and 109 of part 1 shall be performance-based contracts that employ a client-centered results-oriented process that is based on measurable performance indicators and desired outcomes and includes the annual assessment of the quality of services provided.

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

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

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

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

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

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

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

(e) Job specifications and wage rates.

Sec. 8-294. From the funds appropriated in part 1 for the Michigan Medicaid information system line item, $20,000,000.00 in private revenue may be received from and allocated for other states interested in participating as part of the broader Michigan Medicaid MMIS Initiative.

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

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

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

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

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

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

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

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

(3) The department shall require an annual report from the contractors described in subsection (2). The annual report, due 60 days following the end of the contract period, shall include specific information on services and programs provided, the client base to which the services and programs were provided, information on any wraparound services provided, and the expenditures for those services. The department shall provide the annual reports to the senate and house appropriations subcommittees on health and human services, the senate and house fiscal agencies and the state budget office.

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

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

(a) Amend the contracts for the Medicaid health plans to include responsibility for covering the full array of specialty services and supports for eligible Medicaid beneficiaries with a serious mental illness, developmental disability, serious emotional

disturbance, or substance use disorder upon completion of a plan to integrate these specialty services and supports in to the comprehensive health plan contract.

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

(c) Contract with an administrative service organization to provide oversight of the Medicaid health plans and the CMHSPs and ensure continuity of care for the served populations. This organization would be responsible for, at a minimum, conducting analytics on claims from the Medicaid health plans and CMHSPs, reducing duplicative administrative functions at the CMHSP and the service delivery level, and advising state on performance outliers and population health status. The department may issue a request for information to identify potential administrative service organizations. The department is authorized to conduct a competitive direct solicitation to procure services in accordance with state procurement policy.

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

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

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

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

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

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

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

**DEPARTMENTWIDE ADMINISTRATION**

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

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

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

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

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

**CHILD SUPPORT ENFORCEMENT**

Sec. 8-401. (1) The appropriations in part 1 assume a total federal child support incentive payment of $26,500,000.00.

(2) From the federal money received for child support incentive payments,

$12,000,000.00 shall be retained by the state and expended for child support program expenses.

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

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

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

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

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

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

Sec. 8-410. (1) If title IV-D-related child support collections are escheated, the state budget director is authorized to adjust the sources of financing for the funds appropriated in part 1 for legal support contracts to reduce federal authorization by 66% of the escheated amount and increase general fund/general purpose authorization by the same amount. This budget adjustment is required to offset the loss of federal revenue due to the escheated amount being counted as title IV-D program income in accordance with federal regulations at 45 CFR 304.50.

(2) The department shall notify the chairs of the house and senate appropriations subcommittees on the department budget and the house and senate fiscal agencies within 15

days of the authorization adjustment in subsection (1).

**COMMUNITY SERVICES AND OUTREACH**

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

(a) Increasing school attendance and decreasing chronic absenteeism.

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

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

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

(2) The Northeast Michigan Community Service Agency shall provide reports to the department on January 31 and June 30 of the current fiscal year on the number of children and families served and the services that were provided to families to meet the performance objectives identified in this section. The department shall distribute the reports within 1 week after receipt to the house and senate appropriations subcommittees on the department budget, house and senate fiscal agencies, house and senate policy offices, and the state budget office.

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

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

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

Sec. 8-503. (1) In accordance with the final report of the Michigan child welfare

performance-based funding task force issued in response to section 503 of article X of 2013 PA 59, the department shall continue to develop actuarially sound case rates for necessary out-of-home child welfare services that achieve permanency by the department and private child placing agencies in a prospective payment system under a performance-based funding model.

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

(3) In accordance with the final report of the Michigan child welfare performance-based funding task force issued in response to section 503 of article X of 2013 PA 59, the department shall implement a 5-year independent, third-party evaluation of the performance-based funding model. The evaluator shall be selected through a competitive process by a rating committee that includes, but is not limited to, representatives from the department and private child placing agencies.

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

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

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

(3) By March 1 of the current fiscal year, the consortium shall provide to the department, the house and senate appropriations subcommittees on the department budget, and the state budget office, a report on the status of the implementation of the consortium, including, but not limited to, actual expenditures.

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

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

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

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

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

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

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

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

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

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

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

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

(2) Not later than March 1 of the current fiscal year, the department shall provide a report to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, the house and senate policy offices, and the state budget office that includes the number of youths who received scholarships and the amount of each scholarship, and the total amount of funds spent or encumbered in the current fiscal year.

Sec. 8-523. (1) By February 15 of the current fiscal year, the department shall report on the families first, family reunification, and families together building solutions family preservation programs to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy

offices, and the state budget office. The report shall provide an estimate of total cost savings as a result of avoiding placement of children in foster care for families who received family preservation services.

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

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

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

Sec. 8-534. (1) The department shall report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office by November 1 of the current fiscal year an implementation plan regarding the appropriation in part 1 to implement the Michigan statewide automated child welfare information system. The plan shall include, but not be limited to, efforts to bring the system in compliance with the Dwayne B. v Snyder modified settlement agreement and other federal guidelines set forth by the United States Department of Health and Human Services Administration for Children and Families.

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

(a) Areas where implementation went as planned.

(b) The number of known issues.

(c) Any additional overtime or other staffing costs to address known issues.

(d) Any contract revisions to address known issues.

(e) Other strategies undertaken to improve implementation.

(f) Progress developing cross-system trusted data exchanges with MiSACWIS.

(g) Progress moving away from a statewide/tribal automated child welfare information system (SACWIS/TACWIS) to a comprehensive child welfare information system (CCWIS).

(h) Progress developing and implementing a program to monitor data quality.

(i) Progress developing and implementing custom integrated systems for private agencies and tribal governments.

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

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

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

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

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

Sec. 8-569. The department shall reimburse private child placing agencies that

complete adoptions at the rate according to the date on which the petition for adoption and required support documentation was accepted by the court and not according to the date the court's order placing for adoption was entered.

Sec. 8-574. (1) From the funds appropriated in part 1 for foster care payments, $2,500,000.00 is allocated to support performance-based contracts with child placing agencies to facilitate the licensure of relative caregivers as foster parents. Agencies shall receive $2,300.00 for each facilitated licensure if completed within 180 days after a child's placement or, if a waiver was previously approved, 180 days from the application date. If the facilitated licensure, or approved waiver, is completed after 180 days, the agency shall receive up to $2,300.00. The agency facilitating the licensure would retain the placement and continue to provide case management services for at least 50% of the newly licensed cases for which the placement was appropriate to the agency. Up to 50% of the newly licensed cases would have direct foster care services provided by the department.

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

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

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

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

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

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

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

**PUBLIC ASSISTANCE**

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Sec. 8-606. County department offices shall require each recipient of family independence program and state disability assistance who has applied with the social security administration for supplemental security income to sign a contract to repay any assistance rendered through the family independence program or state disability assistance program upon receipt of retroactive supplemental security income benefits.

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

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

Sec. 8-608. Adult foster care facilities providing domiciliary care or personal care to residents receiving supplemental security income or homes for the aged serving residents

receiving supplemental security income shall not require those residents to reimburse the home or facility for care at rates in excess of those legislatively authorized. To the extent permitted by federal law, adult foster care facilities and homes for the aged serving residents receiving supplemental security income shall not be prohibited from accepting third-party payments in addition to supplemental security income provided that the payments are not for food, clothing, shelter, or result in a reduction in the recipient's supplemental security income payment.

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

Sec. 8-610. (1) In developing good cause criteria for the state emergency relief program, the department shall grant exemptions if the emergency resulted from unexpected expenses related to maintaining or securing employment.

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

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

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

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

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

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

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

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

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

(d) The infant burial allowance is $165.00.

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

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

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

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

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

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

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

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

Sec. 8-630. From the funds appropriated in part 1 for family independence program,

the department shall conduct a suspicion-based drug testing pilot program for the family independence program according to sections 57y and 57z of the social welfare act, 1939 PA 280, MCL 400.57y and 400.57z.

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

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

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

Sec. 8-653. From the funds appropriated in part 1 for food assistance, an individual who is the victim of domestic violence and does not qualify for any other exemption may be exempt from the 3-month in 36-month limit on receiving food assistance under 7 USC 2015. This exemption can be extended an additional 3 months upon demonstration of continuing need.

Sec. 8-654. The department shall notify recipients of food assistance program benefits that their benefits can be spent with their bridge cards at many farmers’ markets in the state. The department shall also notify recipients about the Double Up Food Bucks program that is administered by the Fair Food Network. Recipients shall receive information about the Double Up Food Bucks program, including information that when the recipient

spends $20.00 at participating farmers' markets through the program, the recipient can receive an additional $20.00 to buy Michigan produce.

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

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

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

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

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

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

those cases referred to PATH.

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

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

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

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

Sec. 8-686. (1) The department shall ensure that program policy requires caseworkers to confirm that individuals presenting personal identification issued by another state seeking assistance through the family independence program, food assistance program, state disability assistance program, or medical assistance program are not receiving benefits from any other state.

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

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

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

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

(a) The number of applications received.

(b) The number of applications approved.

(c) The number of applications denied.

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

(e) The number of cases opened.

(f) The number of cases closed.

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

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

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

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

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

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

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

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

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

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

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

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

Sec. 8-708. As a condition of receiving funds appropriated in part 1 for the child care fund line item, by December 15 of the current fiscal year, counties shall have an

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

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

(2) The rates established for private residential juvenile justice facilities that were in effect on October 1, 2015 remain in effect for the current fiscal year.

**FIELD OPERATIONS AND SUPPORT SERVICES**

Sec. 8-801. (1) Funds appropriated in part 1 for independent living shall be used to support centers for independent living in delivering mandated independent living core services in compliance with federal rules and regulations for the centers, by existing centers for independent living to serve underserved areas, and for projects to build the capacity of centers for independent living to deliver independent living services. Applications for the funds shall be reviewed in accordance with criteria and procedures established by the department. The funds appropriated in part 1 may be used to leverage federal vocational rehabilitation innovation and expansion funds consistent with 34 CFR 361.35 up to $5,543,000.00, if available. If the possibility of matching federal funds exists, the centers for independent living network will negotiate a mutually beneficial contractual arrangement with Michigan rehabilitation services. Funds shall be used in a manner consistent with the state plan for independent living. Services provided should assist people with disabilities to move toward self-sufficiency, including support for accessing transportation and health care, obtaining employment, community living, nursing

home transition, information and referral services, education, youth transition services, veterans, and stigma reduction activities and community education. This includes the independent living guide project that specifically focuses on economic self-sufficiency.

(2) The Michigan centers for independent living shall provide a report by March 1 of the current fiscal year to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, the house and senate policy offices, and the state budget office on direct customer and system outcomes and performance measures.

Sec. 8-802. The Michigan rehabilitation services shall work collaboratively with the bureau of services for blind persons, service organizations, and government entities to identify qualified match dollars to maximize use of available federal vocational rehabilitation funds.

Sec. 8-803. The department shall provide an annual report by February 1 to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, and house and senate policy offices on the efforts taken to improve Michigan rehabilitation services. The report shall include all of the following items:

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

(b) Service delivery plans and implementation steps achieved.

(c) Reorganization plans and implementation steps achieved.

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

(e) Quarterly expenditures by major spending category.

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

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

Sec. 8-806. From the funds appropriated in part 1 for Michigan rehabilitation services, the department shall allocate $6,100,300.00, including federal matching funds, to service contracts with community-based rehabilitation organizations for job development and other community employment-related support services.

Sec. 8-825. From the funds appropriated in part 1, the department shall provide individuals not more than $500.00 for vehicle repairs, including any repairs done in the previous 12 months. However, the department may in its discretion pay for repairs up to

$900.00. Payments under this section shall include the combined total of payments made by the department and work participation program.

Sec. 8-850. (1) The department shall maintain out-stationed eligibility specialists in community-based organizations, community mental health agencies, nursing homes, adult placement and independent living settings, federal qualified health clinics, and hospitals unless a community-based organization, community mental health agency, nursing home, or hospital requests that the program be discontinued at its facility.

(2) From the funds appropriated in part 1 for donated funds positions, the department shall enter into contracts with agencies that are able and eligible under federal law to provide the required matching funds for federal funding, as determined by federal statute and regulations.

(3) A contract for a donated funds position must include, but not be limited to, the following performance metrics:

(a) Meeting a standard of promptness for processing applications for Medicaid and other public assistance programs under state law.

(b) Meeting required standards for error rates in determining programmatic eligibility as determined by the department.

(4) The department shall only fill additional donated funds positions after a new contract has been signed. That position shall also be abolished when the contract expires or is terminated.

(5) The department shall classify as limited-term FTEs any new employees who are hired to fulfill the donated funds position contracts or are hired to fill any vacancies from employees who transferred to a donated funds position.

**BEHAVIORAL HEALTH SERVICES**

Sec. 8-901. Funds appropriated in part 1 are intended to support a system of comprehensive community mental health services under the full authority and responsibility of local CMHSPs or PIHPs in accordance with the mental health code, 1974 PA 258, MCL 330.1001 to 330.2106, the Medicaid provider manual, federal Medicaid waivers, and all other applicable federal and state laws.

Sec. 8-902. (1) From funds appropriated in part 1, final authorizations to CMHSPs or PIHPs shall be made upon the execution of contracts between the department and CMHSPs or

PIHPs. The contracts shall contain an approved plan and budget as well as policies and procedures governing the obligations and responsibilities of both parties to the contracts. Each contract with a CMHSP or PIHP that the department is authorized to enter into under this subsection shall include a provision that the contract is not valid unless the total dollar obligation for all of the contracts between the department and the CMHSPs or PIHPs entered into under this subsection for the current fiscal year does not exceed the amount of money appropriated in part 1 for the contracts authorized under this subsection.

(2) The department shall immediately report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the state budget director if either of the following occurs:

(a) Any new contracts with CMHSPs or PIHPs that would affect rates or expenditures are enacted.

(b) Any amendments to contracts with CMHSPs or PIHPs that would affect rates or expenditures are enacted.

(3) The report required by subsection (2) shall include information about the changes and their effects on rates and expenditures.

Sec. 8-904. (1) Not later than May 31 of the current fiscal year, the department shall provide a report on the CMHSPs, PIHPs, regional entities designated by the department as PIHPs, and managing entities for substance use disorders to the members of the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, and the state budget director that includes the information required by this section.

(2) The report shall contain information for each CMHSP, PIHP, regional entity designated by the department as a PIHP, and managing entity for substance use disorders and a statewide summary, each of which shall include at least the following information:

(a) A demographic description of service recipients which, minimally, shall include reimbursement eligibility, client population, age, ethnicity, housing arrangements, and diagnosis.

(b) Per capita expenditures by client population group and cultural and ethnic groups of the services area, including the deaf and hard of hearing population.

(c) Financial information that, minimally, includes a description of funding authorized; expenditures by client group and fund source; and cost information by Medicaid

and Healthy Michigan plan service category, including administration and funds specified for all outside contracts for services and products. Financial information must include the amount of funding, from each fund source, used to cover clinical services and supports. Service category includes all department-approved services. General fund expenditures should reflect those funds used to cover uninsured individuals including Medicaid spenddowns.

(d) Data describing service outcomes that include, but are not limited to, an evaluation of consumer satisfaction, consumer choice, and quality of life concerns including, but not limited to, housing and employment.

(e) Information about access to community mental health services programs that includes, but is not limited to, the following:

(i) The number of people receiving requested services.

(ii) The number of people who requested services but did not receive services.

(f) The number of second opinions requested under the code and the determination of any appeals.

(g) An analysis of information provided by CMHSPs in response to the needs assessment requirements of the mental health code, 1974 PA 258, MCL 330.1001 to 330.2106.

(h) Lapses and carryforwards during the immediately preceding fiscal year for CMHSPs, PIHPs, regional entities designated by the department as PIHPs, and managing entities for substance use disorders.

(i) Information about contracts for both administrative and mental health services entered into by CMHSPs, PIHPs, regional entities designated by the department as PIHPs, and managing entities for substance use disorders with providers and others, including, but not limited to, all of the following:

(i) The amount of the contract, organized by type of service provided.

(ii) Payment rates, organized by the type of service provided.

(iii) Administrative costs, including contract and consultant costs, for services provided to CMHSPs, PIHPs, regional entities designated by the department as PIHPs, and managing entities for substance use disorders.

(j) Information on the community mental health Medicaid managed care and Healthy Michigan plan programs, including, but not limited to, the following:

(i) Expenditures by each CMHSP, PIHP, regional entity designated by the department as

a PIHP, and managing entity for substance use disorders organized by Medicaid eligibility group, including per eligible individual expenditure averages.

(ii) Expenditures on, and utilization of, each Medicaid and Healthy Michigan plan service category by each CMHSP, PIHP, regional entity designated by the department as a PIHP, and managing entity for substance use disorders.

(iii) Performance indicator information required to be submitted to the department in the contracts with CMHSPs, PIHPs, regional entities designated by the department as PIHPs, and managing entities for substance use disorders.

(k) Administrative expenditures of each CMHSP, PIHP, regional entity designated by the department as a PIHP, and managing entity for substance use disorders that includes a breakout of the salary, benefits, and pension of each executive level staff and shall include the director, chief executive, and chief operating officers and other members identified as executive staff.

(*l*) Substance use disorder, prevention, education and treatment program expenditures stratified by department-designated community mental health entity, by central diagnosis and referral agency, by fund source, by subcontractor, by population served, and by service type. Additionally, data on administrative expenditures by department-designated community mental health entity shall be reported.

(m) Substance use disorder prevention, education, and treatment program expenditures per state client, with data on the distribution of expenditures reported using a histogram approach.

(n) Substance use disorder prevention, education, and treatment program number of services provided by central diagnosis and referral agency, by subcontractor, and by service type. Additionally, data on length of stay, referral source, and participation in other state programs.

(o) Substance use disorder prevention, education, and treatment program collections from other first- or third-party payers, private donations, or other state or local programs, by department-designated community mental health entity, by subcontractor, by population served, and by service type for substance abuse services.

(3) The department shall include data reporting requirements listed in subsection (2) in the annual contract with each individual CMHSP, PIHP, regional entity designated by the department as a PIHP, and managing entity for substance use disorders.

(4) The department shall take all reasonable actions to ensure that the data required are complete and consistent among all CMHSPs, PIHPs, regional entities designated by the department as PIHPs, and managing entities for substance use disorders.

Sec. 8-906. (1) The funds appropriated in part 1 for the state disability assistance substance use disorder services program shall be used to support per diem room and board payments in substance use disorder residential facilities. Eligibility of clients for the state disability assistance substance use disorder services program shall include needy persons 18 years of age or older, or emancipated minors, who reside in a substance use disorder treatment center.

(2) The department shall reimburse all licensed substance use disorder programs eligible to participate in the program at a rate equivalent to that paid by the department to adult foster care providers. Programs accredited by department-approved accrediting organizations shall be reimbursed at the personal care rate, while all other eligible programs shall be reimbursed at the domiciliary care rate.

Sec. 8-907. (1) The amount appropriated in part 1 for substance use disorder prevention, education, and treatment grants shall be expended to coordinate care and services provided to individuals with severe and persistent mental illness and substance use disorder diagnoses.

(2) The department shall approve managing entity fee schedules for providing substance use disorder services and charge participants in accordance with their ability to pay.

(3) The managing entity shall continue current efforts to collaborate on the delivery of services to those clients with mental illness and substance use disorder diagnoses with the goal of providing services in an administratively efficient manner.

Sec. 8-910. The department shall assure that substance use disorder treatment is provided to applicants and recipients of public assistance through the department who are required to obtain substance use disorder treatment as a condition of eligibility for public assistance.

Sec. 8-911. (1) The department shall ensure that each contract with a CMHSP or PIHP requires the CMHSP or PIHP to implement programs to encourage diversion of individuals with serious mental illness, serious emotional disturbance, or developmental disability from possible jail incarceration when appropriate.

(2) Each CMHSP or PIHP shall have jail diversion services and shall work toward establishing working relationships with representative staff of local law enforcement agencies, including county prosecutors' offices, county sheriffs' offices, county jails, municipal police agencies, municipal detention facilities, and the courts. Written interagency agreements describing what services each participating agency is prepared to commit to the local jail diversion effort and the procedures to be used by local law enforcement agencies to access mental health jail diversion services are strongly encouraged.

Sec. 8-918. On or before the twenty-fifth of each month, the department shall report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the state budget director on the amount of funding paid to PIHPs to support the Medicaid managed mental health care program in the preceding month. The information shall include the total paid to each PIHP, per capita rate paid for each eligibility group for each PIHP, and number of cases in each eligibility group for each PIHP, and year-to-date summary of eligibles and expenditures for the Medicaid managed mental health care program.

Sec. 8-928. Each PIHP shall provide, from internal resources, local funds to be used as part of the state match required under the Medicaid program in order to increase capitation rates for PIHPs. These funds shall not include either state funds received by a CMHSP for services provided to non-Medicaid recipients or the state matching portion of the Medicaid capitation payments made to a PIHP.

Sec. 8-935. A county required under the provisions of the mental health code, 1974 PA 258, MCL 330.1001 to 330.2106, to provide matching funds to a CMHSP for mental health services rendered to residents in its jurisdiction shall pay the matching funds in equal installments on not less than a quarterly basis throughout the fiscal year, with the first payment being made by October 1 of the current fiscal year.

Sec. 8-958. Medicaid services shall include treatment for autism spectrum disorders as defined in the federally approved Medicaid state plan. These services may be coordinated with the Medicaid health plans and the Michigan Association of Health Plans.

Sec. 8-960. (1) From the funds appropriated in part 1 for university autism programs, the department shall continue a grant process for autism programs. These grants are intended to increase the number of applied behavioral analysts, increase the number of

autism diagnostic services provided, or increase employment of those that are diagnosed with autism spectrum disorder.

(2) Outcomes and performance measures related to this initiative include, but are not limited to, the following.

(a) Increase in applied behavioral analysts certified from a program.

(b) Autism diagnostic services provided.

(c) Employment rate of employment program participants.

Sec. 8-995. From the funds appropriated in part 1 for behavioral health program administration, $4,350,000.00 is intended to address the recommendations of the mental health diversion council.

Sec. 8-1003. The department shall notify the Michigan Association of Community Mental Health Boards when developing policies and procedures that will impact PIHPs or CMHSPs.

Sec. 8-1004. The department shall report on implementation of recommendations to achieve more uniformity in capitation payments made to the PIHPs by March 1st of the current fiscal year.

Sec. 8-1005. For the purposes of special projects involving high-need children or adults, including the not guilty by reason of insanity population, the department may contract directly with providers of services to these identified populations.

Sec. 8-1006. No later than June 1 of the current fiscal year, the department shall provide the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, and the state budget office with the most recent cost data information submitted by the CMHSPs on how the funds appropriated in part 1 for the community mental health services non-Medicaid services line item were expended by each CMHSP. At a minimum, the information must include CMHSPs general fund/general purpose costs for each of the following categories: administration, prevention, jail diversion and treatment services, MIChild program, children's waiver home care program, children with serious emotional disturbance waiver program, services provided to individuals with mental illness and developmental disabilities who are not eligible for Medicaid, and the Medicaid spenddown population.

Sec. 8-1007. (1) From the funds appropriated in part 1 for behavioral health program administration, the department shall maintain a psychiatric residential treatment facility and children's behavioral action team. These services will augment the continuum of

behavioral health services for high-need youth and provide additional continuity of care and transition into supportive community-based services.

(2) Outcomes and performance measures for this initiative include, but are not limited to, the following:

(a) The rate of rehospitalization for youth served through the program at 30 and 180 days.

(b) Measured change in the Child and Adolescent Functional Assessment Scale for children served through the program.

Sec. 8-1008. The PIHP shall do all of the following:

(a) Work to reduce administration costs by ensuring that PIHP responsible functions are efficient to allow optimal transition of dollars to direct services. This process must include limiting duplicate layers of administration and minimizing PIHP-delegated services that may result in higher costs or inconsistent service delivery, or both.

(b) Take an active role in managing mental health care by ensuring consistent and high-quality service delivery throughout its network and promote a conflict-free care management environment.

(c) Ensure that direct service rate variances are related to the level of need or other quantifiable measures to ensure that the most money possible reaches direct services.

(d) Promote fair and adequate direct care reimbursement, including fair wages for direct service workers.

Sec. 8-1009. The department shall provide a progress report on implementation of recommendations from work with PIHP network providers to analyze the workforce challenges of recruitment and retention of staff who provide Medicaid-funded community living supports, personal care services, respite services, skill building services, and other similar supports and services by May 1 of the current fiscal year.

Sec. 8-1010. From the funds appropriated in part 1 for behavioral health program administration, $2,000,000.00 shall be allocated to address the implementation of court ordered Assisted Outpatient Treatment associated with Public Act 497 of 2004.

**STATE PSYCHIATRIC HOSPITALS AND FORENSIC MENTAL HEALTH SERVICES**

Sec. 8-1051. The department shall continue a revenue recapture project to generate additional revenues from third parties related to cases that have been closed or are

inactive. A portion of revenues collected through project efforts may be used for departmental costs and contractual fees associated with these retroactive collections and to improve ongoing departmental reimbursement management functions.

Sec. 8-1052. The purpose of gifts and bequests for patient living and treatment environments is to use additional private funds to provide specific enhancements for individuals residing at state-operated facilities. Use of the gifts and bequests shall be consistent with the stipulation of the donor. The expected completion date for the use of gifts and bequests donations is within 3 years unless otherwise stipulated by the donor.

Sec. 8-1055. (1) The department shall not implement any closures or consolidations of state hospitals, centers, or agencies until CMHSPs or PIHPs have programs and services in place for those individuals currently in those facilities and a plan for service provision for those individuals who would have been admitted to those facilities.

(2) All closures or consolidations are dependent upon adequate department-approved CMHSP and PIHP plans that include a discharge and aftercare plan for each individual currently in the facility. A discharge and aftercare plan shall address the individual's housing needs. A homeless shelter or similar temporary shelter arrangements are inadequate to meet the individual's housing needs.

(3) Four months after the certification of closure required in section 19(6) of the state employees' retirement act, 1943 PA 240, MCL 38.19, the department shall provide a closure plan to the house and senate appropriations subcommittees on the department budget and the state budget director.

(4) Upon the closure of state-run operations and after transitional costs have been paid, the remaining balances of funds appropriated for that operation shall be transferred to CMHSPs or PIHPs responsible for providing services for individuals previously served by the operations.

Sec. 8-1056. The department may collect revenue for patient reimbursement from first- and third-party payers, including Medicaid and local county CMHSP payers, to cover the cost of placement in state hospitals and centers. The department is authorized to adjust financing sources for patient reimbursement based on actual revenues earned. If the revenue collected exceeds current year expenditures, the revenue may be carried forward with approval of the state budget director. The revenue carried forward shall be used as a first source of funds in the subsequent year.

Sec. 8-1058. Effective October 1 of the current fiscal year, the department, in consultation with the department of technology, management and budget may maintain a bid process to identify 1 or more private contractors to provide food service and custodial services for the administrative areas at any state hospital identified by the department as capable of generating savings through the outsourcing of such services.

Sec. 8-1059. (1) From the increased funds appropriated in part 1 for center for forensic psychiatry, the department shall open an additional wing at the center for forensic psychiatry in the current fiscal year. The purpose of this program is to provide additional capacity for specialized services to criminal defendants who are adjudicated as incompetent to stand trial and not guilty by reason of insanity.

(2) The department shall identify specific outcomes and performance measures for this initiative, including, but not limited to the following:

(a) The average wait time for person ruled incompetent to stand trial before admission to the center for forensic psychiatry.

(b) The average wait time for persons ruled incompetent to stand trial before admission to other state operated psychiatric facilities.

(c) The number of persons waiting to receive services at the center for forensic psychiatry.

(d) The number of persons waiting to receive services at other state operated hospitals and centers.

**HEALTH POLICY**

Sec. 8-1143. The department may award health innovation grants to address emerging issues and encourage cutting edge advances in health care including strategic partners in both the public and private sectors.

Sec. 8-1144. (1) From the funds appropriated in part 1 for health policy administration, the department shall allocate the federal state innovation model grant funding that supports implementation of the health delivery system innovations detailed in this state's "Reinventing Michigan's Health Care System: Blueprint for Health Innovation" document. This initiative will test new payment methodologies, support improved population health outcomes, and support improved infrastructure for technology and data sharing and reporting. The funds will be used to provide financial support directly to regions

participating in the model test and to support statewide stakeholder guidance and technical support.

(2) Outcomes and performance measures for the initiative under subsection (1) include, but are not limited to, the following:

(a) Increasing the number of physician practices fulfilling patient-centered medical home functions.

(b) Reducing inappropriate health utilization, specifically reducing preventable emergency department visits, reducing the proportion of hospitalizations for ambulatory sensitive conditions, and reducing this state's 30-day hospital readmission rate.

(3) By March 1 and September 1 of the current fiscal year, the department shall submit a written report to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, and the state budget office on the status of the program and progress made since the prior report.

Sec. 8-1146. From the funds appropriated in part 1 for bone marrow transplant registry, $250,000.00 shall be allocated to Michigan Blood, the partner of the match registry of the national marrow donor program. The funds shall be used to offset ongoing tissue typing expenses associated with donor recruitment and collection services and to expand those services to better serve the citizens of this state.

**DISEASE CONTROL, PREVENTION, AND EPIDEMIOLOGY**

Sec. 8-1180. From the funds appropriated in part 1 for the healthy homes program, no less than $1,750,000.00 shall be allocated for lead abatement of homes.

Sec. 8-1181. The department shall implement a plan designed to improve Michigan's childhood and adolescent immunization rates. The department shall engage organizations working to provide immunizations and education about the value of vaccines, including, but not limited to, statewide organizations representing health care providers, local public health departments, child health interest groups, and private foundations with a mission to increase immunization rates.

Sec. 8-1182. From the funds appropriated in part 1 for immunization programs, for every $4.00 in private matching funds received, this state shall allocate $1.00, up to $500,000.00 in state contributions, to provide and promote education about the value of vaccines for infants and toddlers.

**LOCAL HEALTH AND ADMINISTRATIVE SERVICES**

Sec. 8-1220. The amount appropriated in part 1 for implementation of the 1993 additions of or amendments to sections 9161, 16221, 16226, 17014, 17015, and 17515 of the public health code, 1978 PA 368, MCL 333.9161, 333.16221, 333.16226, 333.17014, 333.17015, and 333.17515, shall be used to reimburse local health departments for costs incurred related to implementation of section 17015(18) of the public health code, 1978 PA 368, MCL 333.17015.

Sec. 8-1221. If a county that has participated in a district health department or an associated arrangement with other local health departments takes action to cease to participate in such an arrangement after October 1 of the current fiscal year, the department shall have the authority to assess a penalty from the local health department's operational accounts in an amount equal to no more than 6.25% of the local health department's essential local public health services funding. This penalty shall only be assessed to the local county that requests the dissolution of the health department.

Sec. 8-1222. (1) Funds appropriated in part 1 for essential local public health services shall be prospectively allocated to local health departments to support immunizations, infectious disease control, sexually transmitted disease control and prevention, hearing screening, vision services, food protection, public water supply, private groundwater supply, and on-site sewage management. Food protection shall be provided in consultation with the department of agriculture and rural development. Public water supply, private groundwater supply, and on-site sewage management shall be provided in consultation with the department of environmental quality.

(2) Local public health departments shall be held to contractual standards for the services in subsection (1).

(3) Distributions in subsection (1) shall be made only to counties that maintain local spending in the current fiscal year of at least the amount expended in fiscal year 1992-1993 for the services described in subsection (1).

Sec. 8-1223. (1) From the amounts appropriated in part 1 for dental programs, funds shall be allocated to the Michigan Dental Association for the administration of a volunteer dental program that provides dental services to the uninsured.

(2) Not later than December 1 of the current fiscal year, the department shall

report to the senate and house appropriations subcommittees on the department budget, the senate and house standing committees on health policy and the state budget office the number of individual patients treated, number of procedures performed, and approximate total market value of those procedures from the immediately preceding fiscal year.

Sec. 8-1224. The department shall use revenue from mobile dentistry facility permit fees received under section 21605 of the public health code, 1978 PA 368, MCL 333.21605, to offset the cost of the permit program.

**FAMILY, MATERNAL, AND CHILD HEALTH**

Sec. 8-1302. Each family planning program receiving federal title X family planning funds under 42 USC 300 to 300a-8 shall be in compliance with all performance and quality assurance indicators that the office of population affairs within the United States Department of Health and Human Services specifies in the program guidelines for project grants for family planning services. An agency not in compliance with the indicators shall not receive supplemental or reallocated funds.

Sec. 8-1303. The department shall not contract with an organization which provides elective abortions, abortion counseling, or abortion referrals, for services that are to be funded with state restricted or state general fund/general purpose funds appropriated in part 1 for family planning local agreements. An organization under contract with the department shall not subcontract with an organization which provides elective abortions, abortion counseling, or abortion referrals, for services that are to be funded with state restricted or state general fund/general purpose funds appropriated in part 1 for family planning local agreements.

Sec. 8-1304. The department shall not use state restricted funds or state general funds appropriated in part 1 in the family planning local agreements appropriation line item for abortion counseling, referrals, or services.

Sec. 8-1308. From the funds appropriated in part 1 for prenatal care outreach and service delivery support, not less than $500,000.00 of funding shall be allocated for evidence-based programs to reduce infant mortality including nurse family partnership programs. The funds shall be used for enhanced support and education to nursing teams or other teams of qualified health professionals, client recruitment in areas designated as underserved for obstetrical and gynecological services and other high-need communities,

strategic planning to expand and sustain programs, and marketing and communications of programs to raise awareness, engage stakeholders, and recruit nurses.

Sec. 8-1309. The department shall allocate funds appropriated in section 119 of part 1 for family, maternal, and child health pursuant to section 1 of 2002 PA 360, MCL 333.1091.

Sec. 8-1310. The department shall continue to work jointly with the Michigan state housing development authority and the joint task force established under article IV of 2014 PA 252 to review housing rehabilitation, energy and weatherization, and hazard abatement program policies and to make recommendations for integrating and coordinating project delivery with the goals of serving more families and achieving better outcomes by maximizing state and federal resources. The joint task force may provide recommendations to the department. Recommendations of the joint task force must give consideration to best practices and cost effectiveness.

Sec. 8-1313. (1) The department shall continue developing an outreach program on fetal alcohol syndrome services.

(2) The department shall explore federal grant funding to address prevention services for fetal alcohol syndrome and reduce alcohol consumption among pregnant women.

**CHILDREN'S SPECIAL HEALTH CARE SERVICES**

Sec. 8-1360. The department may do 1 or more of the following:

(a) Provide special formula for eligible clients with specified metabolic and allergic disorders.

(b) Provide medical care and treatment to eligible patients with cystic fibrosis who are 21 years of age or older.

(c) Provide medical care and treatment to eligible patients with hereditary coagulation defects, commonly known as hemophilia, who are 21 years of age or older.

(d) Provide human growth hormone to eligible patients.

Sec. 8-1361. From the funds appropriated in part 1 for medical care and treatment, the department is authorized to spend those funds for the continued development and expansion of telemedicine capacity to allow families with children in the children's special health care services program to access specialty providers more readily and in a more timely manner.

**AGING AND ADULT SERVICES AGENCY**

Sec. 8-1403. (1) By February 1 of the current fiscal year, the aging and adult services agency shall require each region to report to the aging and adult services agency and to the legislature home-delivered meals waiting lists based upon standard criteria. Determining criteria shall include all of the following:

(a) The recipient's degree of frailty.

(b) The recipient's inability to prepare his or her own meals safely.

(c) Whether the recipient has another care provider available.

(d) Any other qualifications normally necessary for the recipient to receive home-delivered meals.

(2) Data required in subsection (1) shall be recorded only for individuals who have applied for participation in the home-delivered meals program and who are initially determined as likely to be eligible for home-delivered meals.

Sec. 8-1417. The department shall provide to the senate and house appropriations subcommittees on the department budget, senate and house fiscal agencies, and state budget director a report by March 30 of the current fiscal year that contains all of the following:

(a) The total allocation of state resources made to each area agency on aging by individual program and administration.

(b) Detail expenditure by each area agency on aging by individual program and administration including both state-funded resources and locally-funded resources.

Sec. 8-1421. From the funds appropriated in part 1 for community services, $1,100,000.00 shall be allocated to area agencies on aging for locally determined needs.

Sec. 8-1422. From the funds appropriated in part 1 for aging and adult services administration, the department shall contract with the Prosecuting Attorneys Association of Michigan to provide the support and services necessary to increase the capability of the state's prosecutors, adult protective service system, and criminal justice system to effectively identify, investigate, and prosecute elder abuse and financial exploitation.

Sec. 8-1423. From the funds appropriated in part 1 for Elder Law of Michigan MiCAFE contract, the department shall allocate not less than $350,000.00 to the Elder Law of Michigan MiCAFE to assist this state's elderly population to participate in the food

assistance program. Of the $350,000.00 allocated under this section, the department shall use $175,000.00, which are general fund/general purpose funds, as state matching funds for not less than $175,000.00 in United States department of Agriculture funding to provide outreach program activities, such as eligibility screen and information services, as part of a statewide food assistance hotline.

Sec. 8-1424. From the funds appropriated in part 1 for community services, $150,000.00 is appropriated for Alzheimer's disease services and shall be remitted to the Alzheimer's association-Michigan chapters for the purpose of carrying out a pilot project in Macomb, Monroe, and St. Joseph counties. The fiduciary for the funds is the Alzheimer's association-greater Michigan chapter. The Alzheimer's association shall provide enhanced services, including 24/7 helpline, continued care consultation, and support groups, to individuals with Alzheimer's disease or dementia and their families in the 3 counties, and partner with a Michigan public university to study whether provision of such in-home support services significantly delays the need for residential long-term care services for individuals with Alzheimer's disease or dementia. The study must also consider potential cost savings related to the delay of long-term care services, if a delay is shown.

**MEDICAL SERVICES ADMINISTRATION**

Sec. 8-1501. The unexpended funds appropriated in part 1 for the electronic health records incentive program are considered work project appropriations, and any unencumbered or unallotted funds are carried forward into the following fiscal year. The following is in compliance with section 451a(1) of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project to be carried forward is to implement the Medicaid electronic health record program that provides financial incentive payments to Medicaid health care providers to encourage the adoption and meaningful use of electronic health records to improve quality, increase efficiency, and promote safety.

(b) The projects will be accomplished according to the approved federal advanced planning document.

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

(d) The tentative completion date for the work project is September 30, 2020.

Sec. 8-1503. From the funds appropriated in part 1 for Healthy Michigan plan administration, the department shall maintain an accounting structure within the Michigan administrative information network that will allow expenditures associated with the administration of the Healthy Michigan plan to be identified.

Sec. 8-1505. By March 1 and September 1 of the current fiscal year, the department shall submit a report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the state budget office including both of the following:

(a) The department's projected annual reimbursement savings and cost offsets that will result from the funds appropriated in part 1 for the office of inspector general and third party liability efforts.

(b) The actual reimbursement savings and cost offsets that have resulted from the funds appropriated in part 1 for the office of inspector general and third party liability efforts.

Sec. 8-1506. (1) From the funds appropriated in part 1 for technology supporting integrated service delivery, the department shall establish new information technology tools and enhance existing systems to improve the eligibility and enrollment process for citizens accessing department administered programs. This information technology system will consolidate beneficiary information, support department caseworker efforts in building a success plan for beneficiaries and better support department staff in supporting enrollees in assistance programs.

(2) Outcomes and performance measure for the initiative under subsection (1) include, but are not limited to, the following:

(a) Successful consolidation of date warehouses maintained by the department.

(b) The amount of time a department caseworker devotes to date entry when initiating an enrollee application.

(c) A reduction in wait times for persons enrolled in assistance programs to speak with department staff and get necessary changes made.

(d) A reduction in department caseworker workload.

**MEDICAL SERVICES**

Sec. 8-1601. The cost of remedial services incurred by residents of licensed adult

foster care homes and licensed homes for the aged shall be used in determining financial eligibility for the medically needy. Remedial services include basic self-care and rehabilitation training for a resident.

Sec. 8-1603. (1) The department may establish a program for individuals to purchase medical coverage at a rate determined by the department.

(2) The department may receive and expend premiums for the buy-in of medical coverage in addition to the amounts appropriated in part 1.

(3) The premiums described in this section shall be classified as private funds.

Sec. 8-1605. The protected income level for Medicaid coverage determined pursuant to section 106(1)(b)(iii) of the social welfare act, 1939 PA 280, MCL 400.106, shall be 100% of the related public assistance standard.

Sec. 8-1606. For the purpose of guardian and conservator charges, the department may deduct up to $60.00 per month as an allowable expense against a recipient’s income when determining medical services eligibility and patient pay amounts.

Sec. 8-1607. (1) An applicant for Medicaid, whose qualifying condition is pregnancy, shall immediately be presumed to be eligible for Medicaid coverage unless the preponderance of evidence in her application indicates otherwise. The applicant who is qualified as described in this subsection shall be allowed to select or remain with the Medicaid participating obstetrician of her choice.

(2) An applicant qualified as described in subsection (1) shall be given a letter of authorization to receive Medicaid covered services related to her pregnancy. All qualifying applicants shall be entitled to receive all medically necessary obstetrical and prenatal care without preauthorization from a health plan. All claims submitted for payment for obstetrical and prenatal care shall be paid at the Medicaid fee-for-service rate in the event a contract does not exist between the Medicaid participating obstetrical or prenatal care provider and the managed care plan. The applicant shall receive a listing of Medicaid physicians and managed care plans in the immediate vicinity of the applicant’s residence.

(3) In the event that an applicant, presumed to be eligible pursuant to subsection (1), is subsequently found to be ineligible, a Medicaid physician or managed care plan that has been providing pregnancy services to an applicant under this section is entitled to reimbursement for those services until such time as they are notified by the department that the applicant was found to be ineligible for Medicaid.

(4) If the preponderance of evidence in an application indicates that the applicant is not eligible for Medicaid, the department shall refer that applicant to the nearest public health clinic or similar entity as a potential source for receiving pregnancy-related services.

(5) The department shall develop an enrollment process for pregnant women covered under this section that facilitates the selection of a managed care plan at the time of application.

(6) The department shall mandate enrollment of women, whose qualifying condition is pregnancy, into Medicaid managed care plans.

(7) The department shall encourage physicians to provide women, whose qualifying condition for Medicaid is pregnancy, with a referral to a Medicaid participating dentist at the first pregnancy-related appointment.

Sec. 8-1611. (1) For care provided to medical services recipients with other third-party sources of payment, medical services reimbursement shall not exceed, in combination with such other resources, including Medicare, those amounts established for medical services-only patients. The medical services payment rate shall be accepted as payment in full. Other than an approved medical services co-payment, no portion of a provider's charge shall be billed to the recipient or any person acting on behalf of the recipient. Nothing in this section shall be considered to affect the level of payment from a third-party source other than the medical services program. The department shall require a nonenrolled provider to accept medical services payments as payment in full.

(2) Notwithstanding subsection (1), medical services reimbursement for hospital services provided to dual Medicare/medical services recipients with Medicare part B coverage only shall equal, when combined with payments for Medicare and other third-party resources, if any, those amounts established for medical services-only patients, including capital payments.

Sec. 8-1620. (1) For fee-for-service recipients who do not reside in nursing homes, the pharmaceutical dispensing fee shall be $2.75 or the pharmacy's usual or customary cash charge, whichever is less. For nursing home residents, the pharmaceutical dispensing fee shall be $3.00 or the pharmacy's usual or customary cash charge, whichever is less.

(2) The department shall require a prescription co-payment for Medicaid recipients not enrolled in the Healthy Michigan plan or with an income less than 100% of the federal

poverty level of $1.00 for a generic drug and $3.00 for a brand-name drug, except as prohibited by federal or state law or regulation.

(3) The department shall require a prescription co-payment for Medicaid recipients enrolled in the Healthy Michigan plan with an income of at least 100% of the federal poverty level of $4.00 for a generic drug and $8.00 for a brand-name drug, except as prohibited by federal or state law or regulation. Administration of this co-payment shall be consistent with the terms and conditions established by the centers for Medicare and Medicaid services linked to the section 1115 waiver authorizing the Health Michigan Plan.

Sec. 8-1629. The department shall utilize maximum allowable cost pricing for generic drugs that is based on wholesaler pricing to providers that is available from at least 2 wholesalers who deliver in this state.

Sec. 8-1631. (1) The department shall require co-payments on dental, podiatric, and vision services provided to Medicaid recipients, except as prohibited by federal or state law or regulation.

(2) Except as otherwise prohibited by federal or state law or regulation the department shall require Medicaid recipients not enrolled in the Healthy Michigan Plan or with an income less than 100% of the federal poverty level to pay not less than the following co-payments:

(a) Two dollars for a physician office visit.

(b) Three dollars for a hospital emergency room visit.

(c) Fifty dollars for the first day of an inpatient hospital stay.

(d) One dollar for an outpatient hospital visit.

(3) Except as otherwise prohibited by federal or state law or regulation, and consistent with the terms and conditions established by the centers for the Medicare and Medicaid services linked to the section 1115 waiver authorizing the Healthy Michigan Plan, the department shall require Medicaid recipients enrolled in the Healthy Michigan plan with an income of at least 100% of the federal poverty level to pay the following co-payments:

(a) Four dollars for a physician office visit.

(b) Eight dollars for a hospital emergency room visit.

(c) One hundred dollars for the first day of an inpatient hospital stay.

(d) Four dollars for an outpatient hospital visit or any other medical provider visit to the extent allowed by federal or state law or regulation.

Sec. 8-1641. An institutional provider that is required to submit a cost report under the medical services program shall submit cost reports completed in full within 5 months after the end of its fiscal year.

Sec. 8-1657. (1) Reimbursement for medical services to screen and stabilize a Medicaid recipient, including stabilization of a psychiatric crisis, in a hospital emergency room shall not be made contingent on obtaining prior authorization from the recipient's HMO. If the recipient is discharged from the emergency room, the hospital shall notify the recipient's HMO within 24 hours of the diagnosis and treatment received.

(2) If the treating hospital determines that the recipient will require further medical service or hospitalization beyond the point of stabilization, that hospital shall receive authorization from the recipient's HMO prior to admitting the recipient.

(3) Subsections (1) and (2) do not require an alteration to an existing agreement between an HMO and its contracting hospitals and do not require an HMO to reimburse for services that are not considered to be medically necessary.

Sec. 8-1659. The following sections of this part are the only sections that shall apply to the following Medicaid managed care programs, including the comprehensive plan, MIChoice long-term care plan, and the mental health, substance use disorder, and developmentally disabled services program: 298, 904, 911, 918, 928, 1008, 1607, 1657, 1662, 1699, 1764, 1806, 1807, 1810, and 1888.

Sec. 8-1662. (1) The department shall assure that an external quality review of each contracting HMO is performed that results in an analysis and evaluation of aggregated information on quality, timeliness, and access to health care services that the HMO or its contractors furnish to Medicaid beneficiaries.

(2) The department shall require Medicaid HMOs to provide EPSDT utilization data through the encounter data system, and HEDIS well child health measures in accordance with the National Committee for Quality Assurance prescribed methodology.

(3) The department shall provide a copy of the analysis of the Medicaid HMO annual audited HEDIS reports and the annual external quality review report to the senate and house of representatives appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the state budget director, within 30 days of the department's receipt of the final reports from the contractors.

Sec. 8-1670. (1) The appropriation in part 1 for the MIChild program is to be used to

provide comprehensive health care to all children under age 19 who reside in families with income at or below 212% of the federal poverty level, who are uninsured and have not had coverage by other comprehensive health insurance within 6 months of making application for MIChild benefits, and who are residents of this state. The department shall develop detailed eligibility criteria through the medical services administration public concurrence process, consistent with the provisions of this part and part 1.

(2) The department may provide up to 1 year of continuous eligibility to children eligible for the MIChild program unless the family fails to pay the monthly premium, a child reaches age 19, or the status of the children's family changes and its members no longer meet the eligibility criteria as specified in the state plan.

(3) To be eligible for the MIChild program, a child must be residing in a family with an adjusted gross income of less than or equal to 212% of the federal poverty level. The department's verification policy shall be used to determine eligibility.

(4) The department may make payments on behalf of children enrolled in the MIChild program as described in the MIChild state plan approved by the United States Department of Health and Human Services, or from other medical services.

Sec. 8-1673. The department may establish premiums for MIChild eligible individuals in families with income at or below 212% of the federal poverty level. The monthly premiums shall be $10.00 per month.

Sec. 8-1677. The MIChild program shall provide, at a minimum, all benefits available under the Michigan benchmark plan that are delivered through contracted providers and consistent with federal law, including, but not limited to, the following medically necessary services:

(a) Inpatient mental health services, other than substance use disorder treatment services, including services furnished in a state-operated mental hospital and residential or other 24-hour therapeutically planned structured services.

(b) Outpatient mental health services, other than substance use disorder services, including services furnished in a state-operated mental hospital and community-based services.

(c) Durable medical equipment and prosthetic and orthotic devices.

(d) Dental services as outlined in the approved MIChild state plan.

(e) Substance use disorder treatment services that may include inpatient, outpatient,

and residential substance use disorder treatment services.

(f) Care management services for mental health diagnoses.

(g) Physical therapy, occupational therapy, and services for individuals with speech, hearing, and language disorders.

(h) Emergency ambulance services.

Sec. 8-1682. (1) In addition to the appropriations in part 1, the department is authorized to receive and spend penalty money received as the result of noncompliance with medical services certification regulations. Penalty money, characterized as private funds, received by the department shall increase authorizations and allotments in the long-term care accounts.

(2) Any unexpended penalty money, at the end of the year, shall carry forward to the following year.

Sec. 8-1692. (1) The department is authorized to pursue reimbursement for eligible services provided in Michigan schools from the federal Medicaid program. The department and the state budget director are authorized to negotiate and enter into agreements, together with the department of education, with local and intermediate school districts regarding the sharing of federal Medicaid services funds received for these services. The department is authorized to receive and disburse funds to participating school districts pursuant to such agreements and state and federal law.

(2) From the funds appropriated in part 1 for medical services school-based services payments, the department is authorized to do all of the following:

(a) Finance activities within the medical services administration related to this project.

(b) Reimburse participating school districts pursuant to the fund-sharing ratios negotiated in the state-local agreements authorized in subsection (1).

(c) Offset general fund costs associated with the medical services program.

Sec. 8-1693. The special Medicaid reimbursement appropriation in part 1 may be increased if the department submits a medical services state plan amendment pertaining to this line item at a level higher than the appropriation. The department is authorized to appropriately adjust financing sources in accordance with the increased appropriation.

Sec. 8-1694. From the funds appropriated in part 1 for special Medicaid reimbursement, up to $12,600.00 of general fund/general purpose revenue and any associated

federal match shall be distributed for poison control services to an academic health care system that includes a children's hospital that has a high indigent care volume.

Sec. 8-1699. (1) The department may make separate payments in the amount of $45,000,000.00 directly to qualifying hospitals serving a disproportionate share of indigent patients and to hospitals providing GME training programs. If direct payment for GME and DSH is made to qualifying hospitals for services to Medicaid clients, hospitals shall not include GME costs or DSH payments in their contracts with HMOs.

(2) The department shall allocate $45,000,000.00 in DSH funding using the distribution methodology used in fiscal year 2003-2004.

(3) By September 30 of the current fiscal year, the department shall report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the state budget office on the distribution of funding to each eligible hospital from the GME and DSH pools.

Sec. 8-1730. (1) The department shall work with the department of education to evaluate the feasibility of including an assessment tool to promote literacy development of pregnant women and new mothers in the maternal infant health program.

(2) By March 1 of the current fiscal year, the department shall provide a report to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, and the state budget office on the findings of the feasibility study on including an assessment tool to promote literacy development of pregnant women and new mothers in the maternal infant health program.

Sec. 8-1764. The department shall annually certify whether rates paid to Medicaid health plans and specialty prepaid inpatient health plans are actuarially sound in accordance with federal requirements and shall provide a copy of the rate certification and approval of rates paid to Medicaid health plans and specialty prepaid inpatient health plans within 5 business days after certification or approval to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies and the state budget office. When calculating the annual actuarial soundness adjustment, the department shall take into account all Medicaid policy bulletins affecting Medicaid health plans or specialty prepaid inpatient health plans issued after the most recent actuarial soundness process concluded.

Sec. 8-1775. (1) By March 1 and September 1 of the current fiscal year, the

department shall report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the state budget office on progress in implementing the waiver to implement managed care for individuals who are eligible for both Medicare and Medicaid, known as MI Health Link, including, but not limited to, a description of how the department intends to ensure that service delivery is integrated, how key components of the proposal are implemented effectively, and any problems and potential solutions as identified by the ombudsman described in subsection (2).

(2) The department shall ensure the existence of an ombudsman program that is not associated with any project service manager or provider to assist MI Health Link beneficiaries with navigating complaint and dispute resolution mechanisms and to identify problems in the demonstrations and in the complaint and dispute resolution mechanisms.

Sec. 8-1800. For the distribution of each of the pools within the $85,000,000.00 outpatient disproportionate share hospital payment, the department shall develop a formula for the distribution of each pool based on the quality of care, cost, traditional disproportionate share hospital factors such as Medicaid utilization and uncompensated care, and any other factor that the department determines should be considered. By May 1 of the current fiscal year, the department shall report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the state budget office on the distribution of each pool.

Sec. 8-1801. From the funds appropriated in part 1 for physician services and health plan services, the department shall use $33,318,800.00 in general fund/general purpose plus associated federal match to continue the increase to Medicaid rates for primary care services provided only by primary care providers. For the purpose of this section, a primary care provider is a physician, or a practitioner working under the personal supervision of a physician, who is board-eligible or certified with a specialty designation of family medicine, general internal medicine, or pediatric medicine, or a provider who provides the department with documentation of equivalency. The department shall examine including the subspecialty of neonatal medicine in its definition of primary care provider. Providers performing a service and whose primary practice is as a non-primary-care subspecialty is not eligible for the increase. The department shall establish policies that most effectively limit the increase to primary care providers for primary care services

only.

Sec. 8-1802. From the funds appropriated in part 1, a lump-sum payment shall be made to hospitals that qualified for rural hospital access payments in fiscal year 2013-2014 and that provide obstetrical care in the current fiscal year. The payment shall be calculated as $830.00 for each obstetrical care case payment and each newborn care case payment for all such cases billed by the qualified hospitals for fiscal year 2012-2013 and shall be paid through the Medicaid health plan hospital rate adjustment process by January 1 of the current fiscal year.

Sec. 8-1804. The department, in cooperation with the department of military and veterans affairs, shall work with the federal public assistance reporting information system to identify Medicaid recipients who are veterans and who may be eligible for federal veterans health care benefits or other benefits.

Sec. 8-1806. (1) The department may establish performance standards to measure progress in the implementation of the common formulary used by all contracted Medicaid health plans.

(2) The ongoing implementation of the common formulary must include consideration of the department's preferred drug list.

(3) To achieve the objective of low net cost, the contracted health plans may use evidence-based utilization management techniques in the implementation of the common formulary.

(4) The contracted health plans and the department shall continue to facilitate and emphasize the value of increased participation in the use of e-prescribing and electronic medical records.

Sec. 8-1810. The department shall enhance encounter data reporting processes and develop rules that would make each health plan's encounter data as complete as possible, provide a fair measure of acuity for each health plan's enrolled population for risk adjustment purposes, capitation rate setting, diagnosis-related group rate setting, and research and analysis of program efficiencies while minimizing health plan administrative expense.

Sec. 8-1812. (1) By June 1 of the current fiscal year, the department shall require each hospital that receives funds appropriated in part 1 for graduate medical education to submit a report disclosing all direct and indirect costs associated with the residency

training program to the department, the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies and the state budget office.

(2) By August 1 of the current fiscal year, the department shall require each hospital that receives funds appropriated in part 1 for graduate medical education to submit a report identifying and explaining the following:

(a) The marginal cost to add 1 additional residency training program slot.

(b) The number of additional slots that would result in the need to add additional administrative costs to oversee the residents in the training program.

(c) The postresidency retention rate for the residency training program.

(3) The department shall hold graduate medical education recipients' fourth quarter payments until the submission of the information required in subsections (1) and (2).

(4) The department shall convene a workgroup to use the reports submitted under subsections (1) and (2) to assist in the development of metrics for distribution of graduate medical education funds and shall report to the senate and house appropriations subcommittees on the department budget and the senate and house fiscal agencies on the results of the workgroup by September 30 of the current fiscal year.

(5) If needed, the department shall seek a federal waiver to fulfill the requirements of this section.

Sec. 8-1837. The department shall continue, and expand where appropriate, utilization of telemedicine and telepsychiatry as strategies to increase access to services for Medicaid recipients in medically underserved areas.

Sec. 8-1846. From the funds appropriated in part 1 for graduate medical education, the department shall distribute the funds with an emphasis on the following health care workforce goals:

(a) The encouragement of the training of physicians in specialties, including primary care, that are necessary to meet the future needs of residents of this state.

(b) The training of physicians in settings that include ambulatory sites and rural locations.

Sec. 8-1866. (1) From the funds appropriated in part 1 for hospital services and therapy and health plan services, $12,000,000.00 in general fund/general purpose revenue and any associated federal match shall be awarded to hospitals that meet criteria established by the department for services to low-income rural residents. One of the

reimbursement components of the distribution formula shall be assistance with labor and delivery services.

(2) No hospital or hospital system shall receive more than 10.0% of the total funding referenced in subsection (1).

(3) To allow hospitals to understand their rural payment amounts under this section, the department shall provide hospitals with the methodology for distribution under this section and provide each hospital with its applicable data that are used to determine the payment amounts by August 1 of the current fiscal year. The department shall publish the distribution of payments for the current fiscal year and the immediately preceding fiscal year.

(4) The department shall report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the state budget office on the distribution of funds referenced in subsection (1) by April 1 of the current fiscal year.

Sec. 8-1888. The department shall establish contract performance standards associated with the capitation withhold provisions for Medicaid health plans in advance of the implementation of those standards. The determination of whether performance standards have been met shall be based primarily on recognized concepts such as 1-year continuous enrollment and the healthcare effectiveness data and information set, HEDIS, audited data.

Sec. 8-1894. (1) From the funds appropriated in part 1 for dental services, the department shall expand the healthy kids dental program to all children in Kent, Oakland, and Wayne Counties. This program expansion will improve access to necessary dental services for Medicaid-enrolled children.

(2) Outcomes and performance measures for the initiative under subsection (1) include, but are not limited to, the following:

(a) The number of Medicaid-enrolled children in Kent, Oakland, and Wayne Counties who visited the dentist in the prior year.

(b) The number of dentists in Kent, Oakland, and Wayne Counties who will accept Medicaid payment for services to children.

(c) The change in dental utilization in Kent, Oakland, and Wayne Counties, before and after full implementation of the healthy kids dental expansion in these counties.

Sec. 8-1899. From the funds appropriated in part 1 for personal care services, the

department shall maintain the personal care services rate at the level in effect October 1, 2014.

**ONE-TIME APPROPRIATIONS**

Sec. 8-1909. (1) From the increased funds appropriated in part 1 for family preservation and support services, the department shall expand the parent partner program and the family reunification program. The purpose of these program expansions will be to enhance family preservation and support services to prevent the need for foster care, shorten the length of time between foster care entry and reunification, and sustain parental progress following reunification.

(2) The department shall identify specific outcomes and performance measures for this initiative, including, but not limited to, the following:

(a) Percentage of children that were discharged from foster care to reunification in less than 12 months from the date of the latest removal from home.

(b) Median length of stay in months from the date of the latest removal from home until the date of discharge to reunification.

(c) Percentage of children that re-entered foster care in less than 12 months from the date of discharge to reunification.

(d) Percentage of children, who were victims of a substantiated or indicated maltreatment allegation, that were not victims of another substantiated or indicated maltreatment allegation within a six-month period from the date of discharge to reunification.

(e) Measurable effects of this program expansion on reducing the rate of children who live in families with incomes below the federal poverty level.

(3) Unexpended funds appropriated in part 1 for family preservation and support services are designated as work project appropriations, and any unencumbered or unalloted funds shall not lapse at the end of the current fiscal year and shall be available for expenditures for the parent partner program and the family reunification program until the projects have been completed. All of the following are in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the projects is to expand and enhance family preservation and support services to prevent the need for foster care, shorten the length of time between

foster care entry and reunification, and sustain parental progress following reunification.

(b) The projects will be carried out through contracts with private and not-for-profit vendors to expand the parent partner program and family reunification program to additional counties throughout the state.

(c) The estimated cost of this work project is $10,000,000.00.

(d) The estimated work project completion date is September 30, 2019.

Sec. 8-1910. From the funds appropriated in part 1 for the Flint declaration of emergency, the department shall allocate funds to address needs related to the declaration of emergency issued on January 5, 2016. These funds may support, but are not limited to the following activities:

(a) Emergency nutrition assistance, nutritional and community education, food bank resources, food inspections.

(b) Epidemiological analysis and case management of individuals at risk of elevated blood lead levels.

(c) Support for child and adolescent health centers, children’s health care access program and pathways to potential programming.

(d) Nursing services, evidence based home visiting programs, intensive services and outreach for children exposed to lead coordinated through local community mental health organizations.

(e) Department field operations costs.

(f) Assessment of potential linkages to other diseases.

## Article 9

## DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES

PART 1

LINE-ITEM APPROPRIATIONS AND ANTICIPATED APPROPRIATIONS

Sec. 9-101. Subject to the conditions set forth in this article, the amounts listed in this part for the department of insurance and financial services are appropriated for the fiscal year ending September 30, 2017, and are anticipated to be appropriated for the fiscal year ending September 30, 2018, from the funds indicated in this part. The following is a summary of the appropriations and anticipated appropriations in this part:

| | For Fiscal Year Ending Sept. 30, 2017 | For Fiscal Year Ending Sept. 30, 2018 |
|---|---|---|
| **DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES** | | |
| **APPROPRIATION SUMMARY** | | |
| Full-time equated unclassified positions..... | 6.0 | 6.0 |
| Full-time equated classified positions..... | 337.0 | 337.0 |
| GROSS APPROPRIATION ..... | $ 66,307,200 | $ 66,307,200 |
| Total interdepartmental grants and intradepartmental transfers..... | 707,600 | 707,600 |
| ADJUSTED GROSS APPROPRIATION ..... | $ 65,599,600 | $ 65,599,600 |
| Total federal revenues ..... | 2,000,000 | 2,000,000 |
| Total other state restricted revenues ..... | 63,449,600 | 63,449,600 |
| State general fund/general purpose ..... | $ 150,000 | $ 150,000 |
| *State general fund/general purpose schedule:* | | |
| *Ongoing state general fund/general purpose .....* | *150,000* | *150,000* |
| *One-time state general fund/general purpose .....* | *0* | *0* |
| **Sec. 9-102. DEPARTMENT SERVICES** | | |
| Full-time equated unclassified positions..... | 6.0 | 6.0 |
| Full-time equated classified positions..... | 23.0 | 23.0 |
| Unclassified salaries ..... | $ 746,500 | $ 746,500 |
| Executive director programs-4.0 FTE positions ..... | 1,109,200 | 1,109,200 |
| Department services-19.0 FTE positions ..... | 3,730,700 | 3,730,700 |
| Property management ..... | 1,175,700 | 1,175,700 |
| Worker’s compensation ..... | 5,200 | 5,200 |
| Administrative hearings ..... | 182,500 | 182,500 |
| Information technology services and projects ..... | 2,216,100 | 2,216,100 |
| **GROSS APPROPRIATION ..... | **$ 9,165,900** | **$ 9,165,900** |
| Appropriated from: | | |
| Special revenue funds: | | |
| Bank fees ..... | 806,000 | 806,000 |
| Captive insurance regulation and supervision fund ..... | 3,900 | 3,900 |
| Consumer finance fees ..... | 358,200 | 358,200 |
| Credit union fees ..... | 1,062,300 | 1,062,300 |
| Deferred presentment service transaction fees ..... | 473,500 | 473,500 |

| | For Fiscal Year Ending Sept. 30, 2017 | For Fiscal Year Ending Sept. 30, 2018 |
|---|---|---|
| Insurance bureau fund | 2,847,600 | 2,847,600 |
| Insurance continuing education fees | 91,100 | 91,100 |
| Insurance licensing and regulation fees | 2,549,200 | 2,549,200 |
| MBLSLA fund | 822,900 | 822,900 |
| Multiple employer welfare arrangement | 1,200 | 1,200 |
| State general fund/general purpose | $ 150,000 | $ 150,000 |
| **Sec. 9-103. INSURANCE AND FINANCIAL SERVICES REGULATION** | | |
| Full-time equated classified positions | 314.0 | 314.0 |
| Insurance evaluation-54.0 FTE positions | $ 12,908,900 | $ 12,908,900 |
| Insurance rates and forms-30.0 FTE positions | 5,942,500 | 5,942,500 |
| Financial institutions evaluation-132.0 FTE positions | 24,212,800 | 24,212,800 |
| Regulatory compliance, market conduct, and licensing-34.0 FTE positions | 5,482,000 | 5,482,000 |
| Consumer services and protection-64.0 FTE positions | 8,595,100 | 8,595,100 |
| **GROSS APPROPRIATION** | **$ 57,141,300** | **$ 57,141,300** |
| Appropriated from: | | |
| Interdepartmental grant revenues: | | |
| IDG-LARA, for debt management | 707,600 | 707,600 |
| Federal revenues: | | |
| Federal revenues | 2,000,000 | 2,000,000 |
| Special revenue funds: | | |
| Bank fees | 6,018,100 | 6,018,100 |
| Captive insurance regulatory and supervision fund | 282,900 | 282,900 |
| Consumer finance fees | 3,061,000 | 3,061,000 |
| Credit union fees | 7,968,800 | 7,968,800 |
| Deferred presentment service transaction fees | 3,293,200 | 3,293,200 |
| Insurance bureau fund | 20,988,400 | 20,988,400 |
| Insurance continuing education fees | 995,000 | 995,000 |
| Insurance licensing and regulation fees | 6,004,500 | 6,004,500 |
| MBLSLA fund | 5,540,100 | 5,540,100 |
| Multiple employer welfare arrangement | 281,700 | 281,700 |
| State general fund/general purpose | $ 0 | $ 0 |

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FISCAL YEAR 2017

**GENERAL SECTIONS**

Sec. 9-201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for fiscal year 2016-2017 is $63,599,600.00 and state spending from state resources to be paid to local units of government for fiscal year 2016-2017 is $0.00.

Sec. 9-202. The appropriations authorized under this article are subject to the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

Sec. 9-203. As used in this article:

(a) "Department" means the department of insurance and financial services.

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

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

(d) "IDG" means interdepartmental grant.

(e) "LARA" means the department of licensing and regulatory affairs.

(f) "MBLSLA" means mortgage brokers, lenders, and servicers licensing act.

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

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

Sec. 9-206. The director shall take all reasonable steps to ensure businesses in

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

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

(a) The dates of each travel occurrence.

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

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

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

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

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

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

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

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

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

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

(e) Job specifications and wage rates.

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

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

(2) The department shall provide a report to the legislature based on the annual rate filings from health insurance issuers that includes all of the following:

(a) The number that are within the applicable statutory time frames.

(b) The average number of calendar days to process rate filings.

(c) An estimated percentage of this state’s population that is without any form of health insurance coverage approved by the department.

(d) The number that are denied by the department.

(e) The percentage of rate filings processed for more than 6 months in any given calendar year.

Sec. 9-214. Total authorized appropriations from all sources under part 1 for legacy

costs for the fiscal year ending September 30, 2017 is $10,214,700.00. From this amount, total agency appropriations for pension-related legacy costs are estimated at $5,663,800.00. Total agency appropriations for retiree health care legacy costs are estimated at $4,550,900.00.

Sec. 9-215. Unless prohibited by law, the department may accept credit card or other electronic means of payment for licenses, fees, or permits.

Sec. 9-216. The department, in conjunction with the department of health and human services, shall maintain an accounting structure within the Michigan administrative information network that will allow expenditures associated with the administration of the Healthy Michigan plan to be identified.

**INSURANCE AND FINANCIAL SERVICES REGULATION**

Sec. 9-391. In addition to the funds appropriated in part 1, the funds collected by the department in connection with a conservatorship pursuant under section 32 of the mortgage brokers, lenders, and servicers licensing act, 1987 PA 173, MCL 445.1682, and funds collected by the department from corporations being liquidated pursuant to the insurance code of 1956, 1956 PA 218, MCL 500.100 to 500.8302, shall be appropriated for all expenses necessary to provide for the required services. Funds are available for expenditure when they are received by the department of treasury and shall not lapse to the general fund at the end of the fiscal year.

Sec. 9-392. The department may make available to interested entities customized listings of non-confidential information in its possession. The department may establish and collect a reasonable charge to provide this service. The revenue from this service is appropriated when received and shall be used to offset expenses. Any balance of this revenue collected and unexpended at the end of the fiscal year shall lapse to the appropriate restricted fund.

**Article 10**

**JUDICIARY**

PART 1

LINE-ITEM APPROPRIATIONS AND ANTICIPATED APPROPRIATIONS

Sec. 10-101. Subject to the conditions set forth in this article, the amounts listed in this part for the judiciary are appropriated for the fiscal year ending September 30, 2017, and are anticipated to be appropriated for the fiscal year ending September 30, 2018, from the funds indicated in this part. The following is a summary of the appropriations and anticipated appropriations in this part:

| | For Fiscal Year Ending Sept. 30, 2017 | For Fiscal Year Ending Sept. 30, 2018 |
|---|---|---|
| **JUDICIARY** | | |
| **APPROPRIATION SUMMARY** | | |
| Full-time equated exempted positions | 510.0 | 499.0 |
| **GROSS APPROPRIATION** | **$ 298,261,400** | **$ 295,762,900** |
| Total interdepartmental grants and intradepartmental transfers | 1,550,000 | 1,550,000 |
| ADJUSTED GROSS APPROPRIATION | $ 296,711,400 | $ 294,212,900 |
| Total federal revenues | 6,443,500 | 6,433,500 |
| Total local revenues | 7,349,300 | 7,349,300 |
| Total private revenues | 957,800 | 957,800 |
| Total other state restricted revenues | 92,786,000 | 92,786,000 |
| State general fund/general purpose | $ 189,184,800 | $ 186,686,300 |
| *State general fund/general purpose schedule:* | | |
| *Ongoing state general fund/general purpose* | *186,584,800* | *186,686,300* |
| *One-time state general fund/general purpose* | *2,600,000* | *0* |
| **Sec. 10-102. SUPREME COURT** | | |
| Full-time equated exempted positions | 246.0 | 246.0 |
| Supreme court administration-92.0 FTE positions | $ 13,606,300 | $ 13,606,300 |
| Judicial institute-13.0 FTE positions | 1,800,800 | 1,800,800 |
| State court administrative office-61.0 FTE positions | 12,211,100 | 12,211,100 |
| Judicial information systems-22.0 FTE positions | 3,427,500 | 3,427,500 |
| Direct trial court automation support-44.0 FTE positions | 7,349,300 | 7,349,300 |
| Foster care review board-10.0 FTE positions | 1,305,700 | 1,305,700 |
| Community dispute resolution-3.0 FTE positions | 2,377,200 | 2,377,200 |
| Other federal grants | 275,100 | 275,100 |
| Drug treatment courts | 10,958,000 | 10,958,000 |
| Mental health courts and diversion services-1.0 FTE position | 5,337,700 | 5,337,700 |
| Veterans courts | 500,000 | 500,000 |
| Swift and sure sanctions program | 4,250,000 | 4,250,000 |
| Next generation Michigan court system | 4,116,000 | 4,116,000 |

| | For Fiscal Year Ending Sept. 30, 2017 | For Fiscal Year Ending Sept. 30, 2018 |
|---|---|---|
| **GROSS APPROPRIATION** | **$ 67,514,700** | **$ 67,514,700** |
| Appropriated from: | | |
| Interdepartmental grant revenues: | | |
| IDG from department of state police | 1,500,000 | 1,500,000 |
| IDG from department of corrections | 50,000 | 50,000 |
| Federal revenues: | | |
| DOJ, drug court training and evaluation | 300,000 | 300,000 |
| DOT, national highway traffic safety administration | 2,210,700 | 2,210,700 |
| HHS, access and visitation grant | 621,200 | 621,200 |
| HHS, children's justice grant | 233,000 | 233,000 |
| HHS, court improvement project | 1,309,700 | 1,309,700 |
| HHS, title IV-D child support program | 1,024,700 | 1,024,700 |
| HHS, title IV-E foster care program | 392,500 | 392,500 |
| Other federal grant revenues | 275,100 | 275,100 |
| Special revenue funds: | | |
| Local - user fees | 7,349,300 | 7,349,300 |
| Private | 190,800 | 190,800 |
| Private - interest on lawyers trust accounts | 262,600 | 262,600 |
| Private - state justice institute | 420,200 | 420,200 |
| Community dispute resolution fund | 2,377,200 | 2,377,200 |
| Court filing/motion fees | 1,641,800 | 1,641,800 |
| Law exam fees | 649,700 | 649,700 |
| Drug court fund | 1,920,500 | 1,920,500 |
| Miscellaneous revenue | 273,300 | 273,300 |
| Justice system fund | 575,200 | 575,200 |
| State court fund | 382,800 | 382,800 |
| State general fund/general purpose | $ 43,554,400 | $ 43,554,400 |
| **Sec. 10-103. COURT OF APPEALS** | | |
| Full-time equated exempted positions | 175.0 | 175.0 |
| Court of appeals operations-175.0 FTE positions | $ 23,102,700 | $ 23,102,700 |
| **GROSS APPROPRIATION** | **$ 23,102,700** | **$ 23,102,700** |
| Appropriated from: | | |

| | For Fiscal Year Ending Sept. 30, 2017 | For Fiscal Year Ending Sept. 30, 2018 |
|---|---|---|
| Special revenue funds: | | |
| State general fund/general purpose ..... | $ 23,102,700 | $ 23,102,700 |
| **Sec. 10-104. BRANCHWIDE APPROPRIATIONS** | | |
| Full-time equated exempted positions..... | 4.0 | 4.0 |
| Branchwide appropriations-4.0 FTE positions ..... | $ 8,745,300 | $ 8,745,300 |
| **GROSS APPROPRIATION ..... | **$ 8,745,300** | **$ 8,745,300** |
| Appropriated from: | | |
| Special revenue funds: | | |
| State general fund/general purpose ..... | $ 8,745,300 | $ 8,745,300 |
| **Sec. 10-105. JUSTICES' AND JUDGES' COMPENSATION** | | |
| Full-time judges positions..... | 592.0 | 592.0 |
| Supreme court justices' salaries-7.0 judges ..... | $ 1,152,300 | $ 1,152,300 |
| Court of appeals judges' salaries-26.0 judges ..... | 3,974,300 | 3,936,400 |
| District court judges' state base salaries- | | |
| 241.0 judges..... | 22,281,000 | 22,304,100 |
| District court judicial salary standardization ..... | 11,008,100 | 11,019,500 |
| Probate court judges' state base salaries- | | |
| 103.0 judges..... | 9,627,900 | 9,627,900 |
| Probate court judicial salary standardization ..... | 4,669,600 | 4,669,600 |
| Circuit court judges' state base salaries- | | |
| 215.0 judges..... | 20,181,600 | 20,252,200 |
| Circuit court judicial salary standardization ..... | 9,796,400 | 9,830,700 |
| Judges' retirement system defined contribution ..... | 4,480,900 | 4,480,900 |
| OASI, social security ..... | 5,721,200 | 5,721,200 |
| **GROSS APPROPRIATION ..... | **$ 92,893,300** | **$ 92,994,800** |
| Appropriated from: | | |
| Special revenue funds: | | |
| Court fee fund ..... | 2,988,100 | 2,988,100 |
| State general fund/general purpose ..... | $ 89,905,200 | $ 90,006,700 |
| **Sec. 10-106. JUDICIAL AGENCIES** | | |
| Full-time equated exempted positions..... | 7.0 | 7.0 |
| Judicial tenure commission-7.0 FTE positions ..... | $ 1,137,600 | $ 1,137,600 |

| | For Fiscal Year Ending Sept. 30, 2017 | For Fiscal Year Ending Sept. 30, 2018 |
|---|---|---|
| **GROSS APPROPRIATION** | **$ 1,137,600** | **$ 1,137,600** |
| Appropriated from: | | |
| Special revenue funds: | | |
| State general fund/general purpose | $ 1,137,600 | $ 1,137,600 |
| **Sec. 10-107. INDIGENT DEFENSE – CRIMINAL** | | |
| Full-time equated exempted positions | 67.0 | 67.0 |
| Appellate public defender program-51.0 FTE positions | $ 7,704,500 | $ 7,704,500 |
| Michigan indigent defense commission-16.0 FTE positions | 2,345,600 | 2,345,600 |
| **GROSS APPROPRIATION** | **$ 10,050,100** | **$ 10,050,100** |
| Appropriated from: | | |
| Federal revenues: | | |
| Other federal grant revenues | 66,600 | 66,600 |
| Special revenues funds: | | |
| Private-interest on lawyers trusts accounts | 84,200 | 84,200 |
| Miscellaneous revenue | 135,400 | 135,400 |
| State general fund/general purpose | $ 9,763,900 | $ 9,763,900 |
| **Sec. 10-108. INDIGENT CIVIL LEGAL ASSISTANCE** | | |
| Indigent civil legal assistance | $ 7,937,000 | $ 7,937,000 |
| **GROSS APPROPRIATION** | **$ 7,937,000** | **$ 7,937,000** |
| Appropriated from: | | |
| Special revenue funds: | | |
| State court fund | 7,937,000 | 7,937,000 |
| State general fund/general purpose | $ 0 | $ 0 |
| **Sec. 10-109. TRIAL COURT OPERATIONS** | | |
| Court equity fund reimbursements | $ 60,815,700 | $ 60,815,700 |
| Judicial technology improvement fund | 4,815,000 | 4,815,000 |
| Drug case-flow program | 250,000 | 250,000 |
| Drunk driving case-flow program | 3,300,000 | 3,300,000 |
| Juror compensation reimbursement | 6,600,000 | 6,600,000 |
| Statewide e-file system | 8,500,000 | 8,500,000 |
| **GROSS APPROPRIATION** | **$ 84,280,700** | **$ 84,280,700** |
| Appropriated from: | | |

| | For Fiscal Year Ending Sept. 30, 2017 | For Fiscal Year Ending Sept. 30, 2018 |
|---|---|---|
| Special revenue funds: | | |
| Court equity fund | 50,440,000 | 50,440,000 |
| Judicial technology improvement fund | 4,815,000 | 4,815,000 |
| Drug fund | 250,000 | 250,000 |
| Drunk driving fund | 3,300,000 | 3,300,000 |
| Juror compensation fund | 6,600,000 | 6,600,000 |
| Electronic filing fee fund | 8,500,000 | 8,500,000 |
| State general fund/general purpose | $ 10,375,700 | $ 10,375,700 |
| **Sec. 10-110. ONE-TIME APPROPRIATIONS** | | |
| Full-time equated exempted positions | 11.0 | 0.0 |
| Medication assisted treatment pilot program | $ 500,000 | $ 0 |
| Expansion of problem solving courts | 1,000,000 | 0 |
| Compliance with USSC Montgomery v. Louisiana | 1,100,000 | 0 |
| **GROSS APPROPRIATION** | **$ 2,600,000** | **$ 0** |
| Appropriated from: | | |
| State general fund/general purpose | $ 2,600,000 | $ 0 |

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FISCAL YEAR 2017

**GENERAL SECTIONS**

Sec. 10-201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for fiscal year 2016-2017 is $281,970,800.00 and state spending from state resources to be paid to local units of government for fiscal year 2016-2017 is $138,718,300.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

JUDICIARY

SUPREME COURT

| | |
|---|---|
| State court administrative office | $ 711,900 |
| Mental health courts and diversion services | 5,222,800 |
| Drug treatment courts | 11,658,000 |

| | | |
|---|---|---|
| Veterans courts | | 1,000,000 |
| Swift and sure sanctions program | | 4,150,000 |
| Next generation Michigan court system | | 4,116,000 |
| TRIAL COURT OPERATIONS | | |
| Court equity fund reimbursements | $ | 60,815,700 |
| Judicial technology improvement fund | | 4,815,000 |
| Drunk driving case-flow program | | 3,300,000 |
| Drug case-flow program | | 250,000 |
| Juror compensation reimbursement | | 6,600,000 |
| JUSTICES' AND JUDGES' COMPENSATION | | |
| District court judicial salary standardization | $ | 11,008,100 |
| Probate court judges' state base salaries | | 9,627,900 |
| Probate court judicial salary standardization | | 4,669,600 |
| Circuit court judicial salary standardization | | 9,796,400 |
| Grant to OASI contribution fund, employers share, social security | | 976,900 |
| TOTAL | $ | 138,718,300 |

Sec. 10-202. (1) The appropriations authorized under this article are subject to the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

(2) Funds appropriated in part 1 to an entity within the judicial branch shall not be expended or transferred to another account without written approval of the authorized agent of the judicial entity. If the authorized agent of the judicial entity notifies the state budget director of its approval of an expenditure or transfer, the state budget director shall immediately make the expenditure or transfer. The authorized judicial entity agent shall be designated by the chief justice of the supreme court.

Sec. 10-203. As used in this article:

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

(b) "DOT" means the United States department of transportation.

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

(d) "HHS" means the United States department of health and human services.

(e) "IDG" means interdepartmental grant.

(f) "OASI" means old age survivor's insurance.

(g) "SADO" means the state appellate defender office.

(h) "Title IV-D" means the section of the federal Social Security Act, 42 USC 301 to 1397 mm, pertaining to the child support enforcement program.

(i) "Title IV-E" means the section of the federal Social Security Act, 42 USC 301 to 1397 mm, pertaining to the foster care program.

(j) "USSC" means the United State Supreme Court.

Sec. 10-204. The reporting requirements of this article shall be completed with the approval of, and at the direction of, the supreme court, except as otherwise provided in this article. The judicial branch shall use the Internet to fulfill the reporting requirements of this article. This requirement may include transmission of reports via electronic mail to the recipients identified for each reporting requirement, or it may include placement of reports on an Internet or Intranet site.

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

Sec. 10-207. Not later than January 1 of each year, the state court administrative office shall prepare a report on out-of-state travel listing all travel by judicial branch employees outside this state in the immediately preceding fiscal year that was funded in whole or in part with funds appropriated in the budget for the judicial branch. The report shall be submitted to the senate and house appropriations committees, the house and senate fiscal agencies, and the state budget director. The report shall include the following information:

(a) The dates of each travel occurrence.

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

Sec. 10-209. Not later than November 30, the state budget office shall prepare and transmit a report that provides for estimates of the total general fund/general purpose

appropriation lapses at the close of the prior fiscal year. This report shall summarize the projected year-end general fund/general purpose appropriation lapses by major departmental program or program areas. The report shall be transmitted to the chairpersons of the senate and house appropriations committees, and the senate and house fiscal agencies.

Sec. 10-211. The department shall cooperate with the department of technology, management and budget to maintain a searchable website accessible by the public at no cost that includes, but is not limited to, all of the following for each department or agency:

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

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

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

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

(e) Job specifications and wage rates.

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

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

Sec. 10-214. Total authorized appropriations from all sources under part 1 for legacy costs for the fiscal year ending September 30, 2017 is $14,104,600.00. From this amount, total agency appropriations for pension-related legacy costs are estimated at $7,820,600.00. Total agency appropriations for judiciary retiree health care legacy costs are estimated at $6,284,000.00.

**JUDICIARY**

Sec. 10-301. From the funds appropriated in part 1, the direct trial court automation support program of the state court administrative office shall recover direct and overhead costs from trial courts by charging for services rendered. The fee shall cover the actual

costs incurred to the direct trial court automation support program in providing the service, including development of future versions of case management systems.

Sec. 10-302. Funds appropriated within the judicial branch shall not be expended by any component within the judicial branch without the approval of the supreme court.

Sec. 10-303. Of the amount appropriated in part 1 for the judicial branch, $711,900.00 is allocated for circuit court reimbursement under section 3 of 1978 PA 16, MCL 800.453, and for costs associated with the court of claims.

Sec. 10-307. From the funds appropriated in part 1 for mental health courts and diversion services, $1,730,000.00 is intended to address the recommendations of the mental health diversion council.

Sec. 10-308. If sufficient funds are not available from the court fee fund to pay judges' compensation, the difference between the appropriated amount from that fund for judges' compensation and the actual amount available after the amount appropriated for trial court reimbursement is made shall be appropriated from the state general fund for judges' compensation. If an appropriation is made under this section, the state court administrative office shall notify, within 14 days of the appropriation, the senate and house standing committees on appropriations, the senate and house subcommittees on judiciary, the senate and house fiscal agencies, and the state budget office.

Sec. 10-309. By April 1, the state court administrative office shall provide a report on drug treatment, mental health, and veterans court programs in this state. The report shall include information on the number of each type of program that has been established, the number of program participants in each jurisdiction, and the impact of the programs on offender criminal involvement and recidivism. The report shall be submitted to the senate and house appropriations subcommittees on judiciary, the senate and house fiscal agencies, and the state budget director.

Sec. 10-311. (1) The funds appropriated in part 1 for drug treatment courts as that term is defined in section 1060 of the revised judicature act of 1961, 1961 PA 236, MCL 600.1060, shall be administered by the state court administrative office to operate drug treatment court programs. A drug treatment court shall be responsible for handling cases involving substance abusing nonviolent offenders through comprehensive supervision, testing, treatment services, and immediate sanctions and incentives. A drug treatment court shall use all available county and state personnel involved in the disposition of cases

including, but not limited to, parole and probation agents, prosecuting attorneys, defense attorneys, and community corrections providers. The funds may be used in connection with other federal, state, and local funding sources.

(2) From the funds appropriated in part 1, the chief justice shall allocate sufficient funds for the judicial institute to provide in-state training for those identified in subsection (1), including training for new drug treatment court judges.

(3) For drug treatment court grants, consideration for priority may be given to those courts where higher instances of substance abuse cases are filed.

(4) The judiciary shall receive $1,500,000.00 in Byrne formula grant funding as an interdepartmental grant from the department of state police to be used for expansion of drug treatment courts, to assist in avoiding prison bed space growth for nonviolent offenders in collaboration with the department of corrections.

Sec. 10-317. Funds appropriated in part 1 shall not be used for the permanent assignment of state-owned vehicles to justices or judges or any other judicial branch employee. This section does not preclude the use of state-owned motor pool vehicles for state business in accordance with approved guidelines.

Sec. 10-320. (1) From the funds appropriated in part 1 for the swift and sure sanctions program, created under section 3 of chapter XIA of the code of criminal procedure, 1927 PA 175, MCL 771A.3, the state court administrative office shall administer a program to distribute grants to qualifying courts in accordance with the objectives and requirements of the probation swift and sure sanctions act, chapter XIA of the code of criminal procedure, 1927 PA 175, MCL 771A.1 to 771A.8. Of the $4,250,000.00 designated for the program, not more than $100,000.00 shall be available to the state court administrative office to pay for employee costs associated with the administration of the program funds. Courts interested in participating in the swift and sure sanctions program may apply to the state court administrative office for a portion of the funds appropriated in part 1 under this section.

(2) By April 1, the state court administrative office shall provide a report on the courts that receive funding under the swift and sure sanctions program described in subsection (1) to the senate and house appropriations subcommittees on judiciary, the senate and house fiscal agencies, and the state budget director. The report shall include all of the following:

(a) The number of offenders who participate in the program.

(b) The criminal history of offenders who participate in the program.

(c) The recidivism rate of offenders who participate in the program, including the rate of return to jail, prison, or both.

(d) A detailed description of the establishment and parameters of the program.

(3) As used in this section, "program" means a swift and sure sanctions program described in subsection (1).

Sec. 10-321. From the funds appropriated in part 1, the judicial branch shall support a statewide legal self-help internet website and local nonprofit self-help centers that use the statewide website to provide assistance to individuals representing themselves in civil legal proceedings. The state court administrative office shall summarize the costs of maintaining the website, provide statistics on the number of people visiting the website, and provide information on content usage, form completion, and user feedback. By March 1, the state court administrative office shall report this information for the preceding fiscal year to the senate and house appropriations subcommittees on judiciary, the senate and house fiscal agencies, and the state budget director.

Sec. 10-322. If Byrne formula grant funding is awarded to the state appellate defender, the state appellate defender office may receive and expend Byrne formula grant funds in an amount not to exceed $250,000.00 as an interdepartmental grant from the department of state police. If the appellate defender appointed under section 3 of the appellate defender act, 1978 PA 620, MCL 780,713, receives federal grant funding from the United States department of justice in excess of the amount appropriated in part 1, the office of appellate defender may receive and expend grant funds in an amount not to exceed $300,000.00 as other federal grants.

Sec. 10-322a. If Byrne formula grant funding is awarded to the Michigan indigent defense commission, the Michigan indigent defense commission may receive and expend Byrne formula grant funds in an amount not to exceed $250,000.00 as an interdepartmental grant from the department of state police. The Michigan indigent defense commission, created under section 5 of the Michigan indigent defense commission act, 2013 PA 93, MCL 780.985, may receive and expend federal grant funding from the United States Department of Justice in an amount not to exceed $300,000.00 as other federal grants.

Sec. 10-324. (1) From the increased funds appropriated in part 1 for the Michigan

Indigent Defense Commission, the Commission shall increase the total number of staff by 10 FTEs and begin bringing the Michigan criminal defense system into compliance with the right to counsel requirements of the Sixth Amendment of the United States Constitution and Article 1 Section 20 of the Michigan Constitution. The purpose of this program expansion is to implement minimum standards, rules, and procedures to guarantee the right of indigent defendants to the assistance of proficient counsel, collect comprehensive data from all indigent defense systems and attorneys providing indigent defense, monitor and audit county compliance plans.

(2) The department shall identify specific outcomes and performance measures for this initiative based on the minimum standards approved by the Michigan Supreme Court, including, but not limited to, the following:

(a) Monitoring the success of approved minimum standards including: increased training and education of trial-level defense attorneys; prompt meetings between attorneys and clients; increased access to and use of experts and investigators; and increased use of counsel at first appearance.

(b) The agency shall collect data on the standards approved by the Michigan Supreme Court and shall work to identify metrics associated with the approved standards.

(c) Monitoring the number of first-time offenders sentenced to serve prison time within the Department of Corrections to determine if there is a measurable decline as a result of the standards the standards approved by the Michigan Supreme Court including training and education requirements; required meetings between client and counsel; increased use of experts and investigators; and the provision of attorneys at first appearance.

**ONE-TIME APPROPRIATIONS**

Sec. 10-401. From the increased funds appropriated in part 1 for drug treatment courts, the Judiciary shall increase the funding available for establishing problem solving courts. The purpose of this program expansion is increasing the number of participants and decreasing recidivism rates.

Sec. 10-402. The State Appellate Defender Office attorneys and support staff shall increase by 11 FTEs to ensure Michigan compliance with the USSC Montgomery v. Louisiana decision. The purpose of the program expansion is to ensure competent, resourced, and

supervised counsel in cases involving the resentencing of juvenile lifers. The representation by SADO counsel will create opportunities for release saving prison costs for the State.

**Article 11**

**LEGISLATURE**

PART 1

LINE-ITEM APPROPRIATIONS AND ANTICIPATED APPROPRIATIONS

Sec. 11-101. Subject to the conditions set forth in this article, the amounts listed in this part for the legislature are appropriated for the fiscal year ending September 30, 2017, and are anticipated to be appropriated for the fiscal year ending September 30, 2018, from the funds indicated in this part. The following is a summary of the appropriations and anticipated appropriations in this part:

| | For Fiscal Year Ending Sept. 30, 2017 | For Fiscal Year Ending Sept. 30, 2018 |
|---|---|---|
| **LEGISLATURE** | | |
| **APPROPRIATION SUMMARY** | | |
| **GROSS APPROPRIATION** | **$ 164,705,500** | **$ 164,705,500** |
| Total interdepartmental grants and intradepartmental transfers | 5,558,600 | 5,558,600 |
| ADJUSTED GROSS APPROPRIATION | $ 159,146,900 | $ 159,146,900 |
| Total federal revenues | 0 | 0 |
| Total local revenues | 0 | 0 |
| Total private revenues | 400,000 | 400,000 |
| Total other state restricted revenues | 6,245,200 | 6,245,200 |
| State general fund/general purpose | $ 152,501,700 | $ 152,501,700 |
| *State general fund/general purpose schedule:* | | |
| *Ongoing state general fund/general purpose* | *152,501,700* | *152,501,700* |
| *One-time general fund/general purpose* | *0* | *0* |
| **Sec. 11-102. LEGISLATURE** | | |
| Senate | $ 34,523,700 | $ 34,523,700 |
| Senate automated data processing | 2,500,000 | 2,500,000 |
| Senate fiscal agency | 3,779,600 | 3,779,600 |
| House of representatives | 53,095,900 | 53,095,900 |
| House automated data processing | 2,200,000 | 2,200,000 |
| House fiscal agency | 3,779,600 | 3,779,600 |
| **GROSS APPROPRIATION** | **$ 99,878,800** | **$ 99,878,800** |
| Appropriated from: | | |
| Special revenue funds: | | |
| State general fund/general purpose | $ 99,878,800 | $ 99,878,800 |
| **Sec. 11-103. LEGISLATIVE COUNCIL** | | |
| Legislative council | $ 11,981,200 | $ 11,981,200 |
| Legislative service bureau automated data processing | 1,426,600 | 1,426,600 |
| Worker's compensation | 151,400 | 151,400 |
| National association dues | 454,700 | 454,700 |
| Legislative corrections ombudsman | 729,200 | 729,200 |
| **GROSS APPROPRIATION** | **$ 14,743,100** | **$ 14,743,100** |

| | For Fiscal Year Ending Sept. 30, 2017 | For Fiscal Year Ending Sept. 30, 2018 |
|---|---|---|
| Appropriated from: | | |
| Special revenue funds: | | |
| Private – gifts and bequests revenues ..... | 400,000 | 400,000 |
| State general fund/general purpose ..... | $ 14,343,100 | $ 14,343,100 |
| **Sec. 11-104. LEGISLATIVE RETIREMENT SYSTEM** | | |
| General nonretirement expenses ..... | $ 4,962,800 | $ 4,962,800 |
| **GROSS APPROPRIATION ..... | **$ 4,962,800** | **$ 4,962,800** |
| Appropriated from: | | |
| Special revenue funds: | | |
| Court fees ..... | 1,154,600 | 1,154,600 |
| State general fund/general purpose ..... | $ 3,808,200 | $ 3,808,200 |
| **Sec. 11-105. PROPERTY MANAGEMENT** | | |
| Cora Anderson building ..... | $ 11,426,700 | $ 11,426,700 |
| Farnum building and other properties ..... | 2,851,800 | 2,851,800 |
| **GROSS APPROPRIATION ..... | **$ 14,278,500** | **$ 14,278,500** |
| Appropriated from: | | |
| Special revenue funds: | | |
| State general fund/general purpose ..... | $ 14,278,500 | $ 14,278,500 |
| **Sec. 11-106. STATE CAPITOL HISTORIC SITE** | | |
| General operations ..... | $ 4,269,200 | $ 4,269,200 |
| Restoration, renewal and maintenance ..... | 3,121,200 | 3,121,200 |
| **GROSS APPROPRIATION ..... | **$ 7,390,400** | **$ 7,390,400** |
| Appropriated from: | | |
| Special revenue funds: | | |
| Capitol historic site fund ..... | 3,121,200 | 3,121,200 |
| State general fund/general purpose ..... | $ 4,269,200 | $ 4,269,200 |
| **Sec. 11-107. OFFICE OF THE AUDITOR GENERAL** | | |
| Unclassified positions ..... | $ 329,400 | $ 329,400 |
| Field operations ..... | 23,122,500 | 23,122,500 |
| **GROSS APPROPRIATION ..... | **$ 23,451,900** | **$ 23,451,900** |
| Appropriated from: | | |
| Interdepartmental grant revenues: | | |

| | For Fiscal Year Ending Sept. 30, 2017 | For Fiscal Year Ending Sept. 30, 2018 |
|---|---|---|
| IDG from MDHHS, human services | 30,600 | 30,600 |
| IDG from MDLARA, liquor purchase revolving fund | 28,700 | 28,700 |
| IDG from MDOT, comprehensive transportation fund | 39,000 | 39,000 |
| IDG from MDOT, Michigan transportation fund | 315,800 | 315,800 |
| IDG from MDOT, state aeronautics fund | 30,300 | 30,300 |
| IDG from MDOT, state trunkline fund | 733,500 | 733,500 |
| IDG, legislative retirement system | 29,200 | 29,200 |
| IDG, single audit act | 2,913,100 | 2,913,100 |
| IDG, commercial mobile radio system emergency telephone fund | 36,800 | 36,800 |
| IDG, contract audit administration fees | 41,400 | 41,400 |
| IDG, deferred compensation funds | 54,400 | 54,400 |
| IDG, Michigan finance authority | 330,800 | 330,800 |
| IDG, Michigan economic development corporation | 96,300 | 96,300 |
| IDG, Michigan education trust fund | 70,800 | 70,800 |
| IDG, Michigan justice training commission fund | 40,900 | 40,900 |
| IDG, Michigan strategic fund | 169,100 | 169,100 |
| IDG, office of retirement services | 218,400 | 218,400 |
| IDG, other restricted funding sources | 379,500 | 379,500 |
| Special revenue funds: | | |
| 21st Century jobs fund | 96,300 | 96,300 |
| Brownfield development fund | 28,100 | 28,100 |
| Clean Michigan initiative implementation bond fund | 54,500 | 54,500 |
| Game and fish protection fund | 31,300 | 31,300 |
| DTMB, civil service commission | 166,200 | 166,200 |
| Michigan state housing development authority fees | 113,500 | 113,500 |
| Michigan veterans trust fund | 35,500 | 35,500 |
| Motor transport revolving fund | 7,400 | 7,400 |
| Office services revolving fund | 10,000 | 10,000 |
| State disbursement unit, office of child support | 57,400 | 57,400 |
| State services fee fund | 1,357,900 | 1,357,900 |
| Waterways fund | 11,300 | 11,300 |

| | For Fiscal Year Ending Sept. 30, 2017 | For Fiscal Year Ending Sept. 30, 2018 |
|---|---|---|
| State general fund/general purpose ..... | $ 15,923,900 | $ 15,923,900 |

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FISCAL YEAR 2017

**GENERAL SECTIONS**

Sec. 11-201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for fiscal year 2016-2017 is $158,746,900.00 and state spending from state resources to be paid to local units of government for fiscal year 2016-2017 is $0.00.

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

Sec. 11-203. As used in this article:

(a) "DTMB" means the department of technology, management and budget.

(b) "FTE" means full-time equated.

(c) "IDG" means interdepartmental grant.

(d) "MDHHS" means Michigan department of health and human services.

(e) "MDLARA" means Michigan department of licensing and regulatory affairs.

(f) "MDOT" means Michigan department of transportation.

Sec. 11-214. Total authorized appropriations from all sources under part 1 for legacy costs for the fiscal year ending September 30, 2017 is $21,279,600.00. From this amount, total agency appropriations for pension-related legacy costs are estimated at $11,998,700.00. Total agency appropriations for retiree health care legacy costs are estimated at $9,280,900.00.

**LEGISLATURE**

Sec. 11-600. The senate, the house of representatives, or an agency within the legislative branch may receive, expend, and transfer funds in addition to those authorized in part 1.

Sec. 11-601. (1) Funds appropriated in part 1 to an entity within the legislative branch shall not be expended or transferred to another account without written approval of

the authorized agent of the legislative entity. If the authorized agent of the legislative entity notifies the state budget director of its approval of an expenditure or transfer before the year-end book-closing date for that legislative entity, the state budget director shall immediately make the expenditure or transfer. The authorized legislative entity agency shall be designated by the speaker of the house of representatives for house entities, the senate majority leader for senate entities, and the legislative council for legislative council entities.

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

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

Sec. 11-603. The appropriation contained in part 1 for national association dues is to be distributed by the legislative council.

Sec. 11-604. (1) The appropriation in part 1 to the Michigan state capitol historic site includes funds to operate the legislative parking facilities in the capitol area. The Michigan state capitol commission shall establish rules regarding the operation of the legislative parking facilities.

(2) The Michigan state capitol commission may collect a fee from state employees and the general public using certain legislative parking facilities. The revenues received from the parking fees are appropriated upon receipt and shall be allocated by the Michigan state capitol commission.

Sec. 11-605. The appropriation in part 1 to the legislative council for publication of the Michigan manual is a work project account. The unexpended portion remaining on September 30 shall not lapse and shall be carried forward into the subsequent fiscal year for use in paying the associated biennial costs of publication of the Michigan manual.

Sec. 11-606. The appropriations in part 1 to the legislative branch, for property management, shall be used to purchase equipment and services for building maintenance in order to ensure a safe and productive work environment. These funds are designated as work project appropriations and shall not lapse at the end of the fiscal year, and shall continue to be available for expenditure until the project has been completed. The total

cost is estimated at $2,000,000.00, and the tentative completion date is September 30, 2020.

Sec. 11-607. The appropriations in part 1 to the legislative branch, for automated data processing, shall be used to purchase equipment, software, and services in order to support and implement data processing requirements and technology improvements. These funds are designated as work project appropriations in accordance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a, and shall not lapse at the end of the fiscal year, and shall continue to be available for expenditure until the project has been completed. The total cost is estimated at $2,000,000.00, and the tentative completion date is September 30, 2020.

Sec. 11-608. In addition to funds appropriated in part 1, the Michigan capitol committee publications save the flags fund account may accept contributions, gifts, bequests, devises, grants, and donations. Those funds that are not expended in the fiscal year ending September 30 shall not lapse at the close of the fiscal year, and shall be carried forward for expenditure in the following fiscal years.

**AUDITOR GENERAL OPERATIONS**

Sec. 11-620. Pursuant to section 53 of article IV of the state constitution of 1963, the auditor general shall conduct audits of the judicial branch. The audits may include the supreme court and its administrative units, the court of appeals, and trial courts.

Sec. 11-621. (1) The auditor general shall take all reasonable steps to ensure that certified minority- and women-owned and operated accounting firms, and accounting firms owned and operated by persons with disabilities participate in the audits of the books, accounts, and financial affairs of each principal executive department, branch, institution, agency, and office of this state.

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

(3) The auditor general shall compile an annual report regarding the number of contracts entered into with certified minority- and women-owned and operated accounting firms, and accounting firms owned and operated by persons with disabilities. The auditor

general shall deliver the report to the state budget director and the senate and house of representatives standing committees on appropriations subcommittees on general government by November 1 of each year.

Sec. 11-622. From the funds appropriated in part 1 to the legislative auditor general, the auditor general's salary and the salaries of the remaining 2.0 FTE unclassified positions shall be set by the speaker of the house of representatives, the senate majority leader, the house of representatives minority leader, and the senate minority leader.

Sec. 11-623. Any audits, reviews, or investigations requested of the auditor general by the legislature or by legislative leadership, legislative committees, or individual legislators shall include an estimate of the additional costs involved and, when those costs exceed $50,000.00, should provide supplemental funding. The auditor general shall determine whether to perform those activities in keeping with Audit Directive No. 29, which describes the office of the auditor general's policy on responding to legislative requests.

## Article 12

## DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS

PART 1

LINE-ITEM APPROPRIATIONS AND ANTICIPATED APPROPRIATIONS

Sec. 12-101. Subject to the conditions set forth in this article, the amounts listed in this part for the department of licensing and regulatory affairs are appropriated for the fiscal year ending September 30, 2017, and are anticipated to be appropriated for the fiscal year ending September 30, 2018, from the funds indicated in this part. The following is a summary of the appropriations and anticipated appropriations in this part:

| | For Fiscal Year Ending Sept. 30, 2017 | For Fiscal Year Ending Sept. 30, 2018 |
|---|---|---|
| **DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS** | | |
| **APPROPRIATION SUMMARY** | | |
| Full-time equated unclassified positions..... | 57.5 | 57.5 |
| Full-time equated classified positions..... | 2,177.3 | 2,177.3 |
| **GROSS APPROPRIATION ..... $** | **416,567,500 $** | **412,537,500** |
| Interdepartmental grant revenues: | | |
| Total interdepartmental grants and intradepartmental transfers..... | 46,923,800 | 46,923,800 |
| ADJUSTED GROSS APPROPRIATION ..... $ | 369,643,700 $ | 365,613,700 |
| Total federal revenues ..... | 63,818,100 | 63,818,100 |
| Total local revenues ..... | 251,600 | 251,600 |
| Total private revenues ..... | 314,100 | 314,100 |
| Total other state restricted revenues ..... | 262,446,700 | 260,886,700 |
| State general fund/general purpose ..... $ | 42,813,200 $ | 40,343,200 |
| *State general fund/general purpose schedule:* | | |
| *Ongoing state general fund/general purpose .....* | *40,343,200* | *40,343,200* |
| *One-time state general fund/general purpose .....* | *2,470,000* | *0* |
| **Sec. 12-102. DEPARTMENTAL ADMINISTRATION** | | |
| Full-time equated unclassified positions..... | 57.5 | 57.5 |
| Full-time equated classified positions..... | 115.0 | 115.0 |
| Unclassified salaries-57.5 FTE positions ..... $ | 4,861,800 $ | 4,861,800 |
| Executive director programs-24.0 FTE positions ..... | 3,239,700 | 3,239,700 |
| Financial and administrative services-74.0 FTE positions..... | 7,918,400 | 7,918,400 |
| FOIA coordination-2.0 FTE positions ..... | 308,200 | 308,200 |
| Information technology services and projects ..... | 21,424,300 | 21,424,300 |
| Local community stabilization authority-1.0 FTE position..... | 151,600 | 151,600 |
| Office for new Americans-4.0 FTE positions ..... | 465,600 | 465,600 |
| Office of reinventing performance in Michigan-6.0 FTE positions..... | 715,900 | 715,900 |
| Office of regulatory reinvention-4.0 FTE positions .... | 495,500 | 495,500 |

| | For Fiscal Year Ending Sept. 30, 2017 | For Fiscal Year Ending Sept. 30, 2018 |
|---|---|---|
| Property management | 11,852,400 | 11,852,400 |
| Worker's compensation | 465,300 | 465,300 |
| **GROSS APPROPRIATION** | **$ 51,898,700** | **$ 51,898,700** |
| Appropriated from: | | |
| Interdepartmental grant revenues: | | |
| IDG-DIFS, accounting services | 150,000 | 150,000 |
| IDG-TED, unemployment hearings | 568,900 | 568,900 |
| Federal revenues: | | |
| DED-vocational rehabilitation and independent living | 2,121,500 | 2,121,500 |
| DOE-heating oil and propane | 25,000 | 25,000 |
| DOL-occupational safety and health | 1,001,100 | 1,001,100 |
| EPA-underground storage tanks | 128,800 | 128,800 |
| HHS-Medicaid, certification of health care providers and suppliers | 724,600 | 724,600 |
| HHS-Medicare, certification of health care providers and suppliers | 1,190,400 | 1,190,400 |
| Special revenue funds: | | |
| Local stabilization authority contract | 151,600 | 151,600 |
| Aboveground storage tank fees | 146,500 | 146,500 |
| Accountancy enforcement fund | 67,100 | 67,100 |
| Asbestos abatement fund | 182,400 | 182,400 |
| Boiler inspection fund | 643,400 | 643,400 |
| Builder enforcement fund | 99,500 | 99,500 |
| Construction code fund | 1,676,600 | 1,676,600 |
| Corporation fees | 8,713,000 | 8,713,000 |
| Elevator fees | 697,400 | 697,400 |
| Fire alarm fees | 5,400 | 5,400 |
| Fire safety standard and enforcement fund | 1,100 | 1,100 |
| Fire service fees | 778,300 | 778,300 |
| Fireworks safety fund | 94,100 | 94,100 |
| Health professions regulatory fund | 2,736,000 | 2,736,000 |
| Health systems fees | 454,700 | 454,700 |

| | For Fiscal Year Ending Sept. 30, 2017 | For Fiscal Year Ending Sept. 30, 2018 |
|---|---|---|
| Licensing and regulation fund | 3,122,900 | 3,122,900 |
| Liquor license revenue | 300,000 | 300,000 |
| Liquor purchase revolving fund | 7,187,800 | 7,187,800 |
| Michigan medical marihuana fund | 934,500 | 934,500 |
| Michigan unarmed combat fund | 12,700 | 12,700 |
| Mobile home code fund | 616,100 | 616,100 |
| Nurse professional fund | 37,700 | 37,700 |
| PMECSEMA fund | 221,600 | 221,600 |
| Private occupational school license fees | 165,700 | 165,700 |
| Property development fees | 6,100 | 6,100 |
| Public utility assessments | 4,088,100 | 4,088,100 |
| Radiological health fees | 304,200 | 304,200 |
| Real estate appraiser education fund | 6,300 | 6,300 |
| Real estate education fund | 15,200 | 15,200 |
| Real estate enforcement fund | 10,100 | 10,100 |
| Restructuring mechanism assessments | 51,000 | 51,000 |
| Retired engineers technical assistance program fund | 7,000 | 7,000 |
| Safety education and training fund | 1,442,300 | 1,442,300 |
| Second injury fund | 407,300 | 407,300 |
| Securities fees | 4,723,700 | 4,723,700 |
| Securities investor education and training fund | 14,500 | 14,500 |
| Security business fund | 3,200 | 3,200 |
| Self-insurers security fund | 263,500 | 263,500 |
| Silicosis and dust disease fund | 182,200 | 182,200 |
| Survey and remonumentation fund | 142,200 | 142,200 |
| Tax tribunal fund | 1,656,900 | 1,656,900 |
| Underground storage tank fees | 356,600 | 356,600 |
| Utility consumer representation fund | 54,000 | 54,000 |
| Worker's compensation administrative revolving fund | 101,900 | 101,900 |
| State general fund/general purpose | $ 3,106,000 | $ 3,106,000 |
| **Sec. 12-103. ENERGY AND UTILITY PROGRAMS** | | |
| Full-time equated classified positions | 188.0 | 188.0 |

| | For Fiscal Year Ending Sept. 30, 2017 | For Fiscal Year Ending Sept. 30, 2018 |
|---|---|---|
| Michigan agency for energy-56.0 FTE positions ..... | $ 12,929,100 | $ 12,929,100 |
| Public service commission-132.0 FTE positions ..... | 22,395,400 | 22,395,400 |
| **GROSS APPROPRIATION ..... | **$ 35,324,500** | **$ 35,324,500** |
| Appropriated from: | | |
| Federal revenues: | | |
| DOE-heating oil and propane ..... | 3,775,000 | 3,775,000 |
| DOT-gas pipeline safety ..... | 1,445,500 | 1,445,500 |
| EPA-pollution prevention ..... | 84,000 | 84,000 |
| Special revenue funds: | | |
| Public utility assessments ..... | 28,186,600 | 28,186,600 |
| Restructuring mechanism assessments ..... | 607,200 | 607,200 |
| Retired engineers technical assistance program fund ... | 669,600 | 669,600 |
| State general fund/general purpose ..... | $ 556,600 | $ 556,600 |
| **Sec. 12-104. LIQUOR CONTROL COMMISSION** | | |
| Full-time equated classified positions..... | 143.0 | 143.0 |
| Liquor licensing and enforcement-115.0 FTE positions .. | $ 15,320,100 | $ 15,320,100 |
| Management support services-28.0 FTE positions ..... | 4,419,800 | 4,419,800 |
| **GROSS APPROPRIATION ..... | **$ 19,739,900** | **$ 19,739,900** |
| Appropriated from: | | |
| Special revenue funds: | | |
| Direct shipper enforcement revolving fund ..... | 126,800 | 126,800 |
| Liquor license fee enhancement fund ..... | 76,400 | 76,400 |
| Liquor license revenue ..... | 7,416,100 | 7,416,100 |
| Liquor purchase revolving fund ..... | 12,120,600 | 12,120,600 |
| State general fund/general purpose ..... | $ 0 | $ 0 |
| **Sec. 12-105. OCCUPATIONAL REGULATION** | | |
| Full-time equated classified positions..... | 1,033.9 | 1,033.9 |
| Bureau of construction codes-176.0 FTE positions ..... | $ 22,081,800 | $ 22,081,800 |
| Bureau of community and health services-429.9 FTE positions..... | 61,112,000 | 61,112,000 |
| Bureau of fire services-80.0 FTE positions ..... | 11,143,500 | 11,143,500 |
| Bureau of professional licensing-210.0 FTE positions .. | 40,182,300 | 40,182,300 |

| | For Fiscal Year Ending Sept. 30, 2017 | For Fiscal Year Ending Sept. 30, 2018 |
|---|---|---|
| Corporations, securities, and commercial licensing | | |
| bureau-118.0 FTE positions | 15,528,300 | 15,528,300 |
| Medical marihuana program-20.0 FTE positions | 4,253,300 | 4,253,300 |
| **GROSS APPROPRIATION** | **$ 154,301,200** | **$ 154,301,200** |
| Appropriated from: | | |
| Interdepartmental grant revenues: | | |
| IDG-MDE, child care licensing | 16,626,500 | 16,626,500 |
| Federal revenues: | | |
| DHS-fire training systems | 28,000 | 28,000 |
| DOT-hazardous materials training and planning | 60,000 | 60,000 |
| EPA-underground storage tanks | 800,000 | 800,000 |
| HHS-Medicaid, certification of health care providers | | |
| and suppliers | 9,191,700 | 9,191,700 |
| HHS-Medicare, certification of health care providers | | |
| and suppliers | 12,352,500 | 12,352,500 |
| Special revenue funds: | | |
| Private-civil monetary penalties | 202,300 | 202,300 |
| Aboveground storage tank fees | 455,900 | 455,900 |
| Accountancy enforcement fund | 408,300 | 408,300 |
| Boiler inspection fund | 3,819,200 | 3,819,200 |
| Builder enforcement fund | 484,300 | 484,300 |
| Construction code fund | 7,743,900 | 7,743,900 |
| Corporation fees | 7,014,000 | 7,014,000 |
| Distance education fund | 300,000 | 300,000 |
| Elevator fees | 4,858,300 | 4,858,300 |
| Fire alarm fees | 125,400 | 125,400 |
| Fire safety standard and enforcement fund | 40,000 | 40,000 |
| Fire service fees | 2,500,200 | 2,500,200 |
| Fireworks safety fund | 696,200 | 696,200 |
| Health professions regulatory fund | 23,805,900 | 23,805,900 |
| Health systems fees | 3,702,100 | 3,702,100 |
| Licensing and regulation fund | 11,540,800 | 11,540,800 |

| | For Fiscal Year Ending Sept. 30, 2017 | For Fiscal Year Ending Sept. 30, 2018 |
|---|---|---|
| Liquor purchase revolving fund | 143,200 | 143,200 |
| Michigan medical marihuana fund | 4,253,300 | 4,253,300 |
| Michigan unarmed combat fund | 145,000 | 145,000 |
| Mobile home code fund | 3,017,100 | 3,017,100 |
| Nurse professional fund | 1,963,800 | 1,963,800 |
| PMECSEMA fund | 1,847,700 | 1,847,700 |
| Private occupational school license fees | 706,300 | 706,300 |
| Property development fees | 318,100 | 318,100 |
| Real estate appraiser education fund | 64,000 | 64,000 |
| Real estate education fund | 343,900 | 343,900 |
| Real estate enforcement fund | 704,400 | 704,400 |
| Securities fees | 4,982,800 | 4,982,800 |
| Securities investor education and training fund | 501,200 | 501,200 |
| Security business fund | 340,100 | 340,100 |
| Survey and remonumentation fund | 850,100 | 850,100 |
| Underground storage tank fees | 2,561,100 | 2,561,100 |
| State general fund/general purpose | $ 24,803,600 | $ 24,803,600 |
| **Sec. 12-106. EMPLOYMENT SERVICES** | | |
| Full-time equated classified positions | 464.4 | 464.4 |
| Bureau of employment relations-22.0 FTE positions | $ 4,198,900 | $ 4,198,900 |
| Bureau of services for blind persons-113.0 FTE positions | 24,639,400 | 24,639,400 |
| Compensation supplement fund | 1,820,000 | 1,820,000 |
| Insurance funds administration-23.0 FTE positions | 5,240,200 | 5,240,200 |
| Michigan occupational safety and health administration-197.0 FTE positions | 29,052,100 | 29,052,100 |
| Radiation safety section-21.4 FTE positions | 3,231,800 | 3,231,800 |
| Wage and hour program-32.0 FTE positions | 3,728,100 | 3,728,100 |
| Workers' compensation agency-56.0 FTE positions | 7,832,200 | 7,832,200 |
| **GROSS APPROPRIATION** | **$ 79,742,700** | **$ 79,742,700** |
| Appropriated from: | | |
| Federal revenues: | | |

| | For Fiscal Year Ending Sept. 30, 2017 | For Fiscal Year Ending Sept. 30, 2018 |
|---|---|---|
| DED-vocational rehabilitation and independent living .. | 18,437,600 | 18,437,600 |
| DOL-occupational safety and health ..... | 11,785,200 | 11,785,200 |
| HHS-mammography quality standards ..... | 513,300 | 513,300 |
| Special revenue funds: | | |
| Private revenues ..... | 111,800 | 111,800 |
| Local revenues ..... | 100,000 | 100,000 |
| Asbestos abatement fund ..... | 1,027,500 | 1,027,500 |
| Corporation fees ..... | 9,432,400 | 9,432,400 |
| Michigan business enterprise program fund ..... | 400,000 | 400,000 |
| Radiological health fees ..... | 2,718,500 | 2,718,500 |
| Safety education and training fund ..... | 9,728,600 | 9,728,600 |
| Second injury fund ..... | 2,589,400 | 2,589,400 |
| Securities fees ..... | 8,634,900 | 8,634,900 |
| Self-insurers security fund ..... | 1,562,500 | 1,562,500 |
| Silicosis and dust disease fund ..... | 1,088,300 | 1,088,300 |
| Worker's compensation administrative revolving fund ... | 1,652,900 | 1,652,900 |
| State general fund/general purpose ..... | $ 9,959,800 | $ 9,959,800 |
| **Sec. 12-107. MICHIGAN ADMINISTRATIVE HEARING SYSTEM** | | |
| Full-time equated classified positions..... | 233.0 | 233.0 |
| Michigan administrative hearing system-215.0 FTE positions..... | $ 37,948,700 | $ 37,948,700 |
| Michigan compensation appellate commission-18.0 FTE positions..... | 4,606,100 | 4,606,100 |
| **GROSS APPROPRIATION ..... | **$ 42,554,800** | **$ 42,554,800** |
| Appropriated from: | | |
| Interdepartmental grant revenues: | | |
| IDG revenues- administrative hearings and rules ..... | 29,578,400 | 29,578,400 |
| Federal revenues: | | |
| Federal revenues – administrative hearings and rules .. | 153,900 | 153,900 |
| Special revenue funds: | | |
| Corporation fees ..... | 202,700 | 202,700 |
| State restricted revenues - administrative hearings | | |

| | For Fiscal Year Ending Sept. 30, 2017 | For Fiscal Year Ending Sept. 30, 2018 |
|---|---|---|
| and rules | 11,793,400 | 11,793,400 |
| Worker's compensation administrative revolving fund | 134,900 | 134,900 |
| State general fund/general purpose | $ 691,500 | $ 691,500 |
| **Sec. 12-108. DEPARTMENT GRANTS** | | |
| Fire protection grants | $ 9,273,900 | $ 9,273,900 |
| Firefighter training grants | 1,000,000 | 1,000,000 |
| Liquor law enforcement grants | 7,200,000 | 7,200,000 |
| Medical marihuana operation and oversight grants | 3,000,000 | 3,000,000 |
| Remonumentation grants | 7,300,000 | 7,300,000 |
| Subregional libraries state aid | 451,800 | 451,800 |
| Utility consumer representation | 750,000 | 750,000 |
| **GROSS APPROPRIATION** | **$ 28,975,700** | **$ 28,975,700** |
| Appropriated from: | | |
| Special revenue funds: | | |
| Fire protection fund | 8,500,000 | 8,500,000 |
| Fireworks safety fund | 1,000,000 | 1,000,000 |
| Liquor license revenue | 7,200,000 | 7,200,000 |
| Michigan medical marihuana fund | 3,000,000 | 3,000,000 |
| Survey and remonumentation fund | 7,300,000 | 7,300,000 |
| Utility consumer representation fund | 750,000 | 750,000 |
| State general fund/general purpose | $ 1,225,700 | $ 1,225,700 |
| **Sec. 12-109. ONE-TIME APPROPRIATIONS** | | |
| Michigan automated prescription system upgrades | $ 2,470,000 | $ 0 |
| Michigan liquor control commission IT upgrades | 1,560,000 | 0 |
| **GROSS APPROPRIATION** | **$ 4,030,000** | **$ 0** |
| Appropriated from: | | |
| Liquor purchase revolving fund | 1,560,000 | 0 |
| State general fund/general purpose | $ 2,470,000 | $ 0 |

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FISCAL YEAR 2017

**GENERAL SECTIONS**

Sec. 12-201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for fiscal year 2016-2017 is $305,259,900.00 and state spending from state resources to be paid to local units of government for fiscal year 2016-2017 is $28,225,700.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS

| | | |
|---|---|---|
| Fire protection grants | $ | 9,273,900 |
| Firefighter training grants | | 1,000,000 |
| Liquor law enforcement grants | | 7,200,000 |
| Medical marihuana operation and oversight grants | | 3,000,000 |
| Remonumentation grants | | 7,300,000 |
| Subregional libraries state aid | | 451,800 |
| TOTAL | $ | 28,225,700 |

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

Sec. 12-203. As used in this article:

(a) "DED" means the United States department of education.

(b) "Department" means the department of licensing and regulatory affairs.

(c) "DHS" means the United States department of homeland security.

(d) "DIFS" means the department of insurance and financial services.

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

(f) "DOE" means the United States department of energy.

(g) "DOL" means the United States department of labor.

(h) "DOT" means the United States department of transportation.

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

(j) "FOIA" means freedom of information act.

(k) "FTE" means full-time equated.

(*l*) "HHS" means the United States department of health and human services.

(m) "IDG" means interdepartmental grant.

(n) "IT" means information technology.

(o) "MDE" means the Michigan department of education.

(p) "PMECSEMA" means pain management education and controlled substances electronic monitoring and antidiversion.

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

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

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

Sec. 12-206. The director shall take all reasonable steps to ensure businesses in deprived and depressed communities compete for and perform contracts to provide services or supplies, or both. Each director shall strongly encourage firms with which the department contracts to subcontract with certified businesses in depressed and deprived communities for services, supplies, or both.

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

(a) The dates of each travel occurrence.

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

proportion funded with other revenues.

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

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

Sec. 12-210. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed $19,000,000.00 for federal contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this article under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

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

(3) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed $7,800,000.00 for local contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this article under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

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

Sec. 12-211. The department shall cooperate with the department of technology, management and budget to maintain a searchable website accessible by the public at no cost that includes, but is not limited to, all of the following for each department or agency:

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

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

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

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

(e) Job specifications and wage rates.

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

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

Sec. 12-214. Total authorized appropriations from all sources under part 1 for legacy costs for the fiscal year ending September 30, 2017 is $53,627,900.00. From this amount, total agency appropriations for pension-related legacy costs are estimated at $29,735,200.00. Total agency appropriations for retiree health care legacy costs are estimated at $23,892,700.00.

Sec. 12-220. The department may carry into the succeeding fiscal year unexpended federal pass-through funds to local institutions and governments that do not require additional state matching funds. Federal pass-through funds to local institutions and governments that are received in amounts in addition to those included in part 1 and that do not require additional state matching funds are appropriated for the purposes intended. Within 14 days after the receipt of federal pass-through funds, the department shall notify the house and senate chairpersons of the subcommittees, the fiscal agencies, and the state budget director of pass-through funds appropriated under this section.

Sec. 12-225. (1) Grants supported with private revenues received by the department are appropriated upon receipt and are available for expenditure by the department, subject to subsection (3), for purposes specified within the grant agreement and as permitted under state and federal law.

(2) Within 10 days after the receipt of a private grant appropriated in subsection (1), the department shall notify the house and senate chairpersons of the subcommittees, the fiscal agencies, and the state budget director of the receipt of the grant, including the fund source, purpose, and amount of the grant.

(3) The amount appropriated under subsection (1) shall not exceed $1,500,000.00.

Sec. 12-227. (1) The department shall sell documents at a price not to exceed the cost of production and distribution. Money received from the sale of these documents shall revert to the department. In addition to the funds appropriated in part 1, these funds are appropriated for expenditure when they are received by the department of treasury. This subsection applies only for the following documents:

(a) Corporation and securities division documents, reports, and papers required or permitted by law pursuant to section 1060(5) of the business corporation act, 1972 PA 284, MCL 450.2060.

(b) The Michigan liquor control code of 1998, 1998 PA 58, MCL 436.1101 to 436.2303.

(c) The mobile home commission act, 1987 PA 96, MCL 125.2301 to 125.2349; the business corporation act, 1972 PA 284, MCL 450.1101 to 450.2098; the nonprofit corporation act, 1982 PA 162, MCL 450.2101 to 450.3192; and the uniform securities act (2002), 2008 PA 551, MCL 451.2101 to 451.2703.

(d) Worker's compensation health care services rules.

(e) Construction code manuals.

(f) Copies of transcripts from administrative law hearings.

(2) In addition to the funds appropriated in part 1, funds appropriated by the department under sections 55, 57, 58, and 59 of the administrative procedures act of 1969, 1969 PA 306, MCL 24.255, 24.257, 24.258, and 24.259, and section 203 of the legislative council act, 1986 PA 268, MCL 4.1203, are appropriated for all expenses necessary to provide for the cost of publication and distribution.

(3) Unexpended funds at the end of the fiscal year shall carry forward to the subsequent fiscal year and not lapse to the general fund.

Sec. 12-228. Unless prohibited by law, the department may accept credit card or other electronic means of payment for licenses, fees, or permits.

Sec. 12-241. (1) The department may charge registration fees to attendees of informational, training, or special events sponsored by the department.

(2) These fees shall reflect the costs for the department to sponsor the informational, training, or special events.

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

(4) Revenue generated by registration fees in excess of the department's costs of sponsoring informational, training, or special events shall carry forward to the subsequent fiscal year and not lapse to the general fund.

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

Sec. 12-242. The department may make available to interested entities otherwise unavailable customized listings of nonconfidential information in its possession, such as names and addresses of licensees. The department may establish and collect a reasonable charge to provide this service. The revenue received from this service shall be used to offset expenses to provide the service. Any balance of this revenue collected and unexpended at the end of the fiscal year shall revert to the appropriate restricted fund.

Sec. 12-245. The department, in conjunction with the department of health and human services, shall maintain an accounting structure within the Michigan administrative information network that will allow expenditures associated with the administration of the Healthy Michigan plan to be identified.

**OCCUPATIONAL REGULATION**

Sec. 12-501. Money appropriated under this part and part 1 for the bureau of fire services shall not be expended unless, in accordance with section 2c of the fire prevention code, 1941 PA 207, MCL 29.2c, inspection and plan review fees will be charged according to the following schedule:

Operation and maintenance inspection fee

| Facility type | Facility size | Fee |
|---|---|---|
| Hospitals | Any | $8.00 per bed |

Plan review and construction inspection fees for hospitals and schools

| Project cost range | Fee |
|---|---|
| $101,000.00 or less | minimum fee of $155.00 |

| | |
|---|---|
| $101,001.00 to $1,500,000.00 | $1.60 per $1,000.00 |
| $1,500,001.00 to $10,000,000.00 | $1.30 per $1,000.00 |
| $10,000,001.00 or more | $1.10 per $1,000.00 |

or a maximum fee of $60,000.00.

Sec. 12-502. The funds collected by the department for licenses, permits, and other elevator regulation fees set forth in the Michigan administrative code and as determined under section 8 of 1976 PA 333, MCL 338.2158, and section 16 of 1967 PA 227, MCL 408.816, that are unexpended at the end of the fiscal year shall carry forward to the subsequent fiscal year.

Sec. 12-503. No later than February 15, the department shall submit a report to the subcommittees, fiscal agencies, and state budget director providing the following information:

(a) The number of honorably discharged veterans, individually or if a majority interest of a corporation or limited liability company, that were exempted from paying licensure, registration, filing, or any other fees collected under each licensure or regulatory program administered by the bureau of construction codes and the corporations, securities, and commercial licensing bureau during the preceding fiscal year.

(b) The specific fees and total amount of revenue exempted under each licensure or regulatory program administered by the bureau of construction codes and the corporations, securities, and commercial licensing bureau during the preceding fiscal year.

(c) The actual costs of providing licensing and other regulatory services to veterans exempted from paying licensure, registration, filing, or any other fees during the preceding fiscal year and a description of how these costs were calculated.

(d) The estimated amount of revenue that will be exempted under each licensure or regulatory program administered by the bureau of construction codes and the corporations, securities, and commercial licensing bureau in both the current and subsequent fiscal years and a description of how the exempted revenue was estimated.

Sec. 12-505. (1) Funds remaining in the homeowner construction lien recovery fund are appropriated to the department for payment of court-ordered homeowner construction lien recovery fund judgments entered prior to August 23, 2010. Pursuant to available funds, the payment of final judgments shall be made in the order in which the final judgments were entered and began accruing interest.

(2) Not later than April 1, the department shall submit to the subcommittees, fiscal agencies, and the state budget director a report on the revenues, expenditures, and balance of the homeowner construction lien recovery fund as of the end of the previous fiscal year.

Sec. 12-507. The department shall submit by January 31 to the standing committees on appropriations of the senate and house of representatives, the fiscal agencies, and the state budget director an annual report for the prior fiscal year regarding the medical marihuana program under the Michigan medical marihuana act, 2008 IL 1, MCL 333.26421 to 333.26430.

Sec. 12-508. If the revenue collected by the department for health systems administration or radiological health administration and projects from fees and collections exceeds the amount appropriated in part 1, the revenue may be carried forward into the subsequent fiscal year. The revenue carried forward under this section shall be used as the first source of funds in the subsequent fiscal year.

Sec. 12-511. No later than February 1, the department shall submit a report to the subcommittees, fiscal agencies, and the state budget director providing the following information:

(a) The total amount of reimbursements made to local units of government for delegated inspections of fireworks retail locations pursuant to section 11 of the Michigan fireworks safety act, 2011 PA 256, MCL 28.461, from the funds appropriated in part 1 for the bureau of fire services during the preceding fiscal year.

(b) The amount of reimbursement for delegated inspections of fireworks retail locations for each local unit of government that received reimbursement from the funds appropriated in part 1 for the bureau of fire services during the preceding fiscal year.

Sec. 12-513. (1) Beginning October 1, for the purpose of defraying the costs associated with responding to false final inspection appointments and to discourage the practice of calling for final inspections when the project is incomplete or noncompliant with a plan of correction previously provided by the bureau of fire services, the bureau of fire services may assess a fee not to exceed $200.00 for responding to confirmed false inspection appointments. Fees collected under this section shall be deposited into the restricted account referenced by section 2c(2) of the fire prevention code, 1941 PA 207, MCL 29.2c, and explicitly identified within the Michigan administrative information network.

(2) Not later than September 30, the department shall prepare a report that provides the amount of the fee assessed under subsection (1), the number of fees assessed and issued per region, the cost allocation for the work performed and reduced as a result of this section, and any recommendations for consideration by the legislature. The department shall submit this information to the state budget director, the subcommittees, and the fiscal agencies.

Sec. 12-515. The department shall assess and collect fees in the licensing and regulation of childcare organizations as defined in 1973 PA 116, MCL 722.111 TO 722.128, and adult foster care facilities as defined in the adult foster care facility licensing act, 1979 PA 218, MCL 400.701 TO 400.737.

**EMPLOYMENT SERVICES**

Sec. 12-704. (1) The appropriation in part 1 for the bureau of services for blind persons includes funds for case services. These funds may be used for tuition payments for blind clients.

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

Sec. 12-707. The bureau of services for blind persons may provide and enter into agreements to provide general services, training, meetings, information, special equipment, software, facility use, and technical consulting services to other principal executive departments, state agencies, local units of government, the judicial branch of government, other organizations, and patrons of department facilities. The department may charge fees for these services that are reasonably related to the cost of providing the services. In addition to the funds appropriated in part 1, funds collected by the department for these services are appropriated for all expenses necessary. The funds appropriated under this section are allotted for expenditure when they are received by the department of treasury.

**DEPARTMENT GRANTS**

Sec. 12-901. The appropriation in part 1 for fire protection grants shall be appropriated to cities, villages, and townships with state-owned facilities for fire services, instead of taxes, in accordance with 1977 PA 289, MCL 141.951 to 141.956.

Sec. 12-902. (1) Not later than January 31, the department shall prepare a report that provides the number of registry identification cards issued to or renewed for patients residing in each county as of September 30 of the preceding fiscal year, under the Michigan medical marihuana act, 2008 IL 1, MCL 333.26421 to 333.26430. The department shall submit this report to the state budget director, the senate and house appropriations subcommittees on licensing and regulatory affairs, and the fiscal agencies.

(2) The department shall expend the funds appropriated in part 1 for medical marihuana operation and oversight grants for grants to county law enforcement offices for the operation and oversight of the Michigan medical marihuana program pursuant to section 6(*l*) of the Michigan medical marihuana act, 2008 IL 1, MCL 333.26426. These grants shall be distributed proportionately based on the number of registry identification cards issued to or renewed for the residents of each county whose county law enforcement office applied for a grant under subsection (3). For the purposes of this subsection, operation and oversight grants are for education, communication, and enforcement of the Michigan medical marihuana act, 2008 IL 1, MCL 333.26421 to 333.26430.

(3) No later than December 1, the department shall post a listing of potential grant money available to each county law enforcement agency on its website. In addition, the department shall work collaboratively with county law enforcement agencies, the Michigan sheriff's association, and other representative law enforcement organizations regarding the availability of these grant funds. A county law enforcement agency requesting a grant shall apply on a form developed by the department and available on the website. The form shall contain the county law enforcement agency's specific projected plan for use of the money and its agreement to maintain all records and to submit documentation to the department to support the use of the grant money.

(4) In order to be eligible to receive a grant under subsection (2), a county law enforcement agency shall apply no later than January 1 and agree to report how the grant was expended and provide that report to the department no later than September 15. The department shall submit a report no later than October 15 of the subsequent fiscal year to the state budget director, the senate and house appropriations subcommittees on licensing and regulatory affairs, and the fiscal agencies detailing the grant amounts by recipient and the reported uses of the grants in the preceding fiscal year.

(5) County law enforcement agencies may distribute discretionary grants made under

subsection (2) to municipal law enforcement agencies for the operation and oversight of the Michigan medical marihuana program pursuant to section 6(*l*) of the Michigan medical marihuana act, 2008 IL 1, MCL 333.26426. If a county law enforcement agency distributes a discretionary grant in this manner, that county law enforcement agency shall require the receiving municipal law enforcement agency to provide a report on how that grant was spent. Reports from municipal law enforcement agencies shall be included as part of the report submitted to the department as required in subsection (4).

Sec. 12-903. (1) The amount appropriated in part 1 for firefighter training grants shall only be expended for payments to counties to reimburse organized fire departments for firefighter training and other activities required under the firefighters training council act, 1966 PA 291, MCL 29.361 to 29.377.

(2) If the amount appropriated in part 1 for firefighter training grants is expended by the firefighter training council, established in section 3 of the firefighters training council act, 1966 PA 291, MCL 29.363, for payments to counties under section 14 of the firefighters training council act, 1966 PA 291, MCL 29.374, the amount appropriated in part 1 for firefighter training grants shall be allocated pursuant to section 14(2) of the firefighters training council act, 1966 PA 291, MCL 29.374. If the amount allocated to any county is less than $5,000.00, the amounts disbursed to each county shall be adjusted to provide for a minimum payment of $5,000.00 to each county.

(3) No later than February 1, the department shall submit a financial report to the subcommittees and fiscal agencies identifying the following information for the preceding fiscal year:

(a) The amount of the payments that would be made to each county if the distribution formula described by the first sentence of section 14(2) of the firefighters training council act, 1966 PA 291, MCL 29.374, would have been utilized to allocate the total amount appropriated in part 1 for firefighter training grants.

(b) The amount of the payments approved by the firefighter training council for allocation to each county.

(c) The amount of the payments actually expended or encumbered within each county.

(d) A description of any other payments or expenditures made under the authority of the firefighter training council.

(e) The amount of payments approved for allocations to counties that was not expended

or encumbered and lapsed back to the fireworks safety fund.

Sec. 12-904. (1) The funds appropriated in part 1 for a regional or subregional library shall not be released until a budget for that regional or subregional library has been approved by the department for expenditures for library services directly serving the blind and persons with disabilities.

(2) In order to receive subregional state aid as appropriated in part 1, a regional or subregional library's fiscal agency shall agree to maintain local funding support at the same level in the current fiscal year as in the fiscal agency's preceding fiscal year. If a reduction in expenditures equally affects all agencies in a local unit of government that is the regional or subregional library's fiscal agency, that reduction shall not be interpreted as a reduction in local support and shall not disqualify a regional or subregional library from receiving state aid under part 1. If a reduction in income affects a library cooperative or district library that is a regional or subregional library's fiscal agency or a reduction in expenditures for the regional or subregional library's fiscal agency, a reduction in expenditures for the regional or subregional library shall not be interpreted as a reduction in local support and shall not disqualify a regional or subregional library from receiving state aid under part 1.

Sec. 12-905. (1) From the increased funds appropriated in part 1 for the Michigan liquor control commission, the department shall maintain customer service standards for authorized distributor agents, licensees, and vendors.

(2) The department shall identify specific outcomes and performance metrics for this initiative, including, but not limited to, the following:

(a) System availability to licensees.

(b) System order errors.

Sec. 12-906. (1) From the increased funds appropriated in part 1 for the automated prescription system, the department shall provide improved efficiencies and functionality of the system for dispensers and prescribers as well as improved reporting capabilities.

(2) The department shall identify specific outcomes and performance metrics for this initiative, including, but not limited to, the following:

(a) Prescribers enrolled in the automated prescription system.

(b) Dispensers enrolled in the automated prescription system.

(c) Utilization of the automated prescription system by prescribers.

(d) Utilization of the automated prescription system by dispensers.

(e) Number of drug diversion cases the department generates from the automated prescription system.

(f) Number of over-prescribing cases the department generates from the automated prescription system.

**Article 13**

**MILITARY AND VETERANS AFFAIRS**

PART 1

LINE-ITEM APPROPRIATIONS AND ANTICIPATED APPROPRIATIONS

Sec. 13-101. Subject to the conditions set forth in this article, the amounts listed in this part for the department of military and veterans affairs are appropriated for the fiscal year ending September 30, 2017, and are anticipated to be appropriated for the fiscal year ending September 30, 2018, from the funds indicated in this part. The following is a summary of the appropriations and anticipated appropriations in this part:

| | For Fiscal Year Ending Sept. 30, 2017 | For Fiscal Year Ending Sept. 30, 2018 |
|---|---|---|
| **DEPARTMENT OF MILITARY AND VETERANS AFFAIRS** | | |
| **APPROPRIATION SUMMARY** | | |
| Full-time equated unclassified positions..... | 9.0 | 9.0 |
| Full-time equated classified positions..... | 888.5 | 888.5 |
| **GROSS APPROPRIATION ..... $** | **176,000,200 $** | **168,500,200** |
| Total interdepartmental grants and intradepartmental transfers..... | 101,800 | 101,800 |
| ADJUSTED GROSS APPROPRIATION ..... $ | 175,898,400 $ | 168,398,400 |
| Total federal revenues ..... | 91,793,600 | 91,793,600 |
| Total local revenues ..... | 1,522,400 | 1,522,400 |
| Total private revenues ..... | 742,800 | 742,800 |
| Total other state restricted revenues ..... | 24,696,000 | 24,696,000 |
| State general fund/general purpose ..... $ | 57,143,600 $ | 49,643,600 |
| *State general fund/general purpose schedule:* | | |
| Ongoing *state general fund/general purpose ..... | *49,643,600* | *49,643,600* |
| *One-time state general fund/general purpose ..... | *7,500,000* | *0* |
| **Sec. 13-102. MILITARY** | | |
| Full-time equated unclassified positions..... | 9.0 | 9.0 |
| Full-time equated classified positions..... | 324.0 | 324.0 |
| Unclassified positions ..... $ | 1,425,500 $ | 1,425,500 |
| Departmental and National Guard operations ..... | 66,752,900 | 66,752,900 |
| **GROSS APPROPRIATION ..... $** | **68,178,400 $** | **68,178,400** |
| Appropriated from: | | |
| Interdepartmental grant revenues ..... | 101,800 | 101,800 |
| Federal revenues ..... | 47,488,100 | 47,488,100 |
| Local revenues ..... | 1,522,400 | 1,522,400 |
| Private revenues ..... | 202,800 | 202,800 |
| State restricted revenues ..... | 6,551,800 | 6,551,800 |
| State general fund/general purpose ..... $ | 12,311,500 $ | 12,311,500 |
| *Schedule of programs:* | | |
| *Unclassified positions ..... | *1,425,500* | *1,425,500* |
| *Support services ..... | *1,839,100* | *1,839,100* |

| | For Fiscal Year Ending Sept. 30, 2017 | For Fiscal Year Ending Sept. 30, 2018 |
|---|---|---|
| *Armories and joint force readiness* | *17,592,300* | *17,592,300* |
| *National Guard training facilities and air bases* | *33,793,000* | *33,793,000* |
| *Michigan youth challeNGe academy* | *4,616,900* | *4,616,900* |
| *Military family relief fund* | *600,000* | *600,000* |
| *Starbase grant* | *2,322,000* | *2,322,000* |
| *National Guard tuition assistance program* | *3,505,000* | *3,505,000* |
| *Michigan National Guard tuition assistance fund* | *1,100,000* | *1,100,000* |
| *Information technology services and projects* | *1,384,600* | *1,384,600* |
| **Sec. 13-103. MICHIGAN VETERANS AFFAIRS AGENCY** | | |
| Full-time equated classified positions | 564.5 | 564.5 |
| Michigan veterans affairs agency | $ 16,202,100 | $ 16,202,100 |
| Veterans' homes | 67,619,700 | 67,619,700 |
| **GROSS APPROPRIATION** | **$ 83,821,800** | **$ 83,821,800** |
| Appropriated from: | | |
| Federal revenues | 29,305,500 | 29,305,500 |
| Private revenues | 540,000 | 540,000 |
| State restricted revenues | 17,144,200 | 17,144,200 |
| State general fund/general purpose | $ 36,832,100 | $ 36,832,100 |
| *Schedule of programs:* | | |
| *Veterans affairs agency administration* | *7,057,300* | *7,057,300* |
| *Veterans service grants* | *3,733,500* | *3,733,500* |
| *Targeted grants* | *200,000* | *200,000* |
| *Veterans' trust fund administration* | *1,464,800* | *1,464,800* |
| *Veterans' trust fund grants* | *3,746,500* | *3,746,500* |
| *Grand Rapids home for veterans* | *45,429,100* | *45,429,100* |
| *Boards of managers (GRHV)* | *665,000* | *665,000* |
| *D.J. Jacobetti home for veterans* | *21,250,600* | *21,250,600* |
| *Board of managers (DJJHV)* | *275,000* | *275,000* |
| **Sec. 13-104. CAPITAL OUTLAY** | | |
| Capital outlay | $ 16,500,000 | $ 16,500,000 |
| **GROSS APPROPRIATION** | **$ 16,500,000** | **$ 16,500,000** |
| Appropriated from: | | |

| | For Fiscal Year Ending Sept. 30, 2017 | For Fiscal Year Ending Sept. 30, 2018 |
|---|---|---|
| Federal revenues | 15,000,000 | 15,000,000 |
| State restricted revenues | 1,000,000 | 1,000,000 |
| State general fund/general purpose | $ 500,000 | $ 500,000 |
| *Schedule of programs:* | | |
| *Special maintenance - National Guard* | *15,000,000* | *15,000,000* |
| *Special maintenance - veterans' homes* | *500,000* | *500,000* |
| *Land acquisitions and appraisals* | *1,000,000* | *1,000,000* |

**Sec. 13-105. ONE-TIME APPROPRIATIONS**

| | | |
|---|---|---|
| Capital outlay-Grand Rapids home for veterans-medicaid certification pilot | $ 5,000,000 | $ 0 |
| Armory infrastructure upgrades | 2,500,000 | 0 |
| **GROSS APPROPRIATION** | **$ 7,500,000** | **$ 0** |
| Appropriated from: | | |
| State general fund/general purpose | $ 7,500,000 | $ 0 |

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FISCAL YEAR 2017

**GENERAL SECTIONS**

Sec. 13-201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for fiscal year 2016-2017 is $81,839,600.00 and state spending from state resources to be paid to local units of government for fiscal year 2016-2017 is $102,400.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF MILITARY AND VETERANS AFFAIRS

| | |
|---|---|
| National Guard training facilities and air bases | $ 52,400 |
| Veterans affairs agency administration | 50,000 |
| TOTAL | $ 102,400 |

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

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

(a) "Core services" means that phrase as defined in section 373 of the management and budget act, 1984 PA 431, MCL 18.373.

(b) "Department" means the department of military and veterans affairs.

(c) "Director" means the director of the department.

(d) "DJJHV" means the D.J. Jacobetti home for veterans.

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

(f) "GRHV" means the Grand Rapids home for veterans.

(g) "HVAC" means heating, ventilation, and air conditioning.

(h) "MVAA" means the Michigan veterans' affairs agency.

(i) "USDVA" means the United States Department of Veterans Affairs.

(j) "USDVA-VHA" means the USDVA Veterans Health Administration.

(j) "VSO" means veterans service organization.

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

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

Sec. 13-206. The director shall take all reasonable steps to ensure businesses in deprived and depressed communities compete for and perform contracts to provide services or supplies, or both. Each director shall strongly encourage firms with which the department contracts to subcontract with certified businesses in depressed and deprived communities for services, supplies, or both.

Sec. 13-207. The departments and agencies receiving appropriations in part 1 shall prepare a report on out-of-state travel expenses not later than January 1 of each year. The travel report shall be a listing of all travel by classified and unclassified employees

outside this state in the immediately preceding fiscal year that was funded in whole or in part with funds appropriated in the department's budget. The report shall be submitted to the senate and house appropriations committees, the house and senate fiscal agencies, and the state budget director. The report shall include the following information:

(a) The dates of each travel occurrence.

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

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

Sec. 13-209. Not later than November 30, the state budget office shall prepare and transmit a report that provides for estimates of the total general fund/general purpose appropriation lapses at the close of the prior fiscal year. This report shall summarize the projected year-end general fund/general purpose appropriation lapses by major departmental program or program areas. The report shall be transmitted to the chairpersons of the senate and house appropriations committees, and the senate and house fiscal agencies.

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

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

(3) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed $100,000.00 for local contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this article under

section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

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

Sec. 13-211. The department shall cooperate with the department of technology, management and budget to maintain a searchable website accessible by the public at no cost that includes, but is not limited to, all of the following for each department or agency:

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

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

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

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

(e) Job specifications and wage rates.

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

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

Sec. 13-214. Total authorized appropriations from all sources under part 1 for legacy costs for the fiscal year ending September 30, 2017 is $18,602,500.00. From this amount, total agency appropriations for pension-related legacy costs are estimated at $10,314,600.00. Total agency appropriations for retiree health care legacy costs are estimated at $8,287,900.00.

Sec. 13-215. (1) Notwithstanding any other provision of this part, the schedule of programs in part 1 lists programs which may, but are not required to be, funded under part 1.

(2) Notwithstanding any other provisions of this part, the schedule of revenue

sources in part 1 may or may not be received from the funding entities listed.

(3) Any funding required by statute is not subject to funding flexibility and shall be funded in accordance with that statute.

Sec. 13-216. The department shall provide quarterly reports to the subcommittees, the senate and house fiscal agencies, and the state budget office, which shall provide the following data:

(a) A list of all major work projects, including a status report of each project.

(b) The department's financial status, featuring a report of budgeted versus actual expenditures by part 1 line item including a year-end projection of budget requirements. If projected department budget requirements exceed the allocated budget, the report shall include a plan to reduce overall expenses while still satisfying specified service level requirements.

(c) A report on the status of performance metrics cited in this part and information required to be reported in this part.

(d) The number of active employees at the close of the fiscal quarter by job classification and program.

(e) A summary of fund shifts, that have been approved by the state budget office, that have occurred between items listed in the schedule of programs mentioned in part 1.

(f) Evidence of efficiencies and management of funds within established appropriations.

Sec. 13-217. The appropriations in part 1 are for the core services, support services, and work projects of the department, including, but not limited to, the following core services:

(a) Armories and joint force readiness.

(b) National guard training facilities and air bases.

(c) Michigan youth ChalleNGe academy.

(d) Military family relief fund.

(e) Starbase grant.

(f) National guard tuition assistance program.

(g) Michigan veterans affairs agency administration.

(h) Veterans service grants.

(i) Veterans' trust fund administration.

(j) Veterans' trust fund grants.

(k) Grand Rapids home for veterans.

(*l*) Board of managers (Grand Rapids and D.J. Jacobetti).

(m) D.J. Jacobetti home for veterans.

Sec. 13-218. The appropriations in part 1 for capital outlay shall be carried forward at the end of the fiscal year consistent with section 248 of the management and budget act, 1984 PA 431, MCL 18.1248.

**UNCLASSIFIED POSITIONS**

Sec. 13-300. (1) From the funds appropriated in part 1, there is funding to support unclassified employee positions as authorized by section 5 of article XI of the state constitution of 1963. These positions include the following: department director - the adjutant general for Michigan; assistant adjutant general - army; assistant adjutant general - installations; assistant adjutant general - air; senior policy executive - Michigan veterans affairs agency; senior deputy director - state operations; director - strategy and policy; chief executive officer for the veteran health system; and director - Michigan veterans affairs agency.

(2) Not less than 30 days prior to the department submitting a request for an additional unclassified employee position from the civil service commission, or for any substantive change to the duties of an existing unclassified employee position, the department shall notify the subcommittees and the senate and house fiscal agencies.

**ARMORIES AND JOINT FORCE READINESS**

Sec. 13-302. (1) From the funds appropriated in part 1 for military operations, effective and efficient executive direction and administrative leadership shall be provided to the department.

(2) The department shall operate and maintain National Guard armories.

(3) The department shall evaluate armories and submit a quarterly report on the status of the armories.

(4) The department shall maintain a system to measure the condition and adequacy of the armories.

(5) The Michigan Army National Guard and Air National Guard shall work to provide a

culture that is free of sexual assault, through an environment of prevention, education and training, response capability, victim support, reporting procedures, and appropriate accountability that enhances the safety and well-being of all guard members.

(6) By December 1, the department shall report the following information to the subcommittees, the senate and house fiscal agencies, and the state budget office:

(a) An assessment of the grounds and facilities of each armory to objectively measure and determine the current facility condition and capability to support authorized manpower, unit training, and operations.

(b) Recommendations for the placement of new armories, the relocation or consolidation of existing armories, or a change in the mission of units assigned to armories to ideally position the National Guard in current or projected population centers.

(c) Recommendations for the enhanced use of armories to facilitate family support programs during deployments.

(d) An analysis of the feasibility, potential costs, and benefits of use of armories shared with other local, state, or federal agencies to improve responses to local emergencies as well as the community support provided to armories.

(e) An investment strategy and proposed funding amounts in a prioritized project list to correct the most critical facility shortfalls across the inventory of armories in this state.

**NATIONAL GUARD TRAINING FACILITIES AND AIR BASES**

Sec. 13-304. (1) The department shall provide Army and Air National Guard forces, when directed, for state and local emergencies and in support of national military requirements.

(2) The department shall operate and maintain Army National Guard training facilities, including Fort Custer and Camp Grayling.

(3) The department shall maintain a system that measures the condition and adequacy of air facilities using both quality and functionality criteria.

(4) The department shall operate and maintain Air National Guard air bases, including Selfridge Air National Guard base, Battle Creek Air National Guard base, and Alpena combat readiness training center.

(5) The department shall provide the following information as provided under section

219:

(a) The apportioned and assigned strength of the Michigan Army National Guard.

(b) The apportioned and assigned strength of the Michigan Air National Guard.

(c) Recruiting, retention, and attrition data, including measurement against stated performance goals, for the Michigan Army National Guard.

(d) Recruiting, retention, and attrition data, including measurement against stated performance goals, for the Michigan Air National Guard.

Sec. 13-305. There is hereby created and established under the jurisdiction and control of the department a revolving account to be known as the billeting fund account. All of the fees and other revenues generated from the operation of the chargeable transient quarters program shall be deposited in the billeting fund account. Appropriations will be made from the account for the support of program operations and the maintenance and operations of the chargeable transient quarters program and will not exceed the estimated revenues for the fiscal year in which they are made, together with unexpended balances from prior years. The department shall submit an annual report of operations and expenditures regarding the billeting fund account to the appropriations committees of the senate and house of representatives, the house and senate fiscal agencies, and the state budget office at the end of the fiscal year.

**MICHIGAN YOUTH CHALLENGE ACADEMY**

Sec. 13-307. (1) The department shall maintain the Michigan youth challeNGe academy to provide values, skills, education, and self-discipline instruction for at-risk youth as provided under 32 USC 509.

(2) The department shall take steps to recruit candidates to the challeNGe program from economically disadvantaged areas, including those with low-income and high-unemployment backgrounds.

(3) The department shall partner with the department of health and human services to identify youth who may be eligible for the challeNGe program from those youth served by department of health and human services programs. These eligible youth shall be given priority for enrollment in the program.

(4) The department shall maintain the staffing and resources necessary to train at least 144 cadets simultaneously at the Michigan youth challeNGe academy.

(5) The department shall ensure that the average grade level increase for Michigan youth challeNGe academy graduates is 2 years as measured with the test adult basic education (TABE) metrics.

**MILITARY FAMILY RELIEF FUND**

Sec. 13-308. (1) The department shall provide grants for disbursement from the military family relief fund, as provided under the military family relief fund act, 2004 PA 363, MCL 35.1211 to 35.1216, and R 200.5 to R 200.95 of the Michigan administrative code.

(2) The department shall provide information on the revenues, expenditures for advertising and assistance grants, and fund balance of the Michigan military family relief fund, as provided under section 219.

(3) The department shall provide sufficient staffing and other resources to provide outreach to the Michigan families of members of the reserve component of the armed forces called into active duty and to support the processing and approval of grant applications this fiscal year under the Michigan military relief fund and report those applications as provided in section 219.

**STARBASE GRANT**

Sec. 13-309. The department shall maintain the starbase program at Air National Guard facilities, as provided under 10 USC 2193b, to improve the knowledge, skills, and interest of students, primarily in the fifth grade, in math, science, and technology. The starbase program is to specifically target minority and at-risk students for participation.

**NATIONAL GUARD TUITION ASSISTANCE PROGRAM**

Sec. 13-310. (1) The department shall establish and maintain a National Guard tuition assistance program for members of the Michigan Air and Army National Guard.

(2) The objective of the National Guard tuition program is to bolster military readiness by increasing recruitment and retention of Michigan Air and Army National Guard service members (and to fill federally authorized strength levels for the state), improve the Michigan Air and Army National Guard's competitive draw from other military enlistment options in the state, enhance the ability of the Michigan Air and Army National Guard to compete for members and federal dollars with surrounding states, and increase the pool of

eligible candidates within the Michigan Air and Army National Guard to become commissioned officers.

(3) The department shall make efforts to increase the number of Michigan Air and Army National Guard members participating in the program to 1,000 during the third year of the program's existence. To evaluate the effectiveness of the program, the department shall monitor the number of new recruits and new reenlistments and the percentage of those who become participants in the program to determine whether the percentage of authorized Michigan Air and Army National Guard strength obtained and retained is competitive in comparison with the neighboring air and army national guards from the states of Illinois, Indiana, Ohio, and Wisconsin.

(4) Of the funds appropriated in Part I, the National Guard Tuition Assistance Program shall be supported with revenue from the Michigan National Guard Tuition Assistance Fund. Pursuant to PA 259 of 2014, unexpended funds remaining in the Michigan National Guard Tuition Assistance Fund at the end of the fiscal year shall not lapse to the general fund.

**MICHIGAN VETERANS AFFAIRS AGENCY ADMINISTRATION**

Sec. 13-400. (1) The MVAA agency shall provide outreach services to Michigan veterans that advise them on the benefits to which they are entitled, as provided under Executive Reorganization Order No. 2013-2, MCL 32.92. The MVAA shall also do the following:

(a) Maintain the staffing partnerships and other resources necessary to develop and operate an outreach program that will communicate benefit eligibility information to at least 50% of Michigan's population of veterans, as assessed by annual census estimates, with a goal of reaching 100% and enabling 100% to access benefit information online.

(b) Communicate veteran benefit information pertaining to the Michigan military family relief fund, Michigan veterans' trust fund, and USDVA health, financial, and memorial benefits to which they are entitled.

(c) Provide sufficient staffing and other resources to approve requests for military discharge certificates (DD-214) annually.

(d) Continue the process to digitize all medical records, military discharge documents, and burial records that are currently on paper and microfilm.

(e) Provide a report, as provided under section 219, on the MVAA's performance on the

performance measures, outcomes, and initiatives developed by the agency in the strategic plan required by section 501 of 2013 PA 9.

(f) Provide a report to the subcommittees, senate and house fiscal agencies, and the state budget office no later than April 1 providing for the following:

(*i*) To the extent known, data on the estimated number of homeless veterans, by county, in this state.

(*ii*) A summary of the activities and strategies developed to date under the MVAA community assessment and regional service delivery model pilot.

(2) From the funds appropriated in part 1, the MVAA shall provide for the regional coordination of services, as follows:

(a) Regional coordinators shall be selected by the MVAA through a grant agreement with VSOs or by other means.

(b) Regional coordinators shall provide the following services:

(*i*) Coordinate veteran benefit counselors' efforts throughout a specified region.

(*ii*) Coordinate services with the department of health and human services and the department of corrections.

(*iii*) Coordinate with regional workforce and economic development agencies.

(*iv*) Coordinate activities among local foundations, nonprofit organizations, and community groups to improve accessibility, enrollment, and utilization of the array of health care, education, employment assistance, and quality of life services provided at the local level.

(c) The MVAA may work with MVAA service officers, regional coordinators, county veteran counselors, VSO service officers, and other service providers to incorporate the provision of information relating to mental health care resources into their daily operations to aid veterans in understanding the mental health care support services they may be eligible to receive.

(d) The MVAA shall coordinate with the department of health and human services to identify Medicaid recipients who are veterans and who may be eligible for federal veterans health care benefits or other benefits, to the extent that the identification does not violate applicable confidentiality requirements.

(e) The MVAA shall collaborate with the department of corrections to create and maintain a process by which prisoners can obtain a copy of their DD-214 form or other

military discharge documentation if necessary.

(f) The MVAA shall ensure that all MVAA service officers, VSO service officers, and regional coordinators receive appropriate training in processing applications for benefits payable to veterans due to military sexual trauma, post-traumatic stress disorder, depression, anxiety, substance abuse, or other mental health issues.

(3) The MVAA shall provide claims processing services to Michigan veterans in support of benefit claims submitted to the USDVA for the health, financial, and memorial benefits for which they are eligible, and shall do all of the following:

(a) Report the following information as provided in section 219:

(*i*) The number of benefit claims, by type, submitted to the USDVA by MVAA and coalition partner veteran service officers.

(*ii*) The number of fully developed claims, submitted to the USDVA, with an overall goal of 40% of benefit claims submitted that are considered fully developed by the USDVA.

(b) Maintain the staffing and resources necessary to process a minimum of 500 claims per year.

(4) The MVAA shall maintain staffing and resources necessary to develop and implement a process to ensure that all county counselors receive the training and accreditation necessary to provide quality services to our veterans. The MVAA shall report information as provided in section 219 on the number and percentage of county veterans counselors requesting training by the MVAA, with an overall goal of 100% of county veterans counselors trained.

(5) From the funds appropriated in part 1 for MVAA operations, the MVAA shall provide grant assistance to enhance the capacity and capabilities of counties in providing benefit claims assistance. These funds shall be used to continue the implementation of an Internet-based data system, to increase the number of county veterans counselors, and to increase the number of counties that provide service to veterans through county veterans counselors. The MVAA shall provide a report, as provided in section 219, on the expenditures and activities of the grant funds directed by this subsection.

(6) From the funds appropriated in part 1 for MVAA, the MVAA is authorized to expend up to $50,000.00 to hire legal services to represent veterans benefit cases before federal court to maintain accreditation under 38 CFR 14.628(d)(1)(*iv*).

**VETERANS SERVICE ORGANIZATION GRANTS**

Sec. 13-406. (1) The MVAA shall disburse VSO grants to assist them to achieve agency goals and performance objectives in partnership with the VSOs. Grants to VSOs will be disbursed to fund programs and projects which are determined by the agency to meet agency performance objectives and ensure that VSOs communicate the availability of emergency grants through the Michigan veterans trust fund. In disbursing veterans' service organization grants, the MVAA shall do the following:

(a) Ensure that each VSO that receives grants is issued performance standards.

(b) Ensure that each VSO that receives grant funds uses those funds for veterans advocacy and outreach.

(c) Monitor the performance of each VSO that receives grants.

(2) Veterans services organization grants awarded by the MVAA shall provide for the following, as developed by the MVAA:

(a) The provision of service to veterans statewide, using a regional service delivery model, with services provided at specified locations and times, including service provided in state correctional facilities.

(b) The payment of a fixed hourly service rate.

(c) A specified number of service hours within each geographic region of this state, with a statewide goal based on both current fiscal year appropriations for VSO grant program and the fixed hourly service rate. The statewide goal will include service hours provided to eligible incarcerated veterans within 1 year of their earliest release date.

(d) Use of an MVAA-designated Internet-based claims data system.

(3) The MVAA shall report the following information as provided in section 219:

(a) A summary of activities supported through the appropriation in part 1 for veterans service organization grants, including separately for each service region, the amount of expenditures to date, number of service hours, number of claims for benefits submitted by type of claim, and other information deemed appropriate by the MVAA.

(b) The number of fully developed claims, by type, submitted to the USDVA by veterans service organizations, with an overall goal of 40% of benefit claims submitted that are considered fully developed by the USDVA.

**VETERANS' TRUST FUND ADMINISTRATION**

Sec. 13-407. (1) The Michigan veterans' trust fund board together with the MVAA shall provide emergency grants for disbursement from the Michigan veterans' trust fund, as provided under the following program authorities:

(a) Sections 37, 38, and 39 of article IX of the state constitution of 1963.

(b) 1946 (1st Ex Sess) PA 9, MCL 35.602 to 35.610.

(c) R 35.1 to R 35.7 of the Michigan administrative code.

(d) R 35.621 to R 35.623 of the Michigan administrative code.

(2) No later than December 1, the MVAA shall provide a detailed report of the Michigan veterans' trust fund that includes, for the prior fiscal year, information on grants provided from the emergency grant program, including details concerning the methodology of allocations, the selection of emergency grant program authorized agents, a description of how the emergency grant program is administered in each county, and a detailed breakdown of trust fund expenditures for that year, including the amount distributed to each county for administrative costs and emergency grants. The report shall also include the number of approved applications, by category of assistance, and the number of denied applications, by reason of denial. The report shall also provide an update on the department's efforts to reduce program administrative costs and maintain the Michigan veterans' trust fund corpus to its original amount of at least $50,000,000.00.

**VETERANS' TRUST FUND GRANTS**

Sec. 13-408. (1) The MVAA shall provide a report, as provided under section 219, on the financial status of the Michigan veterans' trust fund, including the number and amount of emergency grants, state administrative expenses, and county administrative expenses.

(2) The Michigan veterans' trust fund board together with the agency shall maintain the staffing and resources necessary to process a minimum of 2,000 applications for veterans' trust fund emergency grants.

**GRAND RAPIDS AND D.J. JACOBETTI HOMES FOR VETERANS**

Sec. 13-501. (1) The MVAA shall provide compassionate and quality nursing and domiciliary care services at the Grand Rapids and the D.J. Jacobetti homes for veterans so that members can achieve their highest potential of wellness, independence, self-worth, and dignity.

(2) The department shall provide resources necessary to provide nursing care services to veterans in accordance with federal standards and provide the results of the annual USDVA survey and certification and as proof of compliance.

(3) Appropriations in part 1 for the Grand Rapids and the D.J. Jacobetti homes for veterans shall not be used for any purpose other than for veterans and veterans' families.

(4) All complaints of abusive or neglectful care at the Grand Rapids and the D.J. Jacobetti homes for veterans by a resident member, a resident member's family or legal guardian, or staff of the veterans' homes, received by a supervisor shall be referred to the director of nursing upon receipt of such complaint. The director of nursing shall report on not less than a monthly basis, to the home administrator, board of managers, agency, subcommittees, the senate and house fiscal agencies, and the state budget office the following information:

(a) A description of the process by which resident members and others may file complaints of alleged abuse or neglect at the Grand Rapids and the D.J. Jacobetti homes for veterans.

(b) Summary statistics on the number and general nature of complaints of abuse or neglect.

(c) Summary statistics on the final disposition of complaints of abuse or neglect received.

(5) The Grand Rapids and the D.J. Jacobetti homes for veterans shall provide an on-site, board-certified psychiatrist for all resident members with mental health disorders in order to ensure that those resident members receive needed services in a professional and timely manner. The Grand Rapids and the D.J. Jacobetti homes for veterans shall provide all members and staff a safe and secure environment.

(6) The Grand Rapids and the D.J. Jacobetti homes for veterans shall ensure that it effectively develops, executes, and monitors all comprehensive care plans in accordance with federal regulations and its internal policies, with a goal that a comprehensive care plan is fully developed for all resident members.

(7) The Grand Rapids and the D.J. Jacobetti homes for veterans shall implement controls over its food, maintenance supplies, and medical supplies inventories.

(8) The Grand Rapids and the D.J. Jacobetti homes for veterans shall implement controls over its pharmaceutical inventory.

(9) The Grand Rapids and the D.J. Jacobetti homes for veterans shall establish sufficient controls for calculating resident member maintenance assessments in order to accurately calculate resident member maintenance assessments for each billing cycle. The Grand Rapids and the D.J. Jacobetti homes for veterans shall establish sufficient controls to ensure that all past due resident member maintenance assessments are addressed within 30 days.

(10) The Grand Rapids and the D.J. Jacobetti homes for veterans shall establish sufficient controls over monetary donations and donated goods.

(11) The Grand Rapids and the D.J. Jacobetti homes for veterans shall implement sufficient controls over the handling of resident member funds to ensure the release of funds within 3 business days upon the resident member leaving the home and to ensure that a representative of a resident member is provided a full accounting of that resident member's funds within 10 business days of the death of that resident member.

(12) The MVAA shall post on its website all policies adopted by the board of managers and the home related to the administrative operations of the home.

(13) The process by which visitors, residents, and employees of the Grand Rapids and the D.J. Jacobetti homes for veterans may register complaints shall be displayed in high-traffic areas throughout the home.

(14) The MVAA shall report its findings regarding the state veterans' homes compliance with the requirements and standards under this section in an annual report to the legislature and the state budget office. The annual report shall include, but are not limited to, the following information:

(a) The number of patient care hours and staffing levels measured against USDVA-VHA standards.

(b) The number and dollar value of lost and discarded prescriptions and the number of early prescription refills.

(c) An accounting of resident member populations at the Grand Rapids and the D.J. Jacobetti homes for veterans by period of service, by gender, by care setting, and by bed space available.

(d) The financial status of the Grand Rapids and the D.J. Jacobetti homes for veterans, including an accounting of post and posthumous funds, donations, and state-appropriated funds.

(e) Information regarding assessments, reassessments, and admissions at the Grand Rapids and the D.J. Jacobetti homes for veterans.

(f) The number of volunteer hours at the Grand Rapids and the D.J. Jacobetti homes for veterans.

(15) The Grand Rapids and the D.J. Jacobetti homes for veterans shall provide to the subcommittees, the senate and house fiscal agencies, and the state budget office the results of any annual or for-cause survey conducted by the USDVA-VHA and any corresponding corrective action plan. This information shall also be made available publicly through the department's or MVAA's website.

(16) The MVAA shall provide to the legislature and the state budget office quarterly reports regarding the status of Medicaid certification efforts including but not limited to descriptions of incremental milestones, associated expenditures, and the percent of plan completed.

Sec. 13-501a. (1) From the increased funds appropriated in part 1 for the D.J. Jacobetti Home for Veterans, the department shall pursue compliance with current Centers for Medicaid and Medicare Services certification standards by the end of the current fiscal year. The purpose of this expansion will be to obtain Medicaid certification during the fiscal year 2017, increasing the ability to fully utilize all federal funding available to cover the cost of care of eligible veterans living at DJJHV and improve overall quality of care for all veterans living at DJJHV.

(2) The department shall identify specific outcomes and performance measures for this initiative, including, but not limited to, the following:

(a) The quality of care to members of DJJHV shall increase as a result of increased direct care staffing ratios.

(b) The quality of the care environment at DJJHV shall increase as a result of facility updates made according to Medicaid specifications to increase members' access to private and semi-private accommodations.

(c) The quality of care for members of DJJHV shall increase as a result of increased ability efforts to implement long term care evidence-based best practices at DJJHV.

(d) The collection of available federal Medicaid revenue shall increase as a result of Medicaid certification.

(e) The fiscal stability of DJJHV shall improve due to increased efforts to collect

available federal revenue.

**BOARDS OF MANAGERS (GRAND RAPIDS AND D.J. JACOBETTI)**

Sec. 13-502. The board of managers shall exercise certain regulatory and governance authority regarding admission and member affairs at the Grand Rapids and D.J. Jacobetti homes for veterans. The board of managers shall also work to represent the interest of the veterans' community in both advisory and advocacy roles.

**CAPITAL OUTLAY – SPECIAL MAINTENANCE - NATIONAL GUARD**

Sec. 13-601. (1) The appropriations in part 1 for special maintenance – National Guard shall be carried forward at the end of the fiscal year consistent with section 248 of the management and budget act, 1984 PA 431, MCL 18.1248.

(2) The appropriations for special maintenance – National Guard shall be expended in accordance with the requirements of sections 302 and 304 and shall be expended according to the maintenance priorities of the department to repair and modernize military training sites and support facilities, which may include projects such as roof, HVAC, or boiler replacement, interior renovations, facility expansion, improvements to parking facilities, and other projects.

(3) The department shall provide a quarterly report as provided under section 219 providing information on the status, projected costs, and projected completion date of current and planned special maintenance projects at the armories and other national guard facilities funded from capital outlay appropriations made in part 1 and in prior appropriation years.

**CAPITAL OUTLAY - SPECIAL MAINTENANCE - VETERANS' HOMES**

Sec. 13-603. (1) The appropriations in part 1 for special maintenance – veterans' homes shall be carried forward at the end of the fiscal year consistent with section 248 of the management and budget act, 1984 PA 431, MCL 18.1248.

(2) The appropriations for special maintenance – veterans' homes shall be expended in accordance with the requirements of section 501 and shall be expended according to the maintenance priorities of the department to repair and modernize the state's veterans' homes, which may include projects such as roof, HVAC, or boiler replacement, interior

renovations, facility expansion, improvements to parking facilities, and other projects designed to enhance the quality of life and medical care of members.

(3) The MVAA shall provide a quarterly report as provided under section 219 providing information on the status, projected costs, and projected completion date of current and planned special maintenance projects at the Grand Rapids and D.J. Jacobetti veterans' homes funded from capital outlay appropriations made in part 1 and in prior appropriation years.

**CAPITAL OUTLAY - LAND AND ACQUISITIONS**

Sec. 13-604. The department shall provide for the acquisition and disposition of National Guard armories, facilities, and lands as provided under sections 368, 382, and 382a of the Michigan military act, 1967 PA 150, MCL 32.768, 32.782, and 32.782a.

**ONE-TIME APPROPRIATIONS**

Sec. 13-701. From the increased funds appropriated in part 1 for armory infrastructure, the department shall upgrade army National Guard network connections. The purpose of the increased funds for armory infrastructure is for the modernization of armory information technology infrastructure and improvements to best ensure National Guard network capacity and connectivity in times of emergency.

**Article 14**

**DEPARTMENT OF NATURAL RESOURCES**

PART 1

LINE-ITEM APPROPRIATIONS AND ANTICIPATED APPROPRIATIONS

Sec. 14-101. Subject to the conditions set forth in this article, the amounts listed in this part for the department of natural resources are appropriated for the fiscal year ending September 30, 2017, and are anticipated to be appropriated for the fiscal year ending September 30, 2018, from the funds indicated in this part. The following is a summary of the appropriations and anticipated appropriations in this part:

| | For Fiscal Year Ending Sept. 30, 2017 | For Fiscal Year Ending Sept. 30, 2018 |
|---|---|---|
| **DEPARTMENT OF NATURAL RESOURCES** | | |
| **APPROPRIATION SUMMARY** | | |
| Full-time equated unclassified positions | 6.0 | 6.0 |
| Full-time equated classified positions | 2,236.8 | 2,236.8 |
| **GROSS APPROPRIATION** | **$ 397,904,100** | **$ 388,704,100** |
| Total interdepartmental grants and intradepartmental transfers | 1,375,900 | 1,375,900 |
| ADJUSTED GROSS APPROPRIATION | $ 396,528,200 | $ 387,328,200 |
| Total federal revenues | 72,365,400 | 72,265,400 |
| Total local revenues | 0 | 0 |
| Total private revenues | 7,446,400 | 7,446,400 |
| Total other state restricted revenues | 277,156,400 | 269,356,400 |
| State general fund/general purpose | $ 39,560,000 | $ 38,260,000 |
| *State general fund/general purpose schedule:* | | |
| *Ongoing state general fund/general purpose* | *38,260,000* | *38,260,000* |
| *One-time state general fund/general purpose* | *1,300,000* | *0* |
| **Sec. 14-102. EXECUTIVE OPERATIONS** | | |
| Full-time equated unclassified positions | 6.0 | 6.0 |
| Full-time equated classified positions | 11.6 | 11.6 |
| Unclassified salaries | $ 754,000 | $ 754,000 |
| Executive direction-11.6 FTE positions | 2,120,700 | 2,120,700 |
| Natural resources commission | 77,100 | 77,100 |
| **GROSS APPROPRIATION** | **$ 2,951,800** | **$ 2,951,800** |
| Appropriated from: | | |
| State restricted revenues | 2,666,200 | 2,666,200 |
| State general fund/general purpose | $ 285,600 | $ 285,600 |
| **Sec. 14-103. DEPARTMENT INITIATIVES** | | |
| Full-time equated classified positions | 16.0 | 16.0 |
| Great Lakes restoration initiative | $ 5,500,000 | $ 5,500,000 |
| Invasive species prevention and control-16.0 FTE positions | 5,028,300 | 5,028,300 |
| Michigan conservation corps | 1,000,000 | 1,000,000 |

| | For Fiscal Year Ending Sept. 30, 2017 | For Fiscal Year Ending Sept. 30, 2018 |
|---|---|---|
| **GROSS APPROPRIATION** | **$ 11,528,300** | **$ 11,528,300** |
| Appropriated from: | | |
| Federal revenues | 5,500,000 | 5,500,000 |
| State general fund/general purpose | $ 6,028,300 | $ 6,028,300 |
| **Sec. 14-104. DEPARTMENT SUPPORT SERVICES** | | |
| Full-time equated classified positions | 109.5 | 109.5 |
| Accounting service center | $ 1,480,400 | $ 1,480,400 |
| Building occupancy charges | 3,126,700 | 3,126,700 |
| Finance and operations-105.5 FTE positions | 17,300,200 | 17,300,200 |
| Gifts and pass-through transactions | 5,000,000 | 5,000,000 |
| Rent | 488,400 | 488,400 |
| Legislative and legal affairs-4.0 FTE positions | 546,900 | 546,900 |
| **GROSS APPROPRIATION** | **$ 27,942,600** | **$ 27,942,600** |
| Appropriated from: | | |
| Interdepartmental grant revenues | 232,200 | 232,200 |
| Federal revenues | 329,700 | 329,700 |
| Private revenues | 5,000,000 | 5,000,000 |
| State restricted revenues | 19,779,200 | 19,779,200 |
| State general fund/general purpose | $ 2,601,500 | $ 2,601,500 |
| **Sec. 14-105. COMMUNICATION AND CUSTOMER SERVICES** | | |
| Full-time equated classified positions | 132.3 | 132.3 |
| Marketing and outreach-80.8 FTE positions | $ 13,653,700 | $ 13,653,700 |
| Michigan historical center-51.5 FTE positions | 5,576,300 | 5,576,300 |
| Michigan wildlife council | 1,600,000 | 1,600,000 |
| **GROSS APPROPRIATION** | **$ 20,830,000** | **$ 20,830,000** |
| Appropriated from: | | |
| Federal revenues | 1,722,600 | 1,772,600 |
| Private revenues | 411,200 | 411,200 |
| State restricted revenues | 14,197,500 | 14,197,500 |
| State general fund/general purpose | $ 4,498,700 | $ 4,498,700 |
| **Sec. 14-106. WILDLIFE DIVISION** | | |
| Full-time equated classified positions | 226.5 | 226.5 |

| | For Fiscal Year Ending Sept. 30, 2017 | For Fiscal Year Ending Sept. 30, 2018 |
|---|---|---|
| Wildlife management-217.5 FTE positions | $ 37,007,300 | $ 37,007,300 |
| Natural resources heritage-9.0 FTE positions | 632,900 | 632,900 |
| **GROSS APPROPRIATION** | **$ 37,640,200** | **$ 37,640,200** |
| Appropriated from: | | |
| Federal revenues | 20,326,800 | 20,326,800 |
| Private revenues | 315,700 | 315,700 |
| State restricted revenues | 15,184,600 | 15,184,600 |
| State general fund/general purpose | $ 1,813,100 | $ 1,813,100 |
| **Sec. 14-107. FISHERIES DIVISION** | | |
| Full-time equated classified positions | 221.5 | 221.5 |
| Aquatic resource mitigation-2.0 FTE positions | $ 629,300 | $ 629,300 |
| Fish production-63.0 FTE positions | 10,194,000 | 10,194,000 |
| Cormorant population mitigation program | 150,000 | 150,000 |
| Fisheries resource management-156.5 FTE positions | 20,378,600 | 20,378,600 |
| **GROSS APPROPRIATION** | **$ 31,351,900** | **$ 31,351,900** |
| Appropriated from: | | |
| Federal revenues | 11,225,700 | 11,225,700 |
| Private revenues | 136,200 | 136,200 |
| State restricted revenues | 19,580,800 | 19,580,800 |
| State general fund/general purpose | $ 409,200 | $ 409,200 |
| **Sec. 14-108. LAW ENFORCEMENT DIVISION** | | |
| Full-time equated classified positions | 273.0 | 273.0 |
| General law enforcement-273.0 FTE positions | $ 40,506,000 | $ 40,506,000 |
| **GROSS APPROPRIATION** | **$ 40,506,000** | **$ 40,506,000** |
| Appropriated from: | | |
| Federal revenues | 6,477,500 | 6,477,500 |
| State restricted revenues | 24,630,500 | 24,630,500 |
| State general fund/general purpose | $ 9,398,000 | $ 9,398,000 |
| **Sec. 14-109. PARKS AND RECREATION DIVISION** | | |
| Full-time equated classified positions | 902.9 | 902.9 |
| Forest recreation and trails-51.0 FTE positions | $ 6,189,400 | $ 6,189,400 |
| MacMullan conference center-15.0 FTE positions | 1,143,700 | 1,143,700 |

| | For Fiscal Year Ending Sept. 30, 2017 | For Fiscal Year Ending Sept. 30, 2018 |
|---|---|---|
| Recreational boating-163.5 FTE positions ..... | 17,371,300 | 17,371,300 |
| State parks-673.4 FTE positions ..... | 66,487,900 | 66,487,900 |
| State park improvement revenue bonds – debt service ... | 1,188,800 | 1,188,800 |
| **GROSS APPROPRIATION ..... $** | **92,381,100 $** | **92,381,100** |
| Appropriated from: | | |
| Interdepartmental grant revenues ..... | 1,143,700 | 1,143,700 |
| Federal revenues ..... | 1,750,500 | 1,750,500 |
| Private revenues ..... | 428,400 | 428,400 |
| State restricted revenues ..... | 86,606,000 | 86,606,000 |
| State general fund/general purpose ..... $ | 2,452,500 $ | 2,452,500 |
| **Sec. 14-110. MACKINAC ISLAND STATE PARK COMMISSION** | | |
| Full-time equated classified positions..... | 17.0 | 17.0 |
| Historical facilities system-13.0 FTE positions ..... $ | 1,573,000 $ | 1,573,000 |
| Mackinac Island State Park operations-4.0 FTE positions | 352,100 | 352,100 |
| **GROSS APPROPRIATION ..... $** | **1,925,100 $** | **1,925,100** |
| Appropriated from: | | |
| State restricted revenues ..... | 1,721,500 | 1,721,500 |
| State general fund/general purpose ..... $ | 203,600 $ | 203,600 |
| **Sec. 14-111. FOREST RESOURCES DIVISION** | | |
| Full-time equated classified positions..... | 326.5 | 326.5 |
| Adopt-a-forest program ..... $ | 25,000 $ | 25,000 |
| Cooperative resource programs-11.0 FTE positions ..... | 1,547,100 | 1,547,100 |
| Forest fire equipment ..... | 581,500 | 581,500 |
| Forest management and timber market development-176.0 FTE positions..... | 31,134,300 | 31,134,300 |
| Forest management initiatives-8.5 FTE positions ..... | 854,100 | 854,100 |
| Minerals management-17.0 FTE positions ..... | 2,828,600 | 2,828,600 |
| Wildfire protection-114.0 FTE positions ..... | 13,712,800 | 13,712,800 |
| **GROSS APPROPRIATION ..... $** | **50,683,400 $** | **50,683,400** |
| Appropriated from: | | |
| Federal revenues ..... | 4,273,300 | 4,273,300 |
| Private revenues ..... | 1,054,900 | 1,054,900 |

| | For Fiscal Year Ending Sept. 30, 2017 | For Fiscal Year Ending Sept. 30, 2018 |
|---|---|---|
| State restricted revenues | 38,156,100 | 38,156,100 |
| State general fund/general purpose | $ 7,199,100 | $ 7,199,100 |
| **Sec. 14-112. GRANTS** | | |
| Dam management grant program | $ 350,000 | $ 350,000 |
| Deer habitat improvement partnership initiative | 200,000 | 200,000 |
| Federal - clean vessel act grants | 400,000 | 400,000 |
| Federal - forest stewardship grants | 3,000,000 | 3,000,000 |
| Federal - land and water conservation fund payments | 2,566,900 | 2,566,900 |
| Federal - rural community fire protection | 400,000 | 400,000 |
| Federal - urban forestry grants | 1,600,000 | 1,600,000 |
| Fisheries habitat improvement grants | 1,250,000 | 1,250,000 |
| Grants to communities - federal oil, gas and timber payments | 3,450,000 | 3,450,000 |
| Grants to counties - marine safety | 3,074,700 | 3,074,700 |
| National recreational trails | 3,900,000 | 3,900,000 |
| Non-motorized trail development and maintenance grants | 350,000 | 350,000 |
| Off-road vehicle safety training grants | 29,200 | 29,200 |
| Off-road vehicle trail improvement grants | 3,356,200 | 3,356,200 |
| Recreation improvement fund grants | 657,100 | 657,100 |
| Recreation passport local grants | 1,500,000 | 1,000,000 |
| Snowmobile law enforcement grants | 380,100 | 380,100 |
| Snowmobile local grants program | 7,340,400 | 7,340,400 |
| Trail easements | 700,000 | 700,000 |
| Wildlife habitat improvement grants | 1,500,000 | 1,500,000 |
| **GROSS APPROPRIATION** | **$ 36,004,600** | **$ 35,504,600** |
| Appropriated from: | | |
| Federal revenues | 16,884,300 | 16,884,300 |
| Private revenues | 100,000 | 100,000 |
| State restricted revenues | 18,320,300 | 17,820,300 |
| State general fund/general purpose | $ 700,000 | $ 700,000 |
| **Sec. 14-113. INFORMATION TECHNOLOGY** | | |
| Information technology services and projects | $ 10,284,000 | $ 10,284,000 |

| | For Fiscal Year Ending Sept. 30, 2017 | For Fiscal Year Ending Sept. 30, 2018 |
|---|---|---|
| **GROSS APPROPRIATION** | **$ 10,284,000** | **$ 10,284,000** |
| Appropriated from: | | |
| State restricted revenues | 9,113,600 | 9,113,600 |
| State general fund/general purpose | $ 1,170,400 | $ 1,170,400 |
| **Sec. 14-114. CAPITAL OUTLAY** | | |
| **(a) RECREATIONAL LANDS AND INFRASTRUCTURE** | | |
| State parks repair and maintenance | $ 13,500,000 | $ 13,500,000 |
| Forest development infrastructure | 2,000,000 | 2,000,000 |
| State game and wildlife area infrastructure | 3,600,000 | 3,600,000 |
| **GROSS APPROPRIATION** | **$ 19,100,000** | **$ 19,100,000** |
| Appropriated from: | | |
| Federal revenues | 2,700,000 | 2,700,000 |
| State restricted revenues | 14,900,000 | 14,900,000 |
| State general fund/general purpose | $ 1,500,000 | $ 1,500,000 |
| **(b) WATERWAYS BOATING PROGRAM** | | |
| Infrastructure improvements – state projects | $ 4,575,000 | $ 4,575,000 |
| Infrastructure improvement – local projects | 658,000 | 658,000 |
| Munising marina | 350,000 | 350,000 |
| Harrisville harbor | 492,100 | 492,100 |
| **GROSS APPROPRIATION** | **$ 6,075,100** | **$ 6,075,100** |
| Appropriated from: | | |
| Federal revenues | 1,075,000 | 1,075,000 |
| State restricted revenues | 5,000,100 | 5,000,100 |
| State general fund/general purpose | $ 0 | $ 0 |
| **Sec. 14-115. ONE-TIME APPROPRIATIONS** | | |
| Forestry investment | $ 2,100,000 | $ 0 |
| Forest fire equipment (one-time) | 1,000,000 | 0 |
| Land ownership tracking system | 4,000,000 | 0 |
| Invasive species (one-time) | 1,000,000 | 0 |
| Fisheries resource management (one-time) | 600,000 | 0 |
| **GROSS APPROPRIATION** | **$ 8,700,000** | **$ 0** |
| Appropriated from: | | |

| | For Fiscal Year Ending Sept. 30, 2017 | For Fiscal Year Ending Sept. 30, 2018 |
|---|---|---|
| Federal revenues | 100,000 | 0 |
| State restricted revenues | 7,300,000 | 0 |
| State general fund/general purpose | $ 1,300,000 | $ 0 |

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FISCAL YEAR 2017

**GENERAL SECTIONS**

Sec. 14-201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for fiscal year 2016-2017 is $316,716,400.00 and state spending from state resources to be paid to local units of government for fiscal year 2016-2017 is $6,100,000.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF NATURAL RESOURCES

| | |
|---|---|
| Dam management grant program | $ 175,000 |
| Fisheries habitat improvement grants | 200,000 |
| Grants to counties – marine safety | 1,407,300 |
| Non-motorized trail development and maintenance grants | 262,500 |
| Off-road vehicle safety training grants | 29,200 |
| Off-road vehicle trail improvement grants | 530,100 |
| Recreation improvement fund grants | 65,700 |
| Recreation passport local grants | 1,500,000 |
| Snowmobile law enforcement grants | 380,100 |
| Waterways boating program | 1,500,100 |
| Wildlife habitat improvement grants | 50,000 |
| TOTAL | $ 6,100,000 |

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

Sec. 14-203. As used in this article:

(a) "Department" means the department of natural resources.

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

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

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

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

Sec. 14-206. The director shall take all reasonable steps to ensure businesses in deprived and depressed communities compete for and perform contracts to provide services or supplies, or both. Each director shall strongly encourage firms with which the department contracts to subcontract with certified businesses in depressed and deprived communities for services, supplies, or both.

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

(a) The dates of each travel occurrence.

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

Sec. 14-208. Funds appropriated in part 1 shall not be used by a principal executive department, state agency, or authority to hire a person to provide legal services that are

the responsibility of the attorney general. This prohibition does not apply to legal services for bonding activities and for those outside services that the attorney general authorizes.

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

Sec. 14-210. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed $3,000,000.00 for federal contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this article under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

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

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

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

Sec. 14-211. The department shall cooperate with the department of technology, management and budget to maintain a searchable website accessible by the public at no cost that includes, but is not limited to, all of the following for each department or agency:

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

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

(c) Fiscal year-to-date payments to a selected vendor, including the vendor name,

payment date, payment amount, and payment description.

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

(e) Job specifications and wage rates.

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

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

Sec. 14-214. Total authorized appropriations from all sources under part 1 for legacy costs for the fiscal year ending September 30, 2017 is $47,567,500.00. From this amount, total agency appropriations for pension-related legacy costs are estimated at $26,375,000.00. Total agency appropriations for retiree health care legacy costs are estimated at $21,192,500.00.

Sec. 14-215. Appropriations of state restricted game and fish protection funds have been made in the following amounts to the following departments and agencies:

| | |
|---|---|
| Legislative auditor general | $ 31,300 |
| Attorney general | 751,100 |
| Department of technology, management and budget | 464,500 |
| Department of treasury | 2,925,200 |

Sec. 14-216. Pursuant to section 43703(3) of the natural resources and environmental protection act, 1994 PA 451, MCL 324.43703, there is appropriated from the game and fish protection trust fund to the game and fish protection account of the Michigan conservation and recreation legacy fund, $6,000,000.00 for the fiscal year ending September 30, 2017.

**DEPARTMENT SUPPORT SERVICES**

Sec. 14-302. The department may charge land acquisition projects appropriated for the fiscal year ending September 30, 2017, and for prior fiscal years, a standard percentage fee to recover actual costs, and may use the revenue derived to support the land

acquisition service charges provided for in part 1.

Sec. 14-303. As appropriated in part 1, the department may charge both application fees and transaction fees related to the exchange or sale of state-owned land or rights in land authorized by part 21 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.2101 to 324.2162. The fees shall be set by the director of the department at a rate which allows the department to recover its costs for providing these services.

**COMMUNICATION AND CUSTOMER SERVICES**

Sec. 14-404. For the purposes of administering the museum store as provided in section 7a of 1913 PA 271, MCL 399.7a, the department is exempt from section 261 of the management and budget act, 1984 PA 431, MCL 18.1261.

Sec. 14-405. As appropriated in part 1, proceeds in excess of costs incurred in the conduct of auctions, sales, or transfers of artifacts no longer considered suitable for the collections of the state historical museum may be expended upon receipt for additional material for the collection. The department shall notify the chairpersons, vice chairpersons, and minority vice chairpersons of the senate and house appropriations subcommittees on natural resources 1 week prior to any auctions or sales. Any unexpended funds may be carried forward into the next succeeding fiscal year.

Sec. 14-406. As appropriated in part 1, funds collected by the department for historical markers; document reproduction and services; conferences, admissions, workshops, and training classes; and the use of specialized equipment, facilities, exhibits, collections, and software shall be used for expenses necessary to provide the required services. The department may charge fees for the aforementioned services, including admission fees. Any unexpended funds may be carried forward into the next succeeding fiscal year.

**FISHERIES DIVISION**

Sec. 14-601. (1) From the appropriation in part 1 for aquatic resource mitigation, not more than $758,000.00 shall be allocated for grants to watershed councils, resource development councils, soil conservation districts, local governmental units, and other nonprofit organizations for stream habitat stabilization and soil erosion control.

(2) The fisheries division in the department shall develop priority and cost

estimates for all projects recommended for grants under subsection (1).

Sec. 14-603. The department shall provide an annual report to the legislature on use of funding provided for cormorant management. The department shall use general fund/general purpose revenue for this purpose and submit revenue appropriated in part 1 for cormorant management to the United States Department of Agriculture animal and plant health inspection service to allow for increased taking of cormorants and their nests. If any funds appropriated for cormorant management are retained by the department, or other funds become available for this purpose, the department shall use those funds to harass cormorants with the goal of reducing foraging attempts on fish populations.

**PARKS AND RECREATION DIVISION**

Sec. 14-706. The department shall work with the state budget office to ensure that the funds appropriated in 2013 PA 102 for the Grand River waterway study continue to be carried forward as a work project per the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594, or until the project is complete.

**FOREST RESOURCES DIVISION**

Sec. 14-803. In addition to the money appropriated in part 1, the department may receive and expend money from federal sources for the purpose of providing response to wildfires as required by a compact with the federal government. If additional expenditure authorization is required, the department shall notify the state budget office that expenditure under this section is required. The department shall notify the house and senate appropriations subcommittees on natural resources and the house and senate fiscal agencies of the expenditures under this section by November 1, 2017.

Sec. 14-807. (1) In addition to the funds appropriated in part 1, there is appropriated from the disaster and emergency contingency fund up to $800,000.00 to cover costs related to any disaster as defined in section 2 of the emergency management act, 1976 PA 390, MCL 30.402.

(2) Funds appropriated under subsection (1) shall not be expended unless the state budget director recommends the expenditure and the department notifies the house and senate committees on appropriations. By December 1 each year, the department shall provide a report to the senate and house fiscal agencies and the state budget office on the use of

the disaster and emergency contingency fund during the prior fiscal year.

(3) If federal emergency management agency (FEMA) reimbursement is approved for costs paid from the disaster and emergency contingency fund, the federal revenue shall be deposited into the disaster and emergency contingency fund.

(4) Unexpended and unencumbered funds remaining in the disaster and emergency contingency fund at the close of the fiscal year shall not lapse to the general fund and shall be carried forward and be available for expenditures in subsequent fiscal years.

Sec. 14-808. (1) From the increased funds appropriated in part 1 for forest management and timber market development, the department shall utilize funding made available for increased harvest of timber on state forestlands. The purpose of this program expansion is to expand the growth of the forest products economy.

(2) The department shall identify specific outcomes and performance metrics for this initiative, such as increasing the number of acres prepared for timber sale.

Sec. 14-809. (1) From the increased funds appropriated in part 1 for forest fire equipment and forestry investment, the department shall increase funding for the replacement of aging forest fire suppression equipment that is in disrepair. The purpose of the program expansion is to promote rapid, reliable response to wildfires to protect life, property, and timber assets.

(2) The department shall identify specific outcomes and performance metrics for this initiative, such as reducing average wildfire response time.

**GRANTS**

Sec. 14-1001. Federal pass-through funds to local institutions and governments that are received in amounts in addition to those included in part 1 for grants to communities - federal oil, gas, and timber payments and that do not require additional state matching funds are appropriated for the purposes intended. By November 30, 2016, the department shall report to the senate and house appropriations subcommittees on natural resources, the senate and house fiscal agencies, and the state budget director on all amounts appropriated under this section during the fiscal year ending September 30, 2016.

**CAPITAL OUTLAY**

Sec. 14-1103. The appropriations in part 1 for capital outlay shall be carried

forward at the end of the fiscal year consistent with the provisions of section 248 of the management and budget act, 1984 PA 431, MCL 18.1248.

**ONE-TIME APPROPRIATIONS**

Sec. 14-1201. (1) From the increased funds appropriated in part 1 for forest management and timber market development, the department shall utilize funding made available for increased harvest of timber on state forestlands. The purpose of this program expansion is to strategically invest in technology enhancements to expand the growth of the forest products economy.

(2) The department shall identify specific outcomes and performance metrics for this initiative, such as adding online services to increase access to state government.

Sec. 14-1202. (1) From the increased funds appropriated in part 1 for land ownership tracking system, the department shall establish a replacement electronic system to facilitate state land records management. The purpose of this new project is to increase access to public land records and to integrate antiquated systems.

(2) The department shall identify specific outcomes and performance metrics for this initiative, such as adding online services to increase access to state government.

Sec. 14-1203. (1) From the increased funds appropriated in part 1 for invasive species prevention and control, the department shall increase funding available for the interdepartmental invasive species program. The purpose of this program expansion is to prevent, detect, eradicate, and control invasive species.

(2) The department shall identify specific outcomes and performance metrics for this initiative, such as prevention and mitigation of confirmed cases of silver and bighead carp in Michigan's waterways.

**Article 15**

**DEPARTMENT OF STATE**

PART 1

LINE-ITEM APPROPRIATIONS AND ANTICIPATED APPROPRIATIONS

Sec. 15-101. Subject to the conditions set forth in this article, the amounts listed in this part for the department of state are appropriated for the fiscal year ending September 30, 2017, and are anticipated to be appropriated for the fiscal year ending September 30, 2018, from the funds indicated in this part. The following is a summary of the appropriations and anticipated appropriations in this part:

| | For Fiscal Year Ending Sept. 30, 2017 | For Fiscal Year Ending Sept. 30, 2018 |
|---|---|---|
| **DEPARTMENT OF STATE** | | |
| **APPROPRIATION SUMMARY** | | |
| Full-time equated unclassified positions..... | 6.0 | 6.0 |
| Full-time equated classified positions..... | 1,597.0 | 1,597.0 |
| **GROSS APPROPRIATION ..... $** | **258,015,600 $** | **243,015,600** |
| Total interdepartmental grants and intradepartmental transfers..... | 20,000,000 | 20,000,000 |
| ADJUSTED GROSS APPROPRIATION ..... $ | 238,015,600 $ | 223,015,600 |
| Total federal revenues ..... | 1,460,000 | 1,460,000 |
| Total local revenues ..... | 5,000,000 | 0 |
| Total private revenues ..... | 100 | 100 |
| Total other state restricted revenues ..... | 204,445,900 | 204,445,900 |
| State general fund/general purpose ..... $ | 27,109,600 $ | 17,109,600 |
| *State general fund/general purpose schedule:* | | |
| *Ongoing state general fund/general purpose .....* | *17,109,600* | *17,109,600* |
| *One-time state general fund/general purpose .....* | *10,000,000* | *0* |
| **Sec. 15-102. EXECUTIVE DIRECTION** | | |
| Full-time equated unclassified positions..... | 6.0 | 6.0 |
| Full-time equated classified positions..... | 30.0 | 30.0 |
| Secretary of State ..... $ | 112,500 $ | 112,500 |
| Unclassified positions-5.0 FTE positions ..... | 628,800 | 628,800 |
| Operations-30.0 FTE positions ..... | 4,567,200 | 4,567,200 |
| **GROSS APPROPRIATION ..... $** | **5,308,500 $** | **5,308,500** |
| Appropriated from: | | |
| Special revenue funds: | | |
| Auto repair facilities fees ..... | 68,700 | 68,700 |
| Children’s protection registry fund ..... | 270,700 | 270,700 |
| Driver fees ..... | 276,000 | 276,000 |
| Expedient service fees ..... | 66,300 | 66,300 |
| Parking ticket court fines ..... | 9,200 | 9,200 |
| Enhanced driver license and enhanced official state personal identification card fund..... | 216,700 | 216,700 |

| | For Fiscal Year Ending Sept. 30, 2017 | For Fiscal Year Ending Sept. 30, 2018 |
|---|---|---|
| Personal identification fee-operator license ..... | 32,300 | 32,300 |
| Reinstatement fees-operator license ..... | 248,900 | 248,900 |
| Transportation administration collection fund ..... | 2,499,800 | 2,499,800 |
| Vehicle theft prevention fees ..... | 40,400 | 40,400 |
| State general fund/general purpose ..... | $ 1,579,500 | $ 1,579,500 |
| **Sec. 15-103. DEPARTMENT SERVICES** | | |
| Full-time equated classified positions..... | 117.0 | 117.0 |
| Operations-117.0 FTE positions ..... | $ 25,315,100 | $ 25,315,100 |
| **GROSS APPROPRIATION ..... | **$ 25,315,100** | **$ 25,315,100** |
| Appropriated from: | | |
| Special revenue funds: | | |
| Abandoned vehicle fees ..... | 481,100 | 481,100 |
| Driver fees ..... | 731,000 | 731,000 |
| Driver improvement course fees ..... | 308,600 | 308,600 |
| Enhanced driver license and enhanced official state personal identification card fund..... | 329,400 | 329,400 |
| Expedient service fees ..... | 273,600 | 273,600 |
| Marine safety fund ..... | 85,200 | 85,200 |
| Personal identification card fees ..... | 193,700 | 193,700 |
| Reinstatement fees-operator license ..... | 537,700 | 537,700 |
| Scrap tire fund ..... | 78,100 | 78,100 |
| Transportation administration collection fund ..... | 21,714,300 | 21,714,300 |
| State general fund/general purpose ..... | $ 582,400 | $ 582,400 |
| **Sec. 15-104. LEGAL SERVICES** | | |
| Full-time equated classified positions..... | 83.0 | 83.0 |
| Operations-83.0 FTE positions ..... | $ 14,501,500 | $ 14,501,500 |
| **GROSS APPROPRIATION ..... | **$ 14,501,500** | **$ 14,501,500** |
| Appropriated from: | | |
| Special revenue funds: | | |
| Auto repair facilities fees ..... | 3,363,800 | 3,363,800 |
| Driver education provider & instructor fund ..... | 25,400 | 25,400 |
| Driver fees ..... | 2,193,800 | 2,193,800 |

| | For Fiscal Year Ending Sept. 30, 2017 | For Fiscal Year Ending Sept. 30, 2018 |
|---|---|---|
| Driver responsibility fees | 1,000,000 | 1,000,000 |
| Enhanced driver license and enhanced official state personal identification card fund | 504,900 | 504,900 |
| Personal identification card fees | 61,700 | 61,700 |
| Reinstatement fees-operator license | 1,463,900 | 1,463,900 |
| Transportation administration collection fund | 4,311,100 | 4,311,100 |
| Vehicle theft prevention fees | 1,092,600 | 1,092,600 |
| State general fund/general purpose | $ 484,300 | $ 484,300 |
| **Sec. 15-105. CUSTOMER DELIVERY SERVICES** | | |
| Full-time equated classified positions | 1,322.0 | 1,322.0 |
| Branch operations-922.0 FTE positions | $ 85,709,100 | $ 85,709,100 |
| Central operations-398.0 FTE positions | 50,115,300 | 50,115,300 |
| Organ donor program | 129,100 | 129,100 |
| Credit and debit assessment service fees | 6,000,000 | 6,000,000 |
| Motorcycle safety education administration-2.0 FTE positions | 335,500 | 335,500 |
| Motorcycle safety education grants | 1,800,000 | 1,800,000 |
| **GROSS APPROPRIATION** | **$ 144,089,000** | **$ 144,089,000** |
| Appropriated from: | | |
| Interdepartmental grant revenues: | | |
| IDG-from MDOT Michigan transportation fund | 20,000,000 | 20,000,000 |
| Federal revenues: | | |
| Federal funds | 1,460,000 | 1,460,000 |
| Private funds | 100 | 100 |
| Special revenue funds: | | |
| Abandoned vehicle fees | 204,500 | 204,500 |
| Auto repair facilities fees | 910,400 | 910,400 |
| Child support clearance fees | 363,600 | 363,600 |
| Credit and debit card service assessment | 6,000,000 | 6,000,000 |
| Driver fees | 25,355,100 | 25,355,100 |
| Driver improvement course fund | 1,246,200 | 1,246,200 |
| Driver education provider & instructor fund | 49,600 | 49,600 |

| | For Fiscal Year Ending Sept. 30, 2017 | For Fiscal Year Ending Sept. 30, 2018 |
|---|---|---|
| Enhanced driver license and enhanced official state personal identification card fund | 9,021,200 | 9,021,200 |
| Expedient service fees | 2,603,600 | 2,603,600 |
| Marine safety fees | 1,420,400 | 1,420,400 |
| Michigan state police auto theft fund | 123,700 | 123,700 |
| Motorcycle safety funds | 1,835,500 | 1,835,500 |
| Mobile home commission fees | 507,500 | 507,500 |
| Off road vehicle fees | 170,400 | 170,400 |
| Parking ticket court fines | 1,629,800 | 1,629,800 |
| Personal identification card fees | 2,319,700 | 2,319,700 |
| Reinstatement fees-operator license | 2,358,000 | 2,358,000 |
| Recreation passport fees | 1,000,000 | 1,000,000 |
| Snowmobile registration fees | 390,000 | 390,000 |
| Thomas Daley gift of life fund | 50,000 | 50,000 |
| Transportation administration collection fund | 60,920,300 | 60,920,300 |
| Vehicle theft prevention fees | 742,200 | 742,200 |
| State general fund/general purpose | $ 3,407,200 | $ 3,407,200 |
| **Sec. 15-106. ELECTION REGULATION** | | |
| Full-time equated classified positions | 45.0 | 45.0 |
| Election administration and services-45.0 FTE positions | $ 7,169,100 | $ 7,169,100 |
| Fees to local units | 109,800 | 109,800 |
| County clerk education and training fund | 100,000 | 100,000 |
| **GROSS APPROPRIATION** | **$ 7,378,900** | **$ 7,378,900** |
| Appropriated from: | | |
| Special revenue funds: | | |
| Notary education and training fund | 100,000 | 100,000 |
| Notary fee fund | 343,500 | 343,500 |
| State general fund/general purpose | $ 6,935,400 | $ 6,935,400 |
| **Sec. 15-107. DEPARTMENTWIDE APPROPRIATIONS** | | |
| Building occupancy charges/rent | $ 9,792,000 | $ 9,792,000 |
| Worker's compensation | 254,400 | 254,400 |
| **GROSS APPROPRIATION** | **$ 10,046,400** | **$ 10,046,400** |

| | For Fiscal Year Ending Sept. 30, 2017 | For Fiscal Year Ending Sept. 30, 2018 |
|---|---|---|
| Appropriated from: | | |
| Special revenue funds: | | |
| Auto repair facilities fees | 133,200 | 133,200 |
| Driver fees | 708,800 | 708,800 |
| Enhanced driver license and enhanced official state personal identification card fund | 326,000 | 326,000 |
| Parking ticket court fines | 441,500 | 441,500 |
| Transportation administration collection fund | 5,904,200 | 5,904,200 |
| State general fund/general purpose | $ 2,532,700 | $ 2,532,700 |
| **Sec. 15-108. INFORMATION TECHNOLOGY** | | |
| Information technology services and projects | $ 36,376,200 | $ 36,376,200 |
| **GROSS APPROPRIATION** | **$ 36,376,200** | **$ 36,376,200** |
| Appropriated from: | | |
| Special revenue funds: | | |
| Administrative order processing fee | 11,700 | 11,700 |
| Auto repair facilities fees | 129,300 | 129,300 |
| Driver fees | 787,400 | 787,400 |
| Enhanced driver license and enhanced official state personal identification card fund | 327,500 | 327,500 |
| Expedient service fees | 1,085,100 | 1,085,100 |
| Parking ticket court fines | 89,000 | 89,000 |
| Personal identification card fees | 173,300 | 173,300 |
| Reinstatement fees-operator license | 592,300 | 592,300 |
| Transportation administration collection fund | 31,411,500 | 31,411,500 |
| Vehicle theft prevention fees | 181,000 | 181,000 |
| State general fund/general purpose | $ 1,588,100 | $ 1,588,100 |
| **Sec. 15-109. ONE-TIME APPROPRIATIONS** | | |
| Election administration and services | $ 15,000,000 | $ 0 |
| **GROSS APPROPRIATION** | **$ 15,000,000** | **$ 0** |
| Appropriated from: | | |
| Special revenue funds: | | |
| Local funding | 5,000,000 | 0 |

| | For Fiscal Year Ending Sept. 30, 2017 | For Fiscal Year Ending Sept. 30, 2018 |
|---|---|---|
| State general fund/general purpose ..... | $ 10,000,000 | $ 0 |

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FISCAL YEAR 2017

**GENERAL SECTIONS**

Sec. 15-201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for fiscal year 2016-2017 is $231,555,500.00 and state spending from state resources to be paid to local units of government for fiscal year 2016-2017 is $1,211,300.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF STATE

| | |
|---|---|
| Fees to local units ..... | $ 109,800 |
| Motorcycle safety grants ..... | 1,101,500 |
| TOTAL ..... | $ 1,211,300 |

Sec. 15-202. The appropriations authorized under this article are subject to the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

Sec. 15-203. As used in this article:

(a) "ATM" means automated teller machine.

(b) "Department" means the department of state.

(c) "Director" means the Secretary of State.

(d) "FTE" means full-time equated.

(e) "IDG" means interdepartmental grant.

(f) "MDOT" means the Michigan department of transportation.

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

Sec. 15-205. Funds appropriated in part 1 shall not be used for the purchase of foreign goods or services, or both, if competitively priced and of comparable quality

American goods or services, or both, are available. Preference shall be given to goods or services, or both, manufactured or provided by Michigan businesses, if they are competitively priced and of comparable quality. In addition, preference should be given to goods or services, or both, that are manufactured or provided by Michigan businesses owned and operated by veterans, if they are competitively priced and of comparable quality.

Sec. 15-206. The director shall take all reasonable steps to ensure businesses in deprived and depressed communities compete for and perform contracts to provide services or supplies, or both. Each director shall strongly encourage firms with which the department contracts to subcontract with certified businesses in depressed and deprived communities for services, supplies, or both.

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

(a) The dates of each travel occurrence.

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

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

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

and house appropriations committees, and the senate and house fiscal agencies.

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

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

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

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

Sec. 15-211. The department shall cooperate with the department of technology, management and budget to maintain a searchable website accessible by the public at no cost that includes, but is not limited to, all of the following for each department or agency:

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

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

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

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

(e) Job specifications and wage rates.

Sec. 15-212. Within 14 days after the release of the executive budget recommendation, the department shall cooperate with the state budget office to provide the senate and house appropriations chairs, the senate and house appropriations subcommittees chairs, and the senate and house fiscal agencies with an annual report on estimated state restricted fund balances, state restricted fund projected revenues, and state restricted fund expenditures

for the fiscal years ending September 30, 2016 and September 30, 2017.

Sec. 15-213. The department shall maintain, on a publicly accessible website, a department scorecard that identifies, tracks and regularly updates key metrics that are used to monitor and improve the agency's performance.

Sec. 15-214. Total authorized appropriations from all sources under part 1 for legacy costs for the fiscal year ending September 30, 2017 are $31,874,100.00. From this amount, total agency appropriations for pension-related legacy costs are estimated at $17,673,400.00. Total agency appropriations for retiree health care legacy costs are estimated at $14,200,700.00.

**DEPARTMENT OF STATE**

Sec. 15-703. From the funds appropriated in part 1, the department of state shall sell copies of records including, but not limited to, records of motor vehicles, off-road vehicles, snowmobiles, watercraft, mobile homes, personal identification cardholders, drivers, and boat operators and shall charge $11.00 per record sold only as authorized in section 208b of the Michigan vehicle code, 1949 PA 300, MCL 257.208b, section 7 of 1972 PA 222, MCL 28.297, and sections 80130, 80315, 81114, and 82156 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.80130, 324.80315, 324.81114, and 324.82156. The revenue received from the sale of records shall be credited to the transportation administration collection fund created under section 810b of the Michigan vehicle code, 1949 PA 300, MCL 257.810b.

Sec. 15-704. From the funds appropriated in part 1, the secretary of state may enter into agreements with the department of corrections for the manufacture of vehicle registration plates 15 months before the registration year in which the registration plates will be used.

Sec. 15-705. (1) The department of state may accept gifts, donations, contributions, and grants of money and other property from any private or public source to underwrite, in whole or in part, the cost of a departmental publication that is prepared and disseminated under the Michigan vehicle code, 1949 PA 300, MCL 257.1 to 257.923. A private or public funding source may receive written recognition in the publication and may furnish a traffic safety message, subject to departmental approval, for inclusion in the publication. The department may reject a gift, donation, contribution, or grant. The department may furnish

copies of a publication underwritten, in whole or in part, by a private source to the underwriter at no charge.

(2) The department of state may sell and accept paid advertising for placement in a departmental publication that is prepared and disseminated under the Michigan vehicle code, 1949 PA 300, MCL 257.1 to 257.923. The department may charge and receive a fee for any advertisement appearing in a departmental publication and shall review and approve the content of each advertisement. The department may refuse to accept advertising from any person or organization. The department may furnish a reasonable number of copies of a publication to an advertiser at no charge.

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

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

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

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

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

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

(d) The total revenue received from the sale of paid advertising accepted under this

section and a statement of the total number of advertising transactions.

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

Sec. 15-707. Funds collected by the department of state under section 211 of the Michigan vehicle code, 1949 PA 300, MCL 257.211, are appropriated for all expenses necessary to provide for the costs of the publication. Funds are allotted for expenditure when they are received by the department of treasury and shall not lapse to the general fund at the end of the fiscal year.

Sec. 15-708. From the funds appropriated in part 1, the department of state shall use available balances at the end of the state fiscal year to provide payment to the department of state police in the amount of $332,000.00 for the services provided by the traffic accident records program as first appropriated in 1990 PA 196 and 1990 PA 208.

Sec. 15-709. From the funds appropriated in part 1, the department of state may restrict funds from miscellaneous revenue to cover cash shortages created from normal branch office operations. This amount shall not exceed $50,000.00 of the total funds available in miscellaneous revenue.

Sec. 15-710. (1) Commemorative and specialty license plate fee revenue collected by the department of state and deposited into the transportation administration collection fund created in section 810b of the Michigan vehicle code, 1949 PA 300, MCL 257.810b, is authorized for expenditure up to the amount of revenue collected but not to exceed the amount appropriated to the department of state in part 1 to administer commemorative and specialty license plate programs.

(2) Commemorative and specialty license plate fee revenue collected by the department of state and deposited in the transportation administration collection fund created in section 810b of the Michigan vehicle code, 1949 PA 300, MCL 257.810b, in addition to the amount appropriated in part 1 to the department of state, shall remain in the transportation administration collection fund created in section 810b of the Michigan

vehicle code, 1949 PA 300, MCL 257.810b, and be available for future appropriation.

Sec. 15-711. Collector plate and fund-raising registration plate revenues collected by the department of state are appropriated and allotted for distribution to the recipient university or public or private agency overseeing a state-sponsored goal when received. Distributions shall occur on a quarterly basis or as otherwise authorized by law. Any revenues remaining at the end of the fiscal year shall not lapse to the general fund but shall remain available for distribution to the university or agency in the next fiscal year.

Sec. 15-712. The department of state may produce and sell copies of a training video designed to inform registered automotive repair facilities of their obligations under Michigan law. The price shall not exceed the cost of production and distribution. The money received from the sale of training videos shall revert to the department of state and be placed in the auto repair facility account.

Sec. 15-713. (1) The department of state, in collaboration with the gift of life transplantation society or its successor federally designated organ procurement organization, may develop and administer a public information campaign concerning the Michigan organ donor program.

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

(3) Funds received under this section, including grants from state and federal agencies, shall not lapse to the general fund at the end of the fiscal year but shall remain available for expenditure for the purposes described in this section.

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

(5) The pamphlet shall include a return reply form addressed to the gift of life

organization. Funding appropriated in part 1 for the organ donor program shall be used to pay for return postage costs.

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

Sec. 15-714. (1) Except as otherwise provided under subsection (2), at least 180 days before closing a branch office or consolidating a branch office and at least 60 days before relocating a branch office, the department of state shall inform members of the senate and house of representatives standing committees on appropriations and legislators who represent affected areas regarding the details of the proposal. The information provided shall be in written form and include all analyses done regarding criteria for changes in the location of branch offices, including, but not limited to, branch transactions, revenue, and the impact on citizens of the affected area. The impact on citizens shall include information regarding additional distance to branch office locations resulting from the plan. The written notice provided by the department of state shall also include detailed estimates of costs and savings that will result from the overall changes made to the branch office structure and the same level of detail regarding costs for new leased facilities and expansions of current leased space.

(2) If the consolidation of a branch office is with another branch office that is located within the same local unit of government or the relocation of a branch office is to another location that is located within the same local unit of government, the department of state is not required to provide the notification or written information described in subsection (1).

(3) As used in this section, "local unit of government" means a city, village, township, or county.

Sec. 15-715. (1) Any service assessment collected by the department of state from the user of a credit or debit card under section 3 of 1995 PA 144, MCL 11.23, may be used by the department for necessary expenses related to that service and may be remitted to a credit or debit card company, bank, or other financial institution.

(2) The service assessment imposed by the department of state for credit and debit card services may be based either on a percentage of each individual credit or debit card transaction, or on a flat rate per transaction, or both, scaled to the amount of the

transaction. However, the department shall not charge any amount for a service assessment which exceeds the costs billable to the department for service assessments.

(3) If there is a balance of service assessments received from credit and debit card services remaining on September 30, the balance may be carried forward to the following fiscal year and appropriated for the same purpose.

(4) As used in this section, "service assessment" means and includes costs associated with service fees imposed by credit and debit card companies and processing fees imposed by banks and other financial institutions.

Sec. 15-717. (1) The department of state may accept nonmonetary gifts, donations, or contributions of property from any private or public source to support, in whole or in part, the operation of a departmental function relating to licensing, regulation or safety. The department may recognize a private or public contributor for making the contribution. The department may reject a gift, donation, or contribution.

(2) The department of state shall not accept a gift, donation, or contribution under subsection (1) if receipt of the gift, donation, or contribution is conditioned upon a commitment of future state funding.

(3) On March 1 of each year, the department of state shall file a report with the senate and house of representatives standing committees on appropriations, the senate and house fiscal agencies, and the state budget director. The report shall list any gift, donation, or contribution received by the department under subsection (1) for the prior calendar year.

Sec. 15-721. From the funds appropriated in part 1, the department of state may collect ATM commission fees from companies that have ATMs located in secretary of state branch offices. The commission received from the use of these ATMs shall be credited to the transportation administration collection fund created under section 810b of the Michigan vehicle code, 1949 PA 300, MCL 257.810b.

Sec. 15-722. From the increased funds appropriated in part 1 for information technology services and projects, the department shall establish a legacy modernization project beginning in the current year. The purpose of this program expansion is modernization of the entire system and removal of existing programs from the legacy mainframes.

Sec. 15-723. From the increased funds appropriated in part 1 for elections

administration and services, the department shall establish funding available for the replacement of voting machines. The purpose of this program expansion is replacement of existing voting machines in the local jurisdictions.

## Article 16

## DEPARTMENT OF STATE POLICE

PART 1

LINE-ITEM APPROPRIATIONS AND ANTICIPATED APPROPRIATIONS

Sec. 16-101. Subject to the conditions set forth in this article, the amounts listed in this part for the department of state police are appropriated for the fiscal year ending September 30, 2017, and are anticipated to be appropriated for the fiscal year ending September 30, 2018, from the funds indicated in this part. The following is a summary of the appropriations and anticipated appropriations in this part:

| | For Fiscal Year Ending Sept. 30, 2017 | For Fiscal Year Ending Sept. 30, 2018 |
|---|---|---|
| **DEPARTMENT OF STATE POLICE** | | |
| **APPROPRIATION SUMMARY** | | |
| Full-time equated unclassified positions..... | 3.0 | 3.0 |
| Full-time equated classified positions..... | 3,250.0 | 3,250.0 |
| **GROSS APPROPRIATION ..... $** | **658,726,100 $** | **650,250,300** |
| Total interdepartmental grants and intradepartmental transfers..... | 26,580,400 | 26,580,400 |
| ADJUSTED GROSS APPROPRIATION ..... $ | 632,145,700 $ | 623,669,900 |
| Total federal revenues ..... | 87,967,800 | 87,967,800 |
| Total local revenues ..... | 5,828,500 | 5,828,500 |
| Total private revenues ..... | 78,100 | 78,100 |
| Total other state restricted revenues ..... | 126,358,500 | 126,358,500 |
| State general fund/general purpose ..... $ | 411,912,800 $ | 403,437,000 |
| *State general fund/general purpose schedule:* | | |
| *Ongoing state general fund/general purpose .....* | *396,162,800* | *403,437,000* |
| *One-time state general fund/general purpose .....* | *15,750,000* | *0* |
| **Sec. 16-102. UNCLASSIFIED POSITIONS** | | |
| Full-time equated unclassified positions..... | 3.0 | 3.0 |
| Unclassified positions ..... $ | 600,200 $ | 600,200 |
| **GROSS APPROPRIATION ..... $** | **600,200 $** | **600,200** |
| Appropriated from: | | |
| Interdepartmental grant revenues ..... | 7,400 | 7,400 |
| State restricted revenues ..... | 388,100 | 388,100 |
| State general fund/general purpose ..... $ | 204,700 $ | 204,700 |
| **Sec. 16-103. EXECUTIVE DIRECTION AND DEPARTMENTAL SERVICES** | | |
| Full-time equated classified positions..... | 103.0 | 103.0 |
| Executive direction and departmental services ..... $ | 78,051,300 $ | 78,051,300 |
| **GROSS APPROPRIATION ..... $** | **78,051,300 $** | **78,051,300** |
| Appropriated from: | | |
| Interdepartmental grant revenues ..... | 769,100 | 769,100 |
| Federal revenues ..... | 1,328,000 | 1,328,000 |
| Local revenues ..... | 1,133,100 | 1,133,100 |

| | For Fiscal Year Ending Sept. 30, 2017 | For Fiscal Year Ending Sept. 30, 2018 |
|---|---|---|
| State restricted revenues | 12,231,400 | 12,231,400 |
| State general fund/general purpose | $ 62,589,700 | $ 62,589,700 |
| *Schedule of programs:* | | |
| *Departmentwide* | *38,607,700* | *38,607,700* |
| *Departmental services* | *7,001,900* | *7,001,900* |
| *Executive direction* | *8,015,800* | *8,015,800* |
| *Information technology services and projects* | *24,425,900* | *24,425,900* |
| **Sec. 16-104. LAW ENFORCEMENT SERVICES** | | |
| Full-time equated classified positions | 505.0 | 505.0 |
| Law enforcement services | $ 98,802,100 | $ 98,802,100 |
| **GROSS APPROPRIATION** | **$ 98,802,100** | **$ 98,802,100** |
| Appropriated from: | | |
| Interdepartmental grant revenues | 6,216,500 | 6,216,500 |
| Federal revenues | 17,261,400 | 17,261,400 |
| Local revenues | 915,300 | 915,300 |
| State restricted revenues | 35,084,000 | 35,084,000 |
| State general fund/general purpose | $ 39,324,900 | $ 39,324,900 |
| *Schedule of programs:* | | |
| *Biometrics and identification* | *8,145,400* | *8,145,400* |
| *Criminal justice information center* | *18,485,400* | *18,485,400* |
| *Forensic science* | *41,556,700* | *41,556,700* |
| *Grants and community services* | *17,584,000* | *17,584,000* |
| *Training* | *13,030,600* | *13,030,600* |
| **Sec. 16-105. COMMISSION ON LAW ENFORCEMENT STANDARDS** | | |
| Full-time equated classified positions | 18.0 | 18.0 |
| Commission on law enforcement standards | $ 9,899,700 | $ 9,899,700 |
| **GROSS APPROPRIATION** | **$ 9,899,700** | **$ 9,899,700** |
| Appropriated from: | | |
| Federal revenues | 175,700 | 175,700 |
| State restricted revenues | 8,830,700 | 8,830,700 |
| State general fund/general purpose | $ 893,300 | $ 893,300 |
| *Schedule of programs:* | | |

| | For Fiscal Year Ending Sept. 30, 2017 | For Fiscal Year Ending Sept. 30, 2018 |
|---|---|---|
| *Public safety officers benefit program* | *151,100* | *151,100* |
| *Standards and training/justice training grants* | *9,094,500* | *9,094,500* |
| *Training only to local units* | *654,100* | *654,100* |
| **Sec. 16-106. FIELD SERVICES** | | |
| Full-time equated classified positions | 2,109.0 | 2,109.0 |
| Field services | $ 317,783,300 | $ 325,057,500 |
| **GROSS APPROPRIATION** | **$ 317,783,300** | **$ 325,057,500** |
| Appropriated from: | | |
| Interdepartmental grant revenues | 6,776,800 | 6,776,800 |
| Federal revenues | 6,590,000 | 6,590,000 |
| Local revenues | 2,079,000 | 2,079,000 |
| State restricted revenues | 44,556,900 | 44,556,900 |
| State general fund/general purpose | $ 257,780,600 | $ 265,054,800 |
| *Schedule of programs:* | | |
| *Casino gaming oversight* | *6,012,000* | *6,012,000* |
| *General law enforcement and criminal investigations* | *306,475,600* | *313,749,800* |
| *Tobacco tax fraud investigations* | *5,295,700* | *5,295,700* |
| **Sec. 16-107. SPECIALIZED SERVICES** | | |
| Full-time equated classified positions | 514.0 | 514.0 |
| Specialized services | $ 126,771,500 | $ 126,771,500 |
| **GROSS APPROPRIATION** | **$ 126,771,500** | **$ 126,771,500** |
| Appropriated from: | | |
| Interdepartmental grant revenues | 12,810,600 | 12,810,600 |
| Federal revenues | 62,612,700 | 62,612,700 |
| Local revenues | 1,701,100 | 1,701,100 |
| Private revenues | 78,100 | 78,100 |
| State restricted revenues | 14,199,400 | 14,199,400 |
| State general fund/general purpose | $ 35,369,600 | $ 35,369,600 |
| *Schedule of programs:* | | |
| *Commercial vehicle enforcement* | *28,378,700* | *28,378,700* |
| *Emergency management and homeland security* | *50,048,200* | *50,048,200* |
| *Highway safety planning* | *16,130,000* | *16,130,000* |

| | For Fiscal Year Ending Sept. 30, 2017 | For Fiscal Year Ending Sept. 30, 2018 |
|---|---|---|
| *Special operations* | *32,214,600* | *32,214,600* |
| **Sec. 16-108. SECONDARY ROAD PATROL** | | |
| Full-time equated classified positions | 1.0 | 1.0 |
| Secondary road patrol | $ 11,068,000 | $ 11,068,000 |
| **GROSS APPROPRIATION** | **$ 11,068,000** | **$ 11,068,000** |
| Appropriated from: | | |
| State restricted revenues | 11,068,000 | 11,068,000 |
| State general fund/general purpose | $ 0 | $ 0 |
| **Sec. 16-109. ONE-TIME APPROPRIATIONS** | | |
| One-time appropriations | $ 15,750,000 | $ 0 |
| **GROSS APPROPRIATION** | **$ 15,750,000** | **$ 0** |
| Appropriated from: | | |
| State general fund/general purpose | $ 15,750,000 | $ 0 |
| *Schedule of programs:* | | |
| *Disaster and emergency contingency fund* | *6,000,000* | *0* |
| *Homeland security – energy disaster* | *750,000* | *0* |
| *School safety initiative* | *4,000,000* | *0* |
| *Sexual assault prevention and education initiative* | *500,000* | *0* |
| *Trooper school* | *4,500,000* | *0* |

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FISCAL YEAR 2017

**GENERAL SECTIONS**

Sec. 16-201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for fiscal year 2016-2017 is $538,271,300.00 and state spending from state resources to be paid to local units of government for fiscal year 2016-2017 is $19,198,900.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF STATE POLICE

| | |
|---|---|
| Commission on law enforcement standards | $ 3,559,700 |

| | | |
|---|---|---|
| Specialized services | | 681,900 |
| Secondary road patrol program | | 10,957,300 |
| Local public safety initiative | | 4,000,000 |
| TOTAL | $ | 19,198,900 |

Sec. 16-202. The appropriations authorized under this article are subject to the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

Sec. 16-203. As used in this article:

(a) "CJIS" means criminal justice information systems.

(b) "Core service" means that phrase as defined in section 373 of the management and budget act, 1984 PA 431, MCL 18.1373.

(c) "Department" means the department of state police.

(d) "Director" means the director of the department.

(e) "DNA" means deoxyribonucleic acid.

(f) "DTMB" means the department of technology, management and budget.

(g) "MCOLES" means Michigan commission on law enforcement standards.

(h) "Support service" means an activity required to support the ongoing delivery of core services.

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

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

Sec. 16-206. The director shall take all reasonable steps to ensure businesses in deprived and depressed communities compete for and perform contracts to provide services or supplies, or both. Each director shall strongly encourage firms with which the department

contracts to subcontract with certified businesses in depressed and deprived communities for services, supplies, or both.

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

(a) The dates of each travel occurrence.

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

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

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

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

(2) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed $3,500,000.00 for state restricted contingency funds. These funds are not

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

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

(4) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed $200,000.00 for private contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this article under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

Sec. 16-211. The department shall cooperate with the department of technology, management and budget to maintain a searchable website accessible by the public at no cost that includes, but is not limited to, all of the following for each department or agency:

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

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

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

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

(e) Job specifications and wage rates.

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

Sec. 16-213. The department shall maintain, on a publicly accessible website, a department scorecard that identifies, tracks and regularly updates key metrics that are used to monitor and improve the agency's performance.

Sec. 16-214. Total authorized appropriations from all sources under part 1 for legacy costs for the fiscal year ending September 30, 2017 is $133,307,100.00. From this amount, total agency appropriations for pension-related legacy costs are estimated at $71,007,700.00. Total agency appropriations for retiree health care legacy costs are

estimated at $62,299,400.00.

Sec. 16-215. Based on the availability of federal funding and demonstrated need as indicated by applications submitted to the state court administrative office, the department shall provide $1,500,000.00 in Byrne justice assistance grant program funding to the judiciary by interdepartmental grant.

Sec. 16-216. (1) Notwithstanding any other provision of this part, the schedule of programs in part 1 lists programs which may, but are not required to be, funded under this part or part 1.

(2) Notwithstanding any other provisions of this part, the schedule of revenue sources in part 1 may or may not be received from the funding entities listed or in the amounts listed.

(3) The secondary road patrol funding is not subject to funding flexibility and shall be funded in accordance with section 629e of the Michigan vehicle code, 1949 PA 300, MCL 257.629e.

(4) Any funding required by statute is not subject to funding flexibility and shall be funded in accordance with that statute.

Sec. 16-217. The department shall provide quarterly reports to the subcommittees, the senate and house fiscal agencies, and the state budget office that provide the following data:

(a) A list of major work projects, including the status of each project.

(b) The department’s financial status, featuring a report of budgeted versus actual expenditures by part 1 line item including a year-end projection of budget requirements. If projected department budget requirements exceed the allocated budget, the report shall include a plan to reduce overall expenses while still satisfying specified service level requirements.

(c) A report on the performance metrics cited or information required to be reported in this part, reasons for nonachievement of metric targets, and proposed corrective actions.

(d) A summary of fund shifts, that have been approved by the state budget office, that have occurred between items listed in the schedule of programs on a quarterly basis to the subcommittees and the senate and house fiscal agencies.

Sec. 16-218. The appropriations in part 1 are for the core services, support

services, and work projects of the department, including, but not limited to, the following core services:

(a) State security operations.

(b) Training.

(c) Commission on law enforcement standards.

(d) Criminal justice information systems.

(e) Forensic analysis and biometric identification.

(f) General law enforcement and criminal investigations.

(g) Special operations.

(h) Commercial vehicle regulation and enforcement.

(i) Emergency management and homeland security.

(j) Highway safety planning.

(k) Secondary road patrol program.

Sec. 16-219. (1) When the department provides contractual services to a local unit of government, the department shall be reimbursed for all costs incurred in providing the services, including, but not limited to, retirement and overtime costs.

(2) The department shall define service cost models for those services requiring reimbursement.

(3) Contractual services provided to an entity other than a local unit of government may be provided by department personnel, but only on an overtime basis outside the normal work schedule of the personnel.

(4) This section does not apply to services provided to state agencies.

Sec. 16-220. The department shall serve as an active liaison between the DTMB and state, local, regional, and federal public safety agencies on matters pertaining to the Michigan public safety communications system and shall report user issues to the DTMB.

Sec. 16-221. Money privately donated to the department is appropriated under part 1 to be used for the purposes designated by the donor of the money, if specified.

**EXECUTIVE DIRECTION AND DEPARTMENTAL SERVICES**

Sec. 16-301. (1) The department shall provide security services at the state capitol complex facilities and state secondary complex as provided under section 6c of 1935 PA 59, MCL 28.6c.

(2) The department shall maintain the staff and resources necessary to respond to emergencies at the state capitol complex, state secondary complex, house office building, Farnum building, capitol parking lot, Townsend parking ramp, the Roosevelt parking ramp, and other areas as directed.

(3) The department may develop a phased approach for improving security at the capitol building.

(4) The department shall maintain a goal of annually conducting 35,000 property inspections of state owned and leased facilities.

**LAW ENFORCEMENT SERVICES**

Sec. 16-400. The department shall provide administrative support for the following grant and community service programs:

(a) The operations of the automobile theft prevention authority.

(b) Administration of the Edward Byrne memorial justice assistance program and other grant programs, as well as the department's community policing efforts.

(c) Oversight and administration of 9-1-1 operations statewide.

Sec. 16-401. (1) The department shall develop and deliver professional, innovative, and quality training that supports the enforcement and public safety efforts of the criminal justice community.

(2) The department shall provide the following performance data as provided under section 219 for average classroom occupancy rate, with an annual goal of 55%.

(3) The department shall submit a report to the subcommittees and the senate and house fiscal agencies within 60 days of the conclusion of any trooper, motor carrier, or state properties security recruit school. The report shall include the following:

(a) The number of veterans and the number of MCOLES-certified police officers who were admitted to and the number who graduated from the recruit school.

(b) The total number of recruits who were admitted to the school, the number of recruits who graduated from the school, and the location at which each of these recruits is assigned.

(4) The department shall distribute and review course evaluations to ensure that quality training is provided.

Sec. 16-402. (1) In accordance with applicable state and federal laws and

regulations, the department shall maintain and ensure compliance with CJIS databases and applications in the support of public safety and law enforcement communities.

(2) The department shall improve the accuracy, timeliness, and completeness of criminal history information by conducting a minimum of 30 outreach activities targeted to criminal justice agencies.

(3) The department shall provide for the compilation of crime statistics consistent with the uniform crime reporting program and the national incident-based report system.

(4) The department shall provide for the compilation and evaluation of traffic crash reports and the maintenance of the state accident data collection system.

(5) The department shall make traffic crash information available to the public at a reasonable cost. For bulk access to the accident records in which the vehicle identification number has been collected and computerized, the department shall make those records available to the public at cost, provided that the name and address have been excluded.

(6) In accordance with applicable state and federal laws and regulations, the department shall provide for the maintenance and dissemination of criminal history records and juvenile records, including to the extent necessary to exchange criminal history records information with the Federal Bureau of Investigation and other states through the interstate identification index, the National Crime Information Center, and other federal CJIS databases and indices.

(7) In accordance with applicable state and federal laws, the department shall provide for the maintenance of records, including criminal history records regarding firearms licensure.

(8) The department shall maintain the staff and resources necessary to maintain the sex offender registry and enforce the registration requirements as provided by law.

(9) The department shall provide information on the number of background checks processed through the Internet criminal history access tool (ICHAT) as provided in section 219.

(10) The following unexpended and unencumbered revenues deposited into the criminal justice information service fee fund shall not lapse to the general fund, but shall be carried forward into the subsequent fiscal year:

(a) Fees for fingerprinting and criminal record checks and name-based criminal record

checks pursuant to 1935 PA 120, MCL 28.271 to 28.273.

(b) Fees for application and licensing for initial and renewal concealed pistol licenses pursuant to 1927 PA 372, MCL 28.421 to 28.435.

(c) Fees for searching, copying, and providing public records pursuant to the freedom of information act, 1976 PA 442, MCL 15.231 to 15.246.

(d) Revenue from other sources, including, but not limited to, investment and interest earnings.

(11) Unexpended and unencumbered revenue generated by state records management system fees shall not lapse to the general fund, but shall be carried forward into the subsequent fiscal year.

Sec. 16-403. (1) The department shall provide forensic testing services to aid in criminal investigations.

(2) The department shall ensure its ability to maintain accreditation by the American Society of Crime Laboratory Directors/Laboratory Accreditation Board (ASCLD/LAB), or other federally designated accrediting agency, as provided under 42 USC 14132.

(3) The department shall provide forensic science services with an average turnaround time of 55 days, assuming an annual caseload volume commensurate with that received in fiscal year 2012-2013, and shall achieve a goal of a 30-day average turnaround time across all forensic science disciplines by December 31, 2016.

(4) The department shall provide the following data as provided in section 219:

(a) The average turnaround time for processing forensic evidence across all disciplines.

(b) Forensic laboratory staffing levels, including scientists in training, and vacancies.

(c) The number of backlogged cases in each discipline.

(5) The department shall maintain the staffing and resources necessary to provide forensic laboratory services with a goal of decreasing firearms backlog by 20% annually until the department maintains a 30-day turnaround time across disciplines, assuming an annual caseload volume of 5,200 cases received.

(6) The department shall maintain the staffing and resources necessary to provide forensic laboratory services with a goal of decreasing the backlog of toxicology cases per year until the department maintains a 30-day turnaround time across all disciplines

assuming an annual caseload volume of 20,000 cases received.

(7) If changes are made to the department's protocol for retaining and purging DNA analysis samples and records, the department shall post a copy of the protocol changes on the department's website.

(8) The department shall maintain the staffing and resources necessary to provide forensic laboratory services with a goal of decreasing the backlog of biology/DNA cases per year until the department maintains a 30-day turnaround time across all disciplines, assuming an annual caseload volume of 10,500 biology/DNA cases received.

Sec. 16-404. (1) The biometrics and identification division shall house and manage the automated fingerprint identification system, the statewide network of agency photographs, and combined offender DNA index system biometric databases.

(2) The department shall provide data on the number of 10-print and palm-print submissions to the database, with a goal of at least 97% of submissions provided electronically as provided in section 219.

(3) The department shall maintain the staffing and resources necessary to have a 28-day average wait time for scheduling a polygraph examination, assuming an annual caseload received commensurate with fiscal year 2012-2013, with a goal of achieving a 15-day average wait time.

(4) The department shall provide information on the number of fingerprint checks processed as provided in section 219.

Sec. 16-405. Not later than October 31 of the subsequent fiscal year, the department shall submit a report to the subcommittees and senate and house fiscal agencies that includes, but is not limited to, all of the following information:

(a) Sexual assault kit analysis backlog at the beginning of the current fiscal year.

(b) The number of sexual assault kits collected or submitted for analysis during the current fiscal year.

(c) The number of sexual assault kits analyzed and the number of associated DNA profiles created and uploaded during the current fiscal year.

(d) Sexual assault kit analysis backlog at the ending of the current fiscal year.

(e) The average turnaround time to analyze sexual assault kits and to create and upload associated DNA profiles for the current fiscal year.

**COMMISSION ON LAW ENFORCEMENT STANDARDS**

Sec. 16-501. (1) MCOLES shall maintain the staffing and resources necessary to exercise the authority, powers, functions, and responsibilities necessary to establish standards for the selection, employment, training, education, licensing, and revocation of all law enforcement officers and provide the basic law enforcement training curriculum for law enforcement training academy programs statewide.

(2) MCOLES shall maintain staffing and resources necessary to update law enforcement standards within 120 days of the effective date of any new legislation.

**FIELD SERVICES**

Sec. 16-601. (1) Department enlisted personnel who are employed to enforce traffic laws as provided in section 629e of the Michigan vehicle code, 1949 PA 300, MCL 257.629e, shall not be prohibited from responding to crimes in progress or other emergency situations and are responsible for making every effort to protect all residents of this state.

(2) The department shall maintain the staffing and resources necessary to continually work to enhance traffic safety throughout the state and shall dedicate a minimum of 396,700 hours to statewide patrol, of which a minimum of 40,000 shall be committed to distressed cities in this state, and 4,000 shall be committed to Belle Isle. The department shall work to improve public safety efforts within distressed cities by enhancing data analysis capabilities and identifying crime trend and areas with high occurrences of crime.

(3) The department shall maintain the staffing and resources necessary to perform activities to maintain a 93% compliance rate for reporting by registered sex offenders.

(4) The department shall submit a report on or before December 1 to the subcommittees and senate and house fiscal agencies regarding the secure cities partnership during the prior fiscal year.

Sec. 16-602. (1) The department shall identify and apprehend criminals through criminal investigations in this state.

(2) The department shall maintain the staffing and resources necessary to provide a comparable number of hours investigating crimes as those performed in fiscal year 2012-2013.

(3) The department shall maintain the staffing and resources necessary to annually meet or exceed a case clearance rate of 62%.

(4) The department shall maintain the staffing and resources necessary to increase the number of opioid-related investigations by 25% above the number of such investigations conducted in the 2014-15 fiscal year conducted by multi-jurisdictional task forces and hometown security teams. The department shall work to enhance investigative and drug interdiction efforts by enhancing data analysis capabilities and linking investigations among multi-jurisdictional task forces and hometown security teams.

Sec. 16-603. (1) The department shall provide protection to this state, its economy, welfare, and vital state-sponsored programs through the prevention and suppression of organized smuggling of untaxed tobacco products in the state, through enforcement of the tobacco products tax act, 1993 PA 327, MCL 205.421 to 205.436, and other laws pertaining to combating criminal activity in this state, by maintaining a tobacco tax enforcement unit.

(2) The department shall submit an annual report on December 1 to the subcommittees, the senate and house appropriations subcommittees on general government, senate and house fiscal agencies, and the state budget office that details expenditures and activities related to tobacco tax enforcement for the prior fiscal year.

(3) The tobacco tax enforcement unit shall dedicate a minimum of 16,600 hours to tobacco tax enforcement.

Sec. 16-604. (1) The department shall provide fire investigation services to citizens of this state through training and investigative assistance to public safety agencies in this state.

(2) The department shall maintain the staffing and resources necessary to maintain readiness to respond appropriately to at least the number of requests for fire investigation services that occurred in fiscal year 2010-2011 and shall be available for call out statewide 100% of the time.

**SPECIALIZED SERVICES**

Sec. 16-701. (1) The department shall provide specialized services in support of, and to enhance, local, state, and federal law enforcement operations within this state in accordance with all applicable state and federal laws and regulations.

(2) The department shall operate the Michigan intelligence operation center for homeland security as the state's primary federally designated fusion center to receive, analyze, gather, and disseminate threat-related information among federal, state, local,

tribal, and private sector partners.

(3) The department shall ensure public safety by providing public and private sector partners with timely and accurate information regarding critical information key resource threats as reported to or discovered by the Michigan intelligence operations center for homeland security and shall increase public awareness on how to report suspicious activity through website or telephone communications.

(4) The department shall maintain the staffing and resources necessary to provide training to maintain readiness to respond appropriately to at least the number of requests for specialty services which occurred in fiscal year 2010-2011.

(5) The canine unit shall be available for call out statewide 100% of the time.

(6) The bomb squad unit shall be available for call out statewide 100% of the time.

(7) The emergency support teams shall be available for call out statewide 100% of the time.

(8) The underwater recovery unit shall be available for call out statewide 100% of the time.

(9) Aviation services shall be available for call out statewide 100% of the time, unless prohibited by weather or unexpected mechanical breakdowns.

(10) The department shall maintain the staffing and resources necessary to support the cyber section, including the Michigan cyber command center, the computer crimes unit, and the Internet crimes against children task force. The department shall maintain the staffing and resources necessary to increase the number of cases completed by the computer crimes unit by 25% above the number of cases completed in the 2014-2015 fiscal year. The unit shall pursue process improvement initiatives to effectively utilize staff resources in providing investigatory assistance and evidentiary analysis for law enforcement and criminal justice agencies statewide.

Sec. 16-702. (1) The department shall maintain commercial vehicle regulation, school bus inspections and enforcement activities, including enforcement of requirements concerning size, weight, and load restrictions; operating authority; registration; fuel taxes; the transportation of hazardous materials; the operations of new entrants; and commercial driver’s licenses.

(2) The department shall maintain the staffing and resources necessary to meet inspection goals consistent with the department’s federal motor carrier assistance program

activities.

Sec. 16-703. (1) The department shall coordinate the mitigation, preparation, response, and recovery activities of municipal, county, state, and federal governments, and other governmental entities, for all hazards, disasters, and emergencies.

(2) The state director of emergency management may expend money appropriated under part 1 to call upon any agency or department of the state or any resource of the state to protect life or property or to provide for the health or safety of the population in any area of the state in which the governor proclaims a state of emergency or state of disaster under 1945 PA 302, MCL 10.31 to 10.33, or under the emergency management act, 1976 PA 390, MCL 30.401 to 30.421. The state director of emergency management may expend the amounts the director considers necessary to accomplish these purposes. The director shall submit to the state budget director as soon as possible a complete report of all actions taken under the authority of this section. The report shall contain, as a separate item, a statement of all money expended that is not reimbursable from federal money. The state budget director shall review the expenditures and submit recommendations to the legislature in regard to any possible need for a supplemental appropriation.

(3) In addition to the money appropriated in part 1, the department may receive and expend money from local, private, federal, or state sources for the purpose of providing emergency management training to local or private interests and for the purpose of supporting emergency preparedness, response, recovery, and mitigation activity. If additional expenditure authorization in the Michigan administrative information network is approved by the state budget office under this section, the department and the state budget office shall notify the subcommittees and the senate and house fiscal agencies within 10 days after the approval. The notification shall include the amount and source and the additional authorization, the date of its approval, and the projected use of funds to be expended under the authorization.

(4) The department shall foster, promote, and maintain partnerships to protect this state and homeland from all hazards.

(5) The department shall maintain the staffing and resources necessary to do all of the following:

(a) Serve approximately 105 local emergency management preparedness programs and 88 local emergency planning committees in this state.

(b) Operate and maintain the state's emergency operations center and provide command and control in support of emergency response services.

(c) Maintain readiness, including training and equipment to respond to civil disorders and natural disasters commensurate with the capabilities of fiscal year 2010-2011.

(d) Perform hazardous materials response training.

(6) The department shall conduct a minimum of 3 training sessions to enhance safe response in the event of natural or manmade incidents, emergencies, or disasters.

(7) In addition to the funds appropriated in part 1, there is appropriated from the disaster and emergency contingency fund an amount necessary to cover costs related to any disaster or emergency as defined in the emergency management act, 1976 PA 390, MCL 30.401 to 30.421. Funds shall be expended as provided under sections 18 and 19 of the emergency management act, 1976 PA 390, MCL 30.418 and 30.419, and R 30.51 to R 30.61 of the Michigan administrative code.

(8) Funds in the disaster and emergency contingency fund shall not be expended unless the state budget director approves the expenditure and the department and the state budget office notify the senate and house appropriations committees.

Sec. 16-704. The department shall provide for the planning, administration, and implementation of highway traffic safety programs to save lives and reduce injuries on Michigan roads in partnership with other public and private organizations.

**SECONDARY ROAD PATROL PROGRAM**

Sec. 16-801. (1) The department shall provide funding to county sheriff departments to patrol secondary roads.

(2) The sheriffs' duties under the secondary road patrol program, as outlined in section 76(2) of 1846 RS 14, MCL 51.76, are to patrol and monitor traffic violations; to enforce the criminal laws of this state, violations of which are observed by or brought to the attention of the sheriff's department while patrolling and monitoring secondary roads; to investigate accidents involving motor vehicles; and to provide emergency assistance to persons on or near a highway or road the sheriff is patrolling and monitoring.

(3) The department shall provide the following information on secondary road patrol activities supported by appropriations in part 1:

(a) The number of funded full-time equivalent county sheriff secondary road patrol deputies.

(b) The number of hours dedicated to patrol under the secondary road patrol program, with an annual goal of at least 178,000 hours.

(4) The information required to be reported under subsection (3) shall be reported on an annual basis.

**ONE-TIME APPROPRIATIONS**

Sec. 16-901. (1) Funding appropriated in part 1 for one-time appropriations for local public safety initiative shall be used to provide competitive grants to public or nonpublic schools, school districts, intermediate school districts, and county sheriff's departments to purchase technology and equipment to improve the safety and security of school buildings, students, and staff.

(2) Of the grant funds awarded, up to 20 percent shall be awarded to county sheriff's department, with the balance awarded to public or nonpublic schools, school districts, or intermediate school districts without bias toward public or nonpublic institutions.

(3) The department shall issue grant guidance and application materials including required performance measures no later than November 1, 2016, and shall issue awards no later than February 28, 2017.

(4) The department shall report on grant activities to the subcommittees and the state budget office by December 1, 2017 including performance outcomes as identified in individual grant agreements.

## Article 17

## TALENT AND ECONOMIC DEVELOPMENT

PART 1

LINE-ITEM APPROPRIATIONS AND ANTICIPATED APPROPRIATIONS

Sec. 17-101. Subject to the conditions set forth in this article, the amounts listed in this article for the department of talent and economic development are appropriated for the fiscal year ending September 30, 2017, and are anticipated to be appropriated for the fiscal year ending September 30, 2018, from the funds indicated in this part. The following is a summary of the appropriations and anticipated appropriations in this part:

| | For Fiscal Year Ending Sept. 30, 2017 | For Fiscal Year Ending Sept. 30, 2018 |
|---|---|---|
| **DEPARTMENT OF TALENT AND ECONOMIC DEVELOPMENT** | | |
| **APPROPRIATION SUMMARY** | | |
| Full-time equated unclassified positions..... | 6.0 | 6.0 |
| Full-time equated classified positions..... | 1,609.0 | 1,609.0 |
| **GROSS APPROPRIATION .....** | **$ 1,142,494,300** | **$ 1,112,915,800** |
| Total interdepartmental grants and intradepartmental transfers..... | 0 | 0 |
| ADJUSTED GROSS APPROPRIATION ..... | $ 1,142,494,300 | $ 1,112,915,800 |
| Total federal revenues ..... | 773,944,800 | 763,344,800 |
| Total local revenues ..... | 500,000 | 500,000 |
| Total private revenues ..... | 5,619,000 | 5,619,000 |
| Total other state restricted revenues ..... | 192,341,600 | 188,363,100 |
| State general fund/general purpose ..... | $ 170,088,900 | $ 155,088,900 |
| *State general fund/general purpose schedule:* | | |
| *Ongoing state general fund/general purpose .....* | *155,088,900* | *155,088,900* |
| *One-time state general fund/general purpose .....* | *15,000,000* | *0* |
| **Sec. 17-102. EXECUTIVE DIRECTION** | | |
| Full-time equated unclassified positions..... | 6.0 | 6.0 |
| Full-time equated classified positions..... | 1.0 | 1.0 |
| Unclassified positions-6.0 FTE positions ..... | $ 897,400 | $ 897,400 |
| Executive direction and operations-1.0 FTE position ... | 812,900 | 812,900 |
| **GROSS APPROPRIATION .....** | **$ 1,710,300** | **$ 1,710,300** |
| Appropriated from: | | |
| Federal revenues: | | |
| Federal funds ..... | 1,179,200 | 1,179,200 |
| Special revenue funds: | | |
| State restricted funds ..... | 400,800 | 400,800 |
| State general fund/general purpose ..... | $ 130,300 | $ 130,300 |
| **Sec. 17-103. MICHIGAN STRATEGIC FUND** | | |
| Full-time equated classified positions..... | 194.0 | 194.0 |
| Administrative services-34.0 FTE positions ..... | $ 5,743,600 | $ 5,743,600 |
| Job creation services-160.0 FTE positions ..... | 22,198,400 | 22,198,400 |

| | For Fiscal Year Ending Sept. 30, 2017 | For Fiscal Year Ending Sept. 30, 2018 |
|---|---|---|
| Pure Michigan | 33,000,000 | 33,000,000 |
| Entrepreneurship eco-system | 19,400,000 | 19,400,000 |
| Business attraction and community revitalization | 102,500,000 | 102,500,000 |
| Community development block grants | 47,000,000 | 47,000,000 |
| Arts and cultural program | 10,150,000 | 10,150,000 |
| Community colleges skilled trades equipment program | 4,600,000 | 4,600,000 |
| Facility for rare isotope beams | 7,300,000 | 7,300,000 |
| **GROSS APPROPRIATION** | **$ 251,892,000** | **$ 251,892,000** |
| Appropriated from: | | |
| Federal revenues: | | |
| Federal funds | 53,436,600 | 53,436,600 |
| Special revenue funds: | | |
| Private funds | 350,000 | 350,000 |
| State restricted funds | 80,014,500 | 80,014,500 |
| State general fund/general purpose | $ 118,090,900 | $ 118,090,900 |
| **Sec. 17-104. TALENT INVESTMENT AGENCY** | | |
| Full-time equated classified positions | 1,092.0 | 1,092.0 |
| Executive direction-7.0 FTE positions | $ 1,175,600 | $ 1,175,600 |
| Workforce program administration-225.0 FTE positions | 33,169,900 | 33,169,900 |
| Workforce development programs | 387,022,900 | 387,022,900 |
| Skilled trades training program | 35,600,000 | 35,600,000 |
| Community Ventures-7.0 FTE positions | 9,800,000 | 9,800,000 |
| Unemployment insurance agency-853.0 FTE positions | 139,065,500 | 139,065,500 |
| Talent investment agency information technology services and projects | 22,501,000 | 22,501,000 |
| **GROSS APPROPRIATION** | **$ 628,334,900** | **$ 628,334,900** |
| Appropriated from: | | |
| Federal revenues: | | |
| Federal funds | 540,869,000 | 540,869,000 |
| Special revenue funds: | | |
| Local funds | 500,000 | 500,000 |
| Private funds | 5,269,000 | 5,269,000 |

| | For Fiscal Year Ending Sept. 30, 2017 | For Fiscal Year Ending Sept. 30, 2018 |
|---|---|---|
| State restricted funds | 48,787,800 | 48,787,800 |
| State general fund/general purpose | $ 32,909,100 | $ 32,909,100 |
| **Sec. 17-105. LAND BANK FAST TRACK AUTHORITY** | | |
| Full-time equated classified positions | 6.0 | 6.0 |
| Land bank fast track authority-6.0 FTE positions | $ 5,256,400 | $ 5,256,400 |
| **GROSS APPROPRIATION** | **$ 5,256,400** | **$ 5,256,400** |
| Appropriated from: | | |
| Federal revenues: | | |
| Federal funds | 1,000,000 | 1,000,000 |
| Special revenue funds: | | |
| State restricted funds | 297,800 | 297,800 |
| State general fund/general purpose | $ 3,958,600 | $ 3,958,600 |
| **Sec. 17-106. MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY** | | |
| Full-time equated classified positions | 316.0 | 316.0 |
| Payments on behalf of tenants | $ 166,860,000 | $ 166,860,000 |
| Housing and rental assistance-316.0 FTE positions | 51,248,200 | 51,248,200 |
| Lighthouse preservation program | 307,500 | 307,500 |
| Rent and administrative support | 3,721,000 | 3,721,000 |
| Michigan state housing development authority technology services and projects | 3,585,500 | 3,585,500 |
| **GROSS APPROPRIATION** | **$ 225,722,200** | **$ 225,722,200** |
| Appropriated from: | | |
| Federal revenues: | | |
| Federal funds | 166,860,000 | 166,860,000 |
| Special revenue funds: | | |
| State restricted funds | 58,862,200 | 58,862,200 |
| State general fund/general purpose | $ 0 | $ 0 |
| **Sec. 17-107. ONE-TIME APPROPRIATIONS** | | |
| Business attraction and community revitalization | $ 13,000,000 | $ 0 |
| Community Ventures - challenge match | 2,000,000 | 0 |
| Statewide data system integration | 8,778,500 | 0 |
| Financial literacy pilot | 5,800,000 | 0 |

| | For Fiscal Year Ending Sept. 30, 2017 | For Fiscal Year Ending Sept. 30, 2018 |
|---|---|---|
| **GROSS APPROPRIATION** | **$ 29,578,500** | **$ 0** |
| Appropriated from: | | |
| Federal revenues: | | |
| Federal funds | 10,600,000 | 0 |
| Special revenue funds: | | |
| State restricted funds | 3,978,500 | 0 |
| State general fund/general purpose | $ 15,000,000 | $ 0 |

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FISCAL YEAR 2017

**GENERAL SECTIONS**

Sec. 17-201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for fiscal year 2016-2017 is $362,430,500.00 and state spending from state resources to be paid to local units of government for fiscal year 2016-2017 is $11,224,800.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF TALENT AND ECONOMIC DEVELOPMENT

| | |
|---|---|
| Workforce development programs | $ 11,224,800 |
| TOTAL | $ 11,224,800 |

Sec. 17-202. The appropriations authorized under this article are subject to the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

Sec. 17-203. As used in this article:

(a) "Department" means the department of talent and economic development.

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

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

(d) "Fund" means the Michigan strategic fund.

(e) "MEDC" means the Michigan economic development corporation, which is the public body corporate created under section 28 of article VII of the state constitution of 1963 and the urban cooperation act of 1967, 1967 (Ex Sess) PA 7, MCL 124.501 to 124.512, by contractual interlocal agreement effective April 5, 1999, between local participating

economic development corporations formed under the economic development corporations act, 1974 PA 338, MCL 125.1601 to 125.1636, and the Michigan strategic fund.

(f) "PATH" means Partnership. Accountability. Training. Hope.

Sec. 17-204. The departments and agencies receiving appropriations in part 1 shall use the Internet to fulfill the reporting requirements of this part. This requirement may include transmission of reports via electronic mail to the recipients identified for each reporting requirement, or it may include placement of reports on an Internet or Intranet site.

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

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

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

(a) The dates of each travel occurrence.

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

proportion funded with other revenues.

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

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

Sec. 17-210. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed $ 30,000,000.00 for federal contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this article under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

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

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

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

Sec. 17-211. The department shall cooperate with the department of technology, management and budget to maintain a searchable website accessible by the public at no cost that includes, but is not limited to, all of the following for each department or agency:

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

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

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

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

(e) Job specifications and wage rates.

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

Sec. 17-213. The department shall maintain, on a publicly accessible website, a department scorecard that identifies, tracks and regularly updates key metrics that are used to monitor and improve the agency's performance.

Sec. 17-214. Total authorized appropriations from all sources under part 1 for legacy costs for the fiscal year ending September 30, 2017 is $35,083,100.00. From this amount, total agency appropriations for pension-related legacy costs are estimated at $19,452,700.00. Total agency appropriations for retiree health care legacy costs are estimated at $15,630,400.00.

Sec. 17-215. Federal pass-through funds to local institutions and governments that are received in amounts in addition to those included in part 1 and that do not require additional state matching funds are appropriated for the purposes intended. The department may carry forward into the succeeding fiscal year unexpended federal pass-through funds to local institutions and governments that do not require additional state matching funds. The department shall report the amount and source of the funds to the senate and house appropriation subcommittees on general government, the senate and house fiscal agencies, and the state budget office within 10 business days after receiving any additional pass-through funds.

Sec. 17-235. By April 1, the state budget director shall submit a report to the senate and house appropriations committees and the senate and house fiscal agencies. The report shall recommend a contingency plan for each federal funding source included in the

state budget of $10,000,000.00 or more in the event that the federal government reduces funding to the state through that source by 10% or greater.

**MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY**

Sec. 17-994. In addition to the funds appropriated in part 1, the funds collected by state historic preservation programs for document reproduction and services and application fees are appropriated for all expenses necessary to provide the required services. These funds are available for expenditure when they are received and may be carried forward into the succeeding fiscal year.

**LAND BANK FAST TRACK AUTHORITY**

Sec. 17-995. In addition to the amounts appropriated in part 1, the land bank fast track authority may expend revenues received under the land bank fast track act, 2003 PA 258, MCL 124.751 to 124.774, for the purposes authorized by the act, including, but not limited to, the acquisition, lease, management, demolition, maintenance, or rehabilitation of real or personal property, payment of debt service for notes or bonds issued by the authority, and other expenses to clear or quiet title property held by the authority.

**MICHIGAN STRATEGIC FUND**

Sec. 17-1005. In addition to the appropriations in part 1, Travel Michigan may receive and expend private revenue related to the use of "Pure Michigan" and all other copyrighted slogans and images. This revenue may come from the direct licensing of the name and image or from the royalty payments from various merchandise sales. Revenue collected is appropriated for the marketing of the state as a travel destination. The funds are available for expenditure when they are received by the department of treasury.

Sec. 17-1008. As a condition of receiving funds under part 1, any interlocal agreement entered into by the fund shall include language which states that if a local unit of government has a contract or memorandum of understanding with a private economic development agency, the MEDC will work cooperatively with that private organization in that local area.

Sec. 17-1009. (1) Of the funds appropriated to the fund or through grants to the MEDC, no funds shall be expended for the purchase of options on land or the purchase of

land unless at least 1 of the following conditions applies:

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

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

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

(3) As used in this section, "economically distressed area" means an area in a city, village, or township that has been designated as blighted; a city, village, or township that shows negative population change from 1970 and a poverty rate and unemployment rate greater than the statewide average; or an area certified as a neighborhood enterprise zone under the neighborhood enterprise zone act, 1992 PA 147, MCL 207.771 to 207.786.

Sec. 17-1011. (1) From the appropriations in part 1 to the fund and granted or transferred to the MEDC, any unexpended or unencumbered balance shall be disposed of in accordance with the requirements in the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594, unless carryforward authorization has been otherwise provided for.

(2) Any encumbered funds shall be used for the same purposes for which funding was originally appropriated in this part and part 1.

Sec. 17-1012. (1) As a condition of receiving funds under part 1, the fund shall ensure that the MEDC and the fund comply with all of the following:

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

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

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

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

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

Sec. 17-1013. As a condition for receiving the appropriations in part 1, any staff of the MEDC involved in private fund-raising activities shall not be party to any decisions regarding the awarding of grants, incentives, or tax abatements from the fund, the MEDC, or the Michigan economic growth authority.

Sec. 17-1024. From the funds appropriated in part 1 for business attraction and community revitalization, not less than $20,000,000.00 shall be granted by the fund board for brownfield redevelopment and historic preservation projects under the community revitalization program authorized by chapter 8C of the Michigan strategic fund act, 1984 PA 270, MCL 125.2090 to 125.2090d.

Sec. 17-1032. (1) The department shall report to the subcommittees, the state budget director, and the fiscal agencies on the status of the film incentives at the same time as it submits the annual report required under section 455 of the Michigan business tax act, 2007 PA 36, MCL 208.1455. The department of treasury shall provide the department with the data necessary to prepare the report. Incentives included in the report shall include all of the following:

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

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

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

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

(e) Any tax credits provided for film and digital media production under the Michigan economic growth authority act, 1995 PA 24, MCL 207.801 to 207.810.

(f) Loans to an eligible production company or film and digital media private equity fund authorized under section 88d(3), (4), and (5) of the Michigan strategic fund act, 2005 PA 225, MCL 125.2088d.

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

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

(b) For credits authorized under section 455 of the Michigan business tax act, 2007 PA 36, MCL 208.1455, for productions completed by December 31, the expenditures of each

production eligible for the credit that has filed a request for certificate of completion with the film office, broken down into expenditures for goods, services, or salaries and wages and showing separately expenditures in each local unit of government, including expenditures for personnel, whether or not they were made to a Michigan entity, and whether or not they were taxable under the laws of this state. For loans, the report shall include the number of loans that have been fully repaid, with principal and interest shown separately, and the number of loans that are delinquent or in default, and the amount of principal that is delinquent or is in default.

(c) For each of the tax credit incentives and loan incentives listed in subsection (1), a breakdown for each project or production showing each of the following:

(*i*) The number of temporary jobs created.

(*ii*) The number of permanent jobs created.

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

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

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

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

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

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

Sec. 17-1035. From the appropriation in part 1, the Michigan council for arts and cultural affairs shall administer an arts and cultural grant program that maintains an equitable geographic distribution of funding and utilizes past arts and cultural grant programs as a guideline for administering this program. The council shall do all of the following:

(a) On or before October 1, the fund shall publish proposed application criteria,

instructions, and forms for use by eligible applicants. The fund shall provide at least a 2-week period for public comment before finalizing the application criteria, instructions, and forms.

(b) A nonrefundable application fee may be assessed for each application. Application fees shall be deposited in the council for the arts fund and are appropriated for expenses necessary to administer the programs. These funds are available for expenditure when they are received and may be carried forward to the following fiscal year.

(c) Grants are to be made to public and private arts and cultural entities.

(d) Within 1 business day after the award announcements, the council shall provide to each member of the legislature and the fiscal agencies a list of all grant recipients and the total award given to each recipient, sorted by county.

Sec. 17-1036. (1) The general fund/general purpose funds appropriated in part 1 to the fund for business attraction and community revitalization funds shall be transferred to the 21st century jobs trust fund per section 90b(3) of the Michigan strategic fund act, 1984 PA 270, MCL 125.2090b.

(2) Funds transferred to the 21st century jobs trust fund under subsection (1) are appropriated and available for allocation as authorized in the Michigan strategic fund act, 1984 PA 270, MCL 125.2001 to 125.2094.

Sec. 17-1042. For the funds appropriated in part 1 for business attraction and community revitalization, the fund shall report quarterly on the amount of funds considered appropriated, pre-encumbered, encumbered, and expended. The report shall also include a listing of appropriations for business attraction and community revitalization, or a predecessor, in 2011 PA 63, 2012 PA 200, 2013 PA 59, and 2014 PA 252, that were considered appropriated, pre-encumbered, encumbered, or expended that have lapsed back to the fund for any purpose. The report shall be submitted to the chairpersons of the senate and house of representatives standing committees on appropriations, the chairpersons of the senate and house of representatives standing committees on appropriations subcommittees on general government, the senate and house fiscal agencies, and the state budget office.

Sec. 17-1042a. (1) From the increased funds appropriated in part 1 for business attraction and community revitalization, the department shall continue strategic investments that create jobs and support community re-development to grow Michigan's economy.

(2) The department shall identify specific outcomes and performance metrics for this program, including, but not limited to the following:

(a) Committed number of new jobs.

(b) Private investment for leveraged for community projects.

**TALENT INVESTMENT AGENCY**

Sec. 17-1060. The talent investment agency shall administer the PATH training program in accordance with the requirements of section 407(d) of title IV of the social security act, 42 USC 607, the state social welfare act, 1939 PA 280, MCL 400.1 to 400.119b, and all other applicable laws and regulations.

Sec. 17-1062. The talent investment agency shall make available, in person or by telephone, 1 disabled veterans outreach program specialist or local veterans employment representative to Michigan Works! service centers, as resources permit, during hours of operation, and shall continue to make the appropriate placement of veterans and disabled veterans a priority.

Sec. 17-1063. (1) In addition to the funds appropriated in part 1, any unencumbered and unrestricted federal workforce investment act of 1998, 29 USC 2801 to 2945, workforce innovation and opportunity act, 29 USC 3101 to 3361, or trade adjustment assistance funds available from prior fiscal years are appropriated for the purposes originally intended.

(2) The talent investment agency shall report by February 15 to the subcommittees, the fiscal agencies, and the state budget office on the amount by fiscal year of federal workforce investment act of 1998, 29 USC 2801 to 2945, workforce innovation and opportunity act, 29 USC 3101 to 3361, funds appropriated under this section.

Sec. 17-1065. The talent investment agency shall publish data and reports on the agency website concerning the status of the career technology and skilled trades training programs funded in part 1. The report shall include the following:

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

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

(c) Amount of funding leveraged from each awardee or other funding source for each awardee project.

(d) Training models established by each awardee.

(e) The number of individuals enrolled in a skilled trades training program by awardee.

(f) The number of individuals who completed the program and were hired by awardee.

(g) The number of applications received and the number of applications approved for each region.

(h) The department of talent and economic development shall expand workforce training and re-employment services to better connect workers to in-demand jobs and, identify specific outcomes with performance metrics for this initiative, including but not limited to new apprenticeships, jobs created, jobs retained, training completed, and employment retention rate at 6 months, and hourly wage at 6 months.

Sec. 17-1066. As a condition of receiving funds in part 1 for the skilled trades training program, the talent investment agency shall administer the program as follows:

(a) The talent investment agency shall work cooperatively with grantees to maximize the amount of funds from part 1 that are available for direct training.

(b) The talent investment agency, workforce development partners, including regional Michigan Works! agencies, and employers shall collaborate and work cooperatively to prioritize and streamline the expenditure of the funds appropriated in part 1. The talent investment agency shall ensure that the skilled trades training program provides a collaborative statewide network of workforce and employee skill development partners that addresses the employee talent needs throughout the state.

(c) The talent investment agency shall ensure that grants are utilized for individual skill enhancement for employees of Michigan businesses including the development of additional opportunities for apprenticeship programs and more advance-tech training programs.

(d) The talent investment agency shall develop program goals and detailed guidance for prospective participants to follow to qualify under the program. The program goals and detailed guidance shall be posted on the talent investment agency website and distributed to workforce development partners, including local Michigan Works! agencies, by October 1. Periodic assessments of employer and employee needs shall be evaluated on a regional basis, and the talent investment agency shall identify solutions and goals to be implemented to satisfy those needs. The talent investment agency shall notify the senate and house of representatives standing committees on appropriations, the senate and house of

representatives standing committees on appropriations subcommittees on general government, the senate and house fiscal agencies, and the state budget office on any program goal, solution, or guidance changes not fewer than 14 days prior to the finalization and publication of the changes. Revenue received by the talent investment agency for the skilled trades training program may be expended for the purpose of those programs.

(e) Up to $5,000,000.00 of the funds may be expended to match federal funds. The intent of these funds will involve improving and increasing the skill level of employees in skilled trades in the automotive industry and the manufacturing processes within the changing manufacturing environment.

Sec. 17-1068. (1) Of the funds appropriated in part 1 for the workforce training programs, the talent investment agency shall provide a report by February 15 to the senate and house of representatives standing committees on appropriations subcommittees on general government, the state budget director, and the fiscal agencies on the status of the workforce training programs. The report shall include the following:

(a) The amount of funding allocated to each Michigan Works! agency and the total funding allocated to the workforce training programs statewide by fund source.

(b) The number of participants enrolled in education or training programs by each Michigan Works! agency.

(c) The average duration of training for training program participants by each Michigan Works! agency.

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

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

(f) The number of participants enrolled in 4-year institutions.

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

(h) The number of participants that have completed education or training programs.

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

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

(k) The average wage earned by participants who completed a training program and

secured employment within 1 year.

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

(2) Data collection for the report shall be for the prior state fiscal year.

Sec. 17-1069. (1) The one-time appropriation in part 1 for community ventures – challenge match shall only be expended upon commitment of matching dollars from private sources. For every $1.00 the department receives from a private source for the purposes of the community ventures – challenge match, the department shall expend $1.00 from the one-time appropriation in part 1, until exhaustion of the appropriation. Funds received from private sources for the community ventures – challenge match are appropriated and shall be expended for the purposes of the community ventures program.

(2) The department shall identify specific outcomes and performance measures for this initiative, including, but not limited to, the following:

(a) The number of commitments from private sources, including the dollar amount committed and source.

(b) Additional participants served with challenge funds.

(c) Jobs created and the average wage.

Sec. 17-1080. (1) The department of talent and economic development shall publish the "activities classification structure data book" for Michigan community colleges on or before March 1.

(2) The department of talent and economic development shall compile information received from community colleges on North American Indian tuition waivers granted pursuant to 1976 PA 174, MCL 390.1251 to 390.1253, and shall submit this compilation to the house and senate appropriations subcommittees on community colleges, the fiscal agencies, and the state budget director by March 1.

(3) The department of talent and economic development shall compile information received from community colleges on the number and types of associate degrees and other certificates awarded during the previous fiscal year and shall submit this compilation to the house and senate appropriations subcommittees on community colleges, the fiscal agencies, and the state budget director by March 1.

(4) The department of talent and economic development shall place the reports required in this section on a publicly available website.

Sec. 17-1081. (1) From the one-time funds appropriated in part 1 for statewide system for data integration, the department shall establish new information technology systems to integrate data for talent and pipeline development to track and report workforce development activities and provide for sustained and expanded longitudinal data analysis between state departments.

(2) The department shall identify specific outcomes and performance metrics for this initiative, including, but not limited to the following:

(a) Job placements and retention at 6 months.

(b) Apprenticeships completed.

(c) Average wage.

Sec. 17-1082. From the funds appropriated in part 1 for the financial literacy pilot, the department shall request competitive proposals from service providers interested in providing financial literacy counseling to family independence program (FIP) recipients and temporary assistance for needy families eligible individuals using an established financial literacy model. The pilot is to include individual client counseling sessions with professionally-trained financial counselors. The counseling sessions shall be a voluntary service to clients and focus on effective personal budgeting, debt reduction, establishing and improving credit, accessing safe and affordable banking services, building savings and connecting to other supportive services through referrals. The pilot may provide for client financial literacy counseling services in up to three prosperity regions. The geographic selection of the prosperity region for the pilot shall be part of the competitive request for proposal, but priority shall be given to those proposals that have a mix of urban and rural implementation areas. The service provider may provide financial literacy counseling to clients from other state programs provided those programs provide support for such services. The pilot shall have a duration of no more than three years. Priority shall be given to those proposals that demonstrate a model for statewide implementation and a sustainability strategy at the conclusion of the pilot, as well as opportunities for additional state program integrations. Client outcomes for both FIP recipients and any other state programs utilizing financial literacy services shall be monitored and reported by the service provider to the department on a quarterly basis. During the course of the pilot, the department shall provide an annual report on client outcomes to the senate and house subcommittees on general government, senate and house fiscal agencies, and state

budget director. Key outcome metrics for clients will include: 1) increased or maintained access to safe and affordable banking services; 2) increased credit scores; 3) reduced debt; and 4) increased savings.

## Article 18

## DEPARTMENT OF TECHNOLOGY, MANAGEMENT AND BUDGET

PART 1

LINE-ITEM APPROPRIATIONS AND ANTICIPATED APPROPRIATIONS

Sec. 18-101. Subject to the conditions set forth in this article, the amounts listed in this part for the department of technology, management and budget are appropriated for the fiscal year ending September 30, 2017, and are anticipated to be appropriated for the fiscal year ending September 30, 2018, from the funds indicated in this part. The following is a summary of the appropriations and anticipated appropriations in this part:

| | For Fiscal Year Ending Sept. 30, 2017 | For Fiscal Year Ending Sept. 30, 2018 |
|---|---|---|
| **DEPARTMENT OF TECHNOLOGY, MANAGEMENT AND BUDGET** | | |
| **APPROPRIATION SUMMARY** | | |
| Full-time equated unclassified positions..... | 6.0 | 6.0 |
| Full-time equated classified positions..... | 2,867.0 | 2,867.0 |
| **GROSS APPROPRIATION ..... | **$ 1,320,096,200** | **$ 1,287,745,300** |
| Total interdepartmental grants and intradepartmental transfers..... | 696,904,100 | 694,054,100 |
| ADJUSTED GROSS APPROPRIATION ..... | $ 623,192,100 | $ 593,691,200 |
| Total federal revenues ..... | 4,958,200 | 4,958,200 |
| Total local revenues ..... | 2,320,000 | 2,320,000 |
| Total private revenues ..... | 0 | 0 |
| Total other state restricted revenues ..... | 111,490,800 | 111,490,800 |
| State general fund/general purpose ..... | $ 504,423,100 | $ 474,922,200 |
| *State general fund/general purpose schedule:* | | |
| *Ongoing state general fund/general purpose .....* | *474,922,200* | *474,922,200* |
| *One-time state general fund/general purpose .....* | *29,500,900* | *0* |
| **Sec. 18-102. EXECUTIVE DIRECTION** | | |
| Full-time equated unclassified positions..... | 6.0 | 6.0 |
| Full-time equated classified positions..... | 12.0 | 12.0 |
| Unclassified positions-6.0 FTE positions ..... | $ 1,001,400 | $ 1,001,400 |
| Executive operations-12.0 FTE positions ..... | 2,376,000 | 2,376,000 |
| **GROSS APPROPRIATION ..... | **$ 3,377,400** | **$ 3,377,400** |
| Appropriated from: | | |
| Interdepartmental grant revenues: | | |
| IDG from building occupancy and parking charges ..... | 249,700 | 249,700 |
| IDG from technology user fees ..... | 2,074,400 | 2,074,400 |
| Special revenue funds: | | |
| Special revenue, internal service and pension trust funds..... | 289,200 | 289,200 |
| State general fund/general purpose ..... | $ 764,100 | $ 764,100 |
| **Sec. 18-103. DEPARTMENT SERVICES** | | |
| Full-time equated classified positions..... | 720.5 | 720.5 |

| | For Fiscal Year Ending Sept. 30, 2017 | For Fiscal Year Ending Sept. 30, 2018 |
|---|---|---|
| Administrative services-138.5 FTE positions ..... | $ 20,389,400 | $ 20,389,400 |
| Budget and financial management-135.0 FTE positions ... | 17,913,100 | 17,913,100 |
| Office of the state employer-23.0 FTE positions ..... | 3,417,300 | 3,417,300 |
| Design and construction services-40.0 FTE positions ... | 6,477,000 | 6,447,000 |
| Business support services-97.0 FTE positions ..... | 11,469,600 | 11,469,600 |
| Building operation services-210.0 FTE positions ..... | 92,416,200 | 92,416,290 |
| Building occupancy charges, rent, and utilities ..... | 7,494,200 | 7,494,200 |
| Motor vehicle fleet-35.0 FTE positions ..... | 74,260,100 | 74,260,100 |
| Information technology services and projects ..... | 32,630,500 | 32,630,500 |
| Bureau of labor market information and strategies- | | |
| 42.0 FTE positions..... | 5,475,100 | 5,475,100 |
| **GROSS APPROPRIATION ..... | **$ 271,942,500** | **$ 271,942,500** |
| Appropriated from: | | |
| Interdepartmental grant revenues: | | |
| IDG from accounting service center user charges ..... | 2,698,000 | 2,698,000 |
| IDG from building occupancy and parking charges ..... | 94,647,900 | 94,647,900 |
| IDG from MDHHS, community health ..... | 484,500 | 484,500 |
| IDG from MDHHS, human services ..... | 215,400 | 215,400 |
| IDG from MDLARA ..... | 100,000 | 100,000 |
| IDG from motor transport fund ..... | 74,260,100 | 74,260,100 |
| IDG from technology user fees ..... | 7,658,600 | 7,658,600 |
| IDG from user fees ..... | 6,754,000 | 6,754,000 |
| Federal revenues: | | |
| Federal funds ..... | 4,958,200 | 4,958,200 |
| Special revenue funds: | | |
| Local-MPSCS subscriber and maintenance fees ..... | 61,700 | 61,700 |
| Local revenues ..... | 35,000 | 35,000 |
| Deferred compensation ..... | 2,600 | 2,600 |
| Health management funds ..... | 2,257,200 | 2,257,200 |
| MAIN user charges ..... | 4,337,600 | 4,337,600 |
| Other agency charges ..... | 1,178,700 | 1,178,700 |
| Pension trust funds ..... | 10,082,000 | 10,082,000 |

| | For Fiscal Year Ending Sept. 30, 2017 | For Fiscal Year Ending Sept. 30, 2018 |
|---|---|---|
| Special revenue, internal service, and pension trust funds | 17,168,300 | 17,168,300 |
| State restricted indirect funds | 3,392,200 | 3,392,200 |
| State general fund/general purpose | $ 41,650,500 | $ 41,650,500 |
| **Sec. 18-104. TECHNOLOGY SERVICES** | | |
| Full-time equated classified positions | 1,487.5 | 1,487.5 |
| Education services-29.0 FTE positions | $ 4,106,500 | $ 4,106,500 |
| Health and human services-617.5 FTE positions | 291,972,300 | 291,972,300 |
| Public protection-154.5 FTE positions | 55,832,600 | 55,832,600 |
| Resources services-146.5 FTE positions | 20,283,500 | 20,283,500 |
| Transportation services-89.5 FTE positions | 31,739,300 | 31,739,300 |
| General services-331.5 FTE positions | 98,027,300 | 98,027,300 |
| Enterprisewide information technology investments | 65,000,000 | 65,000,000 |
| Homeland security initiative/cyber security-13.0 FTE positions | 14,118,200 | 14,118,200 |
| Michigan public safety communications system-100.0 FTE positions | 40,094,800 | 40,094,800 |
| Enterprise identity management-6.0 FTE positions | 6,700,000 | 6,700,000 |
| **GROSS APPROPRIATION** | **$ 627,874,500** | **$ 627,874,500** |
| Appropriated from: | | |
| Interdepartmental grant revenues: | | |
| IDG from technology user fees | 501,961,500 | 501,961,500 |
| Special revenue funds: | | |
| Local-MPSCS subscriber and maintenance fees | 2,223,300 | 2,223,300 |
| State general fund/general purpose | $ 123,689,700 | $ 123,689,700 |
| **Sec. 18-105. STATEWIDE APPROPRIATIONS** | | |
| Professional development fund – NERES | $ 250,000 | $ 250,000 |
| Professional development fund – UAW | 700,000 | 700,000 |
| **GROSS APPROPRIATION** | **$ 950,000** | **$ 950,000** |
| Appropriated from: | | |
| Interdepartmental grant revenues: | | |
| IDG from employer contributions | 950,000 | 950,000 |

| | For Fiscal Year Ending Sept. 30, 2017 | For Fiscal Year Ending Sept. 30, 2018 |
|---|---|---|
| Special revenue funds: | | |
| State general fund/general purpose ..... | $ 0 | $ 0 |
| **Sec. 18-106. SPECIAL PROGRAMS** | | |
| Full-time equated classified positions..... | 197.0 | 197.0 |
| Building occupancy charges - property management | | |
| Services for executive/legislative building occupancy . | $ 1,154,500 | $ 1,154,500 |
| Retirement services-167.0 FTE positions ..... | 28,724,900 | 28,724,900 |
| Office of children's ombudsman-14.0 FTE positions ..... | 1,801,600 | 1,801,600 |
| Office of urban initiatives-5.0 FTE positions ..... | 1,512,200 | 1,512,200 |
| Public private partnership ..... | 1,500,000 | 1,500,000 |
| Regional prosperity grants ..... | 2,500,000 | 2,500,000 |
| School reform office operations-11.0 FTE positions .... | 2,318,300 | 2,318,300 |
| **GROSS APPROPRIATION ..... | **$ 39,511,500** | **$ 39,511,500** |
| Appropriated from: | | |
| Special revenue funds: | | |
| Deferred compensation ..... | 2,800,000 | 2,800,000 |
| Pension trust funds ..... | 20,548,100 | 20,548,100 |
| Public private partnership investment fund ..... | 1,500,000 | 1,500,000 |
| State general fund/general purpose ..... | $ 14,663,400 | $ 14,663,400 |
| **Sec. 18-107. STATE BUILDING AUTHORITY** | | |
| State building authority rent – state agencies ..... | $ 49,665,800 | $ 49,665,800 |
| State building authority rent – department of corrections..... | 21,029,900 | 21,029,900 |
| State building authority rent – universities ..... | 144,995,300 | 144,995,300 |
| State building authority rent – community colleges .... | 30,879,600 | 30,879,600 |
| **GROSS APPROPRIATION ..... | **$ 246,570,600** | **$ 246,570,600** |
| Appropriated from: | | |
| Special revenue funds: | | |
| State general fund/general purpose ..... | $ 246,570,600 | $ 246,570,600 |
| **Sec. 18-108. CIVIL SERVICE COMMISSION** | | |
| Full-time equated classified positions..... | 450.0 | 450.0 |
| Agency services-74.0 FTE positions ..... | $ 13,103,100 | $ 13,103,100 |

| | For Fiscal Year Ending Sept. 30, 2017 | For Fiscal Year Ending Sept. 30, 2018 |
|---|---|---|
| Executive direction-40.0 FTE positions ..... | 8,894,300 | 8,894,300 |
| Employee benefits-16.0 FTE positions ..... | 5,704,000 | 5,704,000 |
| Human resources operations-320.0 FTE positions ..... | 38,463,100 | 38,463,100 |
| Information technology services and projects ..... | 3,354,300 | 3,354,300 |
| **GROSS APPROPRIATION ..... $** | **69,518,800 $** | **69,518,800** |
| Appropriated from: | | |
| Interdepartmental grant revenues: | | |
| State restricted funds 1% ..... | 30,702,500 | 30,702,500 |
| State restricted indirect funds ..... | 8,592,200 | 8,592,200 |
| State sponsored group insurance ..... | 8,640,200 | 8,640,200 |
| State general fund/general purpose ..... $ | 21,583,900 $ | 21,583,900 |
| **Sec. 18-109. CAPITAL OUTLAY** | | |
| Major special maintenance, remodeling, and additions for state agencies..... $ | 2,000,000 $ | 2,000,000 |
| Enterprisewide special maintenance for state facilities..... | 26,000,000 | 26,000,000 |
| **GROSS APPROPRIATION ..... $** | **28,000,000 $** | **28,000,000** |
| Appropriated from: | | |
| Interdepartmental grant revenues: | | |
| IDG from building occupancy charges ..... | 2,000,000 | 2,000,000 |
| Special revenue funds: | | |
| State general fund/general purpose ..... $ | 26,000,000 $ | 26,000,000 |
| **Sec. 18-110. ONE-TIME APPROPRIATIONS** | | |
| Capitol area reconfiguration project ..... $ | 7,500,000 $ | 0 |
| Capital outlay – university, community college and state agency planning authorization – university of Michigan - Flint, Murchie science building addition – for program and planning to be paid for from university resources (estimated total authorized cost $39,000,000; state share $29,250,000; university share $9,750,000)..... | 100 | 0 |
| Capital outlay - university, community college and | | |

| | For Fiscal Year Ending Sept. 30, 2017 | For Fiscal Year Ending Sept. 30, 2018 |
|---|---|---|
| state agency planning authorization – Saginaw Valley state university, college of business and management expansion - for program and planning to be paid for from university resources (estimated total authorized cost $17,500,000; state share $9,800,000; university share $7,700,000)..... | 100 | 0 |
| Capital outlay - university, community college and state agency planning authorization – Wayne State university, STEM innovation learning center - for program and planning to be paid for from university resources (estimated total authorized cost $29,500,000; state share $14,750,000; university share $14,750,000) | 100 | 0 |
| Capital outlay - university, community college and state agency planning authorization – Eastern Michigan university, strong hall renovation - for program and planning to be paid for from university resources (estimated total authorized cost $39,536,000; state share $29,652,000; university share $9,884,000)..... | 100 | 0 |
| Capital outlay - university, community college and state agency planning authorization - Kellogg community college, regional manufacturing technology center renovation and addition - for program and planning to be paid for from community college resources (estimated total authorized cost $4,300,000; state share $2,150,000; community college share $2,150,000) | 100 | 0 |
| Capital outlay - university, community college and state agency planning authorization - Wayne County community college, eastern campus repurposing and upgrading – for program and planning to be paid for from community college resources (estimated total authorized cost $18,000,000; state share $9,000,000; community college share $9,000,000)..... | 100 | 0 |

| | For Fiscal Year Ending Sept. 30, 2017 | For Fiscal Year Ending Sept. 30, 2018 |
|---|---|---|
| Capital outlay - university, community college and state agency planning authorization - Northwestern Michigan college, west hall innovation center renovation and expansion - for program and planning to be paid for from community college resources (estimated total authorized cost $14,499,400; state share $7,249,700; community college share $7,249,700) ..... | 100 | 0 |
| Capital outlay - university, community college and state agency planning authorization - department of natural resources, coolwater rearing hatchery improvements – for program and planning to be paid for from state resources (estimated total authorized cost $12,242,500; state share $12,242,500) ..... | 100 | 0 |
| Capital outlay - university, community college and state agency planning authorization – department of technology, management and budget, Jackson state office building renovation - for program and planning to be paid for from state resources (estimated total authorized cost $9,450,000; state share $9,450,000).. | 100 | 0 |
| ITIF one-time augmentation ..... | 7,000,000 | 0 |
| Legal services ..... | 5,000,000 | 0 |
| Enterprisewide special maintenance for state facilities..... | 10,000,000 | 0 |
| ORS IT modernization and enterprise mandates ..... | 2,850,000 | 0 |
| **GROSS APPROPRIATION ..... $** | **32,350,900 $** | **0** |
| Appropriated from: | | |
| Interdepartmental grant revenues: | | |
| Pension trust funds ..... | 2,850,000 | 0 |
| Special revenue funds: | | |
| State general fund/general purpose ..... $ | 29,500,900 $ | 0 |

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FISCAL YEAR 2017

**GENERAL SECTIONS**

Sec. 18-201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for fiscal year 2016-2017 is $615,913,900.00 and state spending from state resources to be paid to local units of government for fiscal year 2016-2017 is $0.00.

Sec. 18-202. The appropriations authorized under this article are subject to the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

Sec. 18-203. As used in this article:

(a) "COBRA" means the consolidated omnibus budget reconciliation act of 1985, Public Law 99-272, 100 Statute 82.

(b) "Department" or "DTMB" means the department of technology, management and budget.

(c) "Director" means the director of the department.

(d) "FTE" means full-time equated.

(e) "IDG" means interdepartmental grant.

(f) "IT" means information technology.

(g) "ITIF" means information technology investment fund.

(h) "JCOS" means the joint capital outlay subcommittee.

(i) "MAIN" means the Michigan administrative information network.

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

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

(*l*) "MPSCS" means the Michigan public safety communication system.

(m) "NERE" means nonexclusively represented employees.

(n) "ORS" means the office of retirement systems.

(o) "State building authority" means the authority created under 1964 PA 183, MCL 830.411 to 830.425.

(p) "STEM" means science, technology, engineering and mathematics.

(q) "UAW" means the united auto workers.

Sec. 18-204. The departments and agencies receiving appropriations in part 1 shall use the Internet to fulfill the reporting requirements of this article. This requirement

may include transmission of reports via electronic mail to the recipients identified for each reporting requirement, or it may include placement of reports on an Internet or Intranet site.

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

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

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

(a) The dates of each travel occurrence.

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

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

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

Sec. 18-210. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed $4,000,000.00 for federal contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this article under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

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

(3) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed $150,000.00 for local contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this article under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

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

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

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

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

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

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

(e) Job specifications and wage rates.

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

Sec. 18-213. The department shall maintain, on a publicly accessible website, a department scorecard that identifies, tracks and regularly updates key metrics that are used to monitor and improve the agency's performance.

Sec. 18-214. Total authorized appropriations from all sources under part 1 for legacy costs for the fiscal year ending September 30, 2017 are $78,962,000.00. From this amount, total agency appropriations for pension-related legacy costs are estimated at $43,795,600.00. Total agency appropriations for retiree health care legacy costs are estimated at $35,166,400.00.

Sec. 18-215. In addition to the general fund/general purpose appropriations for special maintenance, remodeling, and addition-state facilities in part 1, there is also appropriated related federal and state restricted funds up to the amounts that will be earned based upon the initiatives undertaken with the funds in part 1. The state budget director shall determine and authorize the appropriate manner for implementing this section.

Sec. 18-216. In addition to the general fund/general purpose appropriations for enterprisewide information technology investments in part 1, there is also appropriated related federal and state restricted funds up to the amounts that will be earned based upon the initiatives undertaken with the funds in part 1. The state budget director shall determine and authorize the appropriate manner for implementing this section.

**DEPARTMENT OF TECHNOLOGY, MANAGEMENT AND BUDGET**

Sec. 18-802. Proceeds in excess of necessary costs incurred in the conduct of transfers or auctions of state surplus, salvage, or scrap property made pursuant to section 267 of the management and budget act, 1984 PA 431, MCL 18.1267, are appropriated to the department of technology, management and budget to offset costs incurred in the acquisition and distribution of federal surplus property. The department of technology, management and

budget shall provide consolidated Internet auction services through the state's contractors for all local units of government.

Sec. 18-803. (1) The department of technology, management and budget may receive and expend funds in addition to those authorized by part 1 for maintenance and operation services provided specifically to other principal executive departments or state agencies, the legislative branch, the judicial branch, or private tenants, or provided in connection with facilities transferred to the operational jurisdiction of the department of technology, management and budget.

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

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

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

Sec. 18-804. (1) The source of financing in part 1 for statewide appropriations shall be funded by assessments against longevity and insurance appropriations throughout state government in a manner prescribed by the department of technology, management and budget. Funds shall be used as specified in joint labor/management agreements or through the coordinated compensation hearings process. Any deposits made under this subsection and any unencumbered funds are restricted revenues, may be carried over into the succeeding fiscal years, and are appropriated.

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

Sec. 18-805. To the extent a specific appropriation is required for a detailed source of financing included in part 1 for the department of technology, management and budget appropriations financed from special revenue and internal service and pension trust funds, or MAIN user charges, the specific amounts are appropriated within the special revenue internal service and pension trust funds in portions not to exceed the aggregate amount appropriated in part 1.

Sec. 18-806. In addition to the funds appropriated in part 1 to the department of technology, management and budget, the department may receive and expend funds from other principal executive departments and state agencies to implement administrative leave bank transfer provisions as may be specified in joint labor/management agreements. The amounts may also be transferred to other principal executive departments and state agencies under the joint agreement and any amounts transferred under the joint agreement are authorized for receipt and expenditure by the receiving principal executive department or state agency. Any amounts received by the department of technology, management and budget under this section and intended, under the joint labor/management agreements, to be available for use beyond the close of the fiscal year and any unencumbered funds may be carried over into the succeeding fiscal year.

Sec. 18-807. The source of financing in part 1 for the Michigan administrative information network shall be funded by proportionate charges assessed against the respective state funds benefiting from this project in the amounts determined by the department.

Sec. 18-808. (1) Deposits against the interdepartmental grant from building occupancy and parking charges appropriated in part 1 shall be collected, in part, from state agencies, the legislative branch, and the judicial branch based on estimated costs associated with maintenance and operation of buildings managed by the department of technology, management and budget. To the extent excess revenues are collected due to estimates of building occupancy charges exceeding actual costs, the excess revenues may be carried forward into succeeding fiscal years for the purpose of returning funds to state agencies.

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

Sec. 18-809. On a quarterly basis, the department of technology, management and budget shall notify the chairpersons of the senate and house of representatives standing committees on appropriations, the chairpersons of the senate and house of representatives standing committees on appropriations subcommittees on general government, the house and senate fiscal agencies, and the state budget director on any revisions that increase or decrease current contracts by more than $500,000.00 for computer software development, hardware acquisition, or quality assurance.

Sec. 18-811. The department of technology, management and budget may receive and expend funds from the Vietnam veterans memorial monument fund as provided in the Michigan Vietnam veterans memorial act, 1988 PA 234, MCL 35.1051 to 35.1057. Funds are appropriated and allocated when received and may be expended upon receipt.

Sec. 18-812. The Michigan veterans' memorial park commission may receive and expend money from any source, public or private, including, but not limited to, gifts, grants, donations of money, and government appropriations, for the purposes described in Executive Order No. 2001-10. Funds are appropriated and allocated when received and may be expended upon receipt. Any deposits made under this section and unencumbered funds are restricted revenues and may be carried over into succeeding fiscal years.

Sec. 18-813. (1) Funds in part 1 for motor vehicle fleet are appropriated to the department of technology, management and budget for administration and for the acquisition, lease, operation, maintenance, repair, replacement, and disposal of state motor vehicles.

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

(3) Pursuant to the department of technology, management and budget’s authority under sections 213 and 215 of the management and budget act, 1984 PA 431, MCL 18.1213 and 18.1215, the department shall maintain a plan regarding the operation of the motor vehicle fleet. The plan shall include the number of vehicles assigned to, or authorized for use by, state departments and agencies, efforts to reduce travel expenditures, the number of cars in the motor vehicle fleet, the number of miles driven by fleet vehicles, and the number of gallons of fuel consumed by fleet vehicles. The plan shall include a calculation of the

amount of state motor vehicle fuel taxes that would have been incurred by fleet vehicles if fleet vehicles were required by law to pay motor fuel taxes. The plan shall include a description of fleet garage operations, the goods sold and services provided by the fleet garage, the cost to operate the fleet garage, the number of fleet garage locations, and the number of employees assigned to each fleet garage. The plan may be adjusted during the fiscal year based on needs and cost savings to achieve the maximum value and efficiency from the state motor fleet. Within 60 days after the close of the fiscal year, the department shall provide a report to the senate and house of representatives standing committees on appropriations, the senate and house fiscal agencies, and the state budget director detailing the current plan and changes made to the plan during the fiscal year.

(4) The department of technology, management and budget may charge state agencies for fuel cost increases that exceed $3.04 per gallon of unleaded gasoline. The department shall notify state agencies, in writing or by electronic mail, at least 30 days before implementing additional charges for fuel cost increases. Revenues received from these charges are appropriated upon receipt.

(5) The state budget director, upon notification to the senate and house of representatives standing committees on appropriations, may adjust spending authorization and the IDG from motor transport fund in the department of technology, management and budget in order to ensure that the appropriations for motor vehicle fleet in the department budget equal the expenditures for motor vehicle fleet in the budgets for all executive branch agencies.

Sec. 18-814. The department of technology, management and budget shall develop a plan regarding the use of funds appropriated in part 1 for the enterprisewide information technology investment projects. The plan shall include, but not be limited to, a description of proposed information technology investment projects, the time frame for completion of the information technology investment projects, the proposed cost of the information technology investment projects, the number of employees assigned to implement each information technology investment project, the contracts entered into for each information technology investment project, and any other information the department deems necessary. The plan shall be distributed to the senate and house of representatives standing committees on appropriations subcommittees on general government, as well as the senate and house fiscal agencies and the state budget director on a quarterly basis. The

submitted plan shall also include anticipated spending reductions or overages for each of the proposed information technology investment projects. The department of technology, management, and budget shall notify the senate and house of representatives standing committees on appropriations subcommittees on general government, the senate and house fiscal agencies, and the state budget director when a project funded under an information technology investment project line item in part 1 is expected to require a transfer of dollars from another project in excess of $500,000.00.

Sec. 18-814a. The funds appropriated in part 1 for information technology investment projects shall be used for the modernization of state information technology systems, improvement of the state's cyber security framework, and to achieve efficiencies.

Sec. 18-818. In addition to the funds appropriated in part 1, the department of technology, management and budget may receive and expend money from the Michigan law enforcement officers memorial monument fund as provided in the Michigan law enforcement officers memorial act, 2004 PA 177, MCL 28.781 to 28.787.

Sec. 18-820. The department shall make available to the public a list of all parcels of real property owned by the state that are available for purchase. The list shall be posted on the Internet through the department's website.

Sec. 18-821. The department of technology, management and budget shall annually update the office space consolidation project plan, including the use of the funds appropriated pursuant to 2012 PA 200 for the space consolidation fund. By February 15, the department shall report to the senate and house of representatives committees on appropriations subcommittees on general government and the senate and house fiscal agencies on the revised plan and plan implementation. The report shall include, but is not limited to, the description of the proposed office space to be consolidated, the time frame for completion of the office space consolidation, the proposed itemized cost of the office space consolidation, the number of employees assigned to implement the office space consolidation, the contracts entered into for the office space consolidation, information on completed projects, anticipated savings, savings achieved, and any other information the department deems necessary.

Sec. 18-822b. (1) A public-private partnership investment fund is created in DTMB. Subject to subsections (2) and (3), public-private partnership investments shall include, but are not limited to, all of the following:

(a) Capital asset improvements including buildings, land, or structures.

(b) Energy resource exploration, extraction, generation, and sales.

(c) Financial and investment incentive opportunities.

(d) Infrastructure construction, maintenance, and operation.

(e) Public-private sector joint ventures that provide economic benefit to an area or to the state.

(2) Public-private investments shall not include projects, consultant expenses, staff effort, or any other activity related to the development, financing, construction, operation, or implementation of the Detroit River International Crossing or any successor project unless the project is approved by the legislature and signed into law.

(3) The state budget director shall determine whether or not a specific public-private partnership investment opportunity qualifies for funding under subsection (1).

(4) Investment development revenue, including a portion of the proceeds from the sale of any public-private partnership investment designated in subsection (1), shall be deposited into the fund created in subsection (1) and shall be available for administration, development, financing, marketing, and operating expenditures associated with public-private partnerships, unless otherwise provided by law. Public-private partnership investments authorized in subsection (1) are authorized for public or private operation or sale consistent with state law. Expenditures from the fund are authorized for investment purposes as designated in subsection (1) to enhance the marketable value of each investment. The unencumbered balance remaining in the fund at the end of the fiscal year may be carried forward for appropriation in future years.

(5) An annual report shall be transmitted to the senate and house of representatives standing committees on appropriations, the senate and house fiscal agencies, and the state budget office not later than December 31 of each year. This report shall detail both of the following:

(a) The revenue and expenditure activity in the fund for the preceding fiscal year.

(b) Public-private partnership investments as identified under subsection (1).

(6) DTMB shall monitor the revenue deposited in the public-private partnership investment fund created in subsection (1). If the revenue in the fund is insufficient to pay the amount appropriated in part 1 for public-private partnership investment, then DTMB shall propose a legislative transfer to fund the line from the appropriations in part 1.

Sec. 18-822c. The funds appropriated in part 1 shall not be used to support any staff effort, projects, consultant expenses, or any other activity related to the development, financing, construction, operation, or implementation of the Detroit River International Crossing or any successor project unless the project is approved by the legislature and signed into law.

Sec. 18-822f. (1) The funds appropriated in part 1 for the regional prosperity initiative are to be used as competitive grants to eligible regional planning organizations qualifying for funding as a regional prosperity collaborative, a regional prosperity council, or a regional prosperity board. A regional planning organization may not qualify for funding under more than 1 category in the same state fiscal year. As used in this section:

(a) "Eligible regional planning organization" means any of the following:

(i) An existing regional planning commission created pursuant to 1945 PA 281, MCL 125.11 to 125.25.

(ii) An existing regional economic development commission created pursuant to 1966 PA 46, MCL 125.1231 to 125.1237.

(iii) An existing metropolitan area council formed pursuant to the metropolitan councils act, 1989 PA 292, MCL 124.651 to 124.729.

(iv) A Michigan metropolitan planning organization established pursuant to the moving ahead for progress in the 21st century act, Public Law 112-141.

(b) "Freedom of Information Act" means the freedom of information act, U.S. Code. Title 5, Part 1, Chapter 5, Subchapter II, Section 552.

(c) "Open meetings act" means the open meetings act, 1976 PA 267, MCL 15.261 to 15.275.

(d) "Regional prosperity board" means a regional body that has a singular governing board with representation from private, public, and nonprofit entities engaged in joint decision-making practices for the purpose of creating or maintaining a phase three: regional prosperity plan.

(e) "Regional prosperity collaborative" means any committee developed by a regional planning organization or a metropolitan planning organization that serves to bring organizational representation together from private, public, and nonprofit entities within a region for the purpose of creating or maintaining a phase one: regional prosperity plan.

(f) "Regional prosperity council" means a regional body with representation from private, public, and nonprofit entities with shared administrative services and an executive governing entity, as demonstrated by a formal local agreement or agreements for the purpose of creating or maintaining a phase two: regional prosperity plan.

(2) Regional planning organizations may qualify to receive not more than $250,000.00 of incentive-based funding as a regional prosperity collaborative subject to meeting all of the following requirements:

(a) The regional prosperity collaborative has created a phase one: regional prosperity plan, as follows:

(i) The regional prosperity collaborative must include regional representatives from adult education, workforce development, community development, economic development, transportation, and higher education organizations.

(ii) The plan is required, at a minimum, to include a 5-year plan focused on economic growth and vitality for the region, as well as a performance dashboard and measurable annual goals to support the 5-year plan.

(iii) The 5-year plan shall address regional strategies related to adult education, workforce development, economic development, transportation, higher education, and business development.

(iv) The regional prosperity collaborative shall adopt the plan by a minimum 2/3 majority vote of its members.

(b) The regional prosperity collaborative adheres to accountability and transparency measures required in the open meetings act and the freedom of information act.

(c) The regional prosperity collaborative convenes monthly meetings, open to the public, to consider and discuss issues leading to a common vision of economic prosperity for the region, including, but not limited to, community development, economic development, talent, and infrastructure opportunities.

(d) The regional prosperity collaborative makes available on the grant recipient's publicly accessible Internet site pertinent documents, including, but not limited to, monthly meeting agendas, minutes of monthly meetings, voting records, and the regional prosperity plan and performance dashboard.

(e) The regional prosperity collaborative keeps a status report detailing the spending associated with previous regional prosperity initiative grants. Organizations that

have successfully received grant awards in previous fiscal years shall be required to make available to the department and on a publicly accessible Internet site information regarding the use of those grant dollars.

(3) Regional planning organizations eligible to receive a payment as a regional prosperity collaborative under subsection (2) may qualify to receive a 1-time grant of not more than $75,000.00 to produce a plan to transform the regional prosperity collaborative into a regional prosperity council or regional prosperity board, including necessary local formal agreements, to make recommendations that eliminate duplicative efforts and administrative functions, and to leverage resources through cooperation, collaboration, and consolidations of organizations or programs throughout the region. Plans produced to transform the regional prosperity collaborative into a regional prosperity council or regional prosperity board shall be made available on the grant recipient's publicly accessible Internet site.

(4) Regional planning organizations may qualify to receive not more than $375,000.00 of incentive-based funding as a regional prosperity council subject to meeting all of the following requirements:

(a) A regional prosperity council has been formed and includes regional representatives from adult education, workforce development, community development, economic development transportation, and higher education organizations.

(b) An eligible regional prosperity council will demonstrate shared administrative services amount two public regional entities included in (a). In addition, the council must have and maintain an executive governing entity, as demonstrated by a formal local agreement or agreements.

(c) The regional prosperity council has created a phase two: regional prosperity plan, as follows:

(i) The regional prosperity council shall identify opportunities for shared administrative services and decision-making among the private, public, and nonprofit entities within the region and shall continue collaboration with regional prosperity council members, including, but not limited to, representatives from adult education providers, workforce development agencies, community development agencies, economic development agencies, transportation service providers, and higher education institutions.

(ii) The plan is required to include, but is not limited to, all of the following:

(a) A status report of the approved 5-year plan.

(b) The addition of a 10-year plan for the region which builds upon prior work and is focused on economic growth and vitality in the region.

(c) A prioritized list of regional projects.

(d) A performance dashboard with measureable annual goals.

(iii) The regional prosperity council shall adopt the plan by a minimum 2/3 vote of its members.

(a) The regional prosperity council adheres to accountability and transparency measures required in the open meetings act and the freedom of information act.

(b) The regional prosperity council convenes monthly meetings, open to the public, to consider and discuss issues leading to a common vision of economic prosperity for the region, including, but not limited to, community development, economic development, talent, and infrastructure opportunities.

(c) The regional prosperity council makes available on the grant recipient's publicly accessible Internet site pertinent documents, including, but not limited to, monthly meeting agendas, minutes of monthly meetings, voting records, and the regional prosperity plan and performance dashboard.

(d) The regional prosperity council keeps a status report detailing the spending associated with previous regional prosperity initiative grants. Organizations that have successfully received grant awards in previous fiscal years shall be required to make available to the department and on a publicly accessible Internet site information regarding the use of those grant dollars.

(5) Regional planning organizations eligible to receive a payment as a regional prosperity council under subsection (4) may qualify to receive a 1-time grant of not more than $75,000.00 to produce a plan to transform the regional prosperity council into a regional prosperity board, including a singular private/public governance structure that comports with federal guidelines for governance under the workforce investment act, Public Law 105-220, the moving ahead for progress in the 21st century act, Public Law 112-141, the economic development administration and Appalachian regional development reform act of 1998, Public Law 105-393, and recommendations to eliminate duplicative efforts, administrative functions, and leverage resources through cooperation, collaboration, and consolidations of organizations or programs throughout the region.

(6) Regional planning organizations may qualify to receive not more than $500,000.00 of incentive-based funding as a regional prosperity board subject to meeting all of the following requirements:

(a) The regional prosperity board has been formed and at a minimum, must demonstrate the consolidation of regional metropolitan planning organization, where one exists, state designated regional planning agency boards, workforce development boards and federally designated regional economic development districts within a region.

(b) The regional prosperity board has created a phase three: regional prosperity plan, as follows:

(i) The regional prosperity board shall create a regional services recommendations report prioritizing the list of state-funded services and programs provided to the region, and recommendations for state-regional partnerships to support the adopted regional prosperity plan.

(ii) The plan is required to include a status report of the approved 10-year plan for the creation of an updated regional prosperity plan.

(iii) The regional prosperity board shall adopt the plan by a minimum 2/3 vote of its members.

(c) The regional prosperity board adheres to accountability and transparency measures required in the open meetings act and the freedom of information act.

(d) The regional prosperity board convenes monthly meetings, open to the public, to consider and discuss issues leading to a common vision of economic prosperity for the region, including, but not limited to, community development, economic development, talent, and infrastructure opportunities.

(e) The regional prosperity board makes available on the grant recipient’s publicly accessible Internet site pertinent documents, including, but not limited to, monthly meeting agendas, minutes of monthly meetings, voting records, and the regional prosperity plan and performance dashboard.

(7) Regional planning organizations eligible to receive a payment as a regional prosperity board under subsection (6) may qualify to receive not more than $125,000.00, to implement the prioritized regional prosperity plan projects.

(8) Regional planning organizations eligible to receive a payment as a regional prosperity collaborative, board, or council may partner with other eligible regional

planning organizations to submit joint applications. In the instance of a joint application, 1 regional planning organization shall be utilized as the overall applicant. The department may award a joint application award of no greater than the sum of potential application dollars which would have otherwise been available through individual applications.

(9) The department shall develop an application process and method of grant distribution for the regional prosperity initiative. Funding applications from regional planning organizations shall be due to the department by December 1, 2016. The department shall notify regional planning organizations of grant application status by January 1, 2017. The department shall ensure that processes are established to verify that qualifying regional planning organizations meet the requirements under subsections (2), (3), (4), (5), (6), and (7), as applicable.

(10) Unexpended funds appropriated in part 1 for the regional prosperity initiative are designated as work project appropriations, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditure for regional prosperity initiative projects under this section until the projects have been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the projects is to provide incentive-based grants to recipients under this section.

(b) The projects will be accomplished by grants to qualified regional planning organizations.

(c) The total estimated cost of all projects is $2,500,000.00.

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

Sec. 18-822h. The department of technology, management and budget shall report by April 15 to the senate and house appropriations subcommittees on general government, the senate and house fiscal agencies and the state budget director on the expenditures for the office of urban initiatives. The report shall provide information detailing the economic impact and job growth initiatives for each urban and metropolitan area receiving funds under part 1. The report shall also provide information detailing the initiatives undertaken in each urban or metropolitan area receiving funds under part 1, including, but not limited to, all of the following:

(a) Transportation and infrastructure.

(b) Public services.

(c) Land use and sustainability.

(d) Housing.

(e) Workforce and economic development.

Sec. 18-822i. (1) From the funds appropriated in part 1, the department shall assure all of the following:

(a) That public schools that are placed in the state school reform/redesign school district or under a chief executive officer under section 1280c of the revised school code, 1976 PA 451, MCL 380.1280c, remain in compliance with all applicable state and federal law concerning special education.

(b) That students at public schools described in subdivision (a) with individualized education programs are afforded special education services in accordance with applicable state and federal law concerning special education.

(2) The department shall report to the legislature on the number of students in public schools described in subsection (1)(a) who have an individualized education program and the performance results of those students after the change in governance of the public school.

Sec. 18-822j. From the increased funds appropriated in part 1 for the office of good government, the department shall expand the scope of the office of good government. The purpose of this program expansion is to broaden the office's support of transformative good government initiatives related to employee engagement and process improvement.

**INFORMATION TECHNOLOGY**

Sec. 18-823. (1) The department of technology, management and budget may sell and accept paid advertising for placement on any state website under its jurisdiction. The department shall review and approve the content of each advertisement. The department may refuse to accept advertising from any person or organization or require modification to advertisements based upon criteria determined by the department. Revenue received under this subsection shall be used for operating costs of the department and for future technology enhancements to state of Michigan e-government initiatives. Funds received under this subsection shall be limited to $250,000.00. Any funds in excess of $250,000.00 shall

be deposited in the state general fund.

(2) The department of technology, management and budget may accept gifts, donations, contributions, bequests, and grants of money from any public or private source to assist with the underwriting or sponsorship of state webpages or services offered on those webpages. A private or public funding source may receive recognition in the webpage. The department of technology, management and budget may reject any gift, donation, contribution, bequest, or grant.

(3) Funds accepted by the department of technology, management and budget under subsection (1) or (2) are appropriated and allotted when received and may be expended upon approval of the state budget director. The state budget office shall notify the senate and house of representatives standing committees on appropriations subcommittees on general government and the senate and house fiscal agencies within 10 days after the approval is given.

Sec. 18-824. The department of technology, management and budget may enter into agreements to supply spatial information and technical services to other principal executive departments, state agencies, local units of government, and other organizations. The department of technology, management and budget may receive and expend funds in addition to those authorized in part 1 for providing information and technical services, publications, maps, and other products. The department of technology, management and budget may expend amounts received for salaries, supplies, and equipment necessary to provide informational products and technical services. Prior to December 1 of each year, the department shall provide a report to the senate and house of representatives standing committees on appropriations subcommittees on general government and the state budget director, detailing the sources of funding and expenditures made under this section.

Sec. 18-825. The legislature shall have access to all historical and current data contained within MAIN pertaining to state departments. State departments shall have access to all historical and current data contained within MAIN.

Sec. 18-826. When used in this part and part 1, "information technology services" means services involving all aspects of managing and processing information, including, but not limited to, all of the following:

(a) Application and mobile development and maintenance.

(b) Desktop computer support and management.

(c) Cyber security.

(d) Social media.

(e) Mainframe computer support and management.

(f) Server support and management.

(g) Local area network support and management, including, but not limited to, wired and wireless network build-out, support, and management.

(h) Information technology project management.

(i) Information technology planning and budget management.

(j) Telecommunication services, infrastructure, and support.

Sec. 18-827. (1) Funds appropriated in part 1 for the Michigan public safety communications system shall be expended upon approval of an expenditure plan by the state budget director.

(2) The department of technology, management and budget shall assess all subscribers of the Michigan public safety communications system reasonable access and maintenance fees and shall deposit the fees in the Michigan public safety communications systems fees fund.

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

(4) Any deposits made under this section are restricted revenues and shall be carried forward into succeeding fiscal years.

Sec. 18-833. (1) The state budget director, upon notification to the senate and house of representatives standing committees on appropriations, may adjust spending authorization and user fees in the department of technology, management and budget in order to ensure that the appropriations for information technology in the department budget equal the appropriations for information technology in the budgets for all executive branch agencies.

(2) If during the course of the fiscal year a transfer or supplemental to or from the information technology line item within an agency budget is made under section 393 of the management and budget act, 1984 PA 431, MCL 18.1393, there is appropriated an equal amount of user fees in the department of technology, management and budget to accommodate an increase or decrease in spending authorization.

Sec. 18-834. (1) Revenue collected from licenses issued under the antenna site management project shall be deposited into the antenna site management revolving fund

created for this purpose in the department of technology, management and budget. The department may receive and expend money from the fund for costs associated with the antenna site management project, including the cost of a third-party site manager. Any excess revenue remaining in the fund at the close of the fiscal year shall be proportionately transferred to the appropriate state restricted funds as designated in statute or by constitution.

(2) An antenna shall not be placed on any site pursuant to this section without complying with the respective local zoning codes and local unit of government processes.

Sec. 18-835. In addition to the funds appropriated in part 1, the funds collected by the department for supplying census-related information and technical services, publications, statistical studies, population projections and estimates, and other demographic products are appropriated for all expenses necessary to provide the required services. These funds are available for expenditure when they are received and may be carried forward into the next succeeding fiscal year.

Sec. 18-836. From the increased funds appropriated in part 1 for the information technology investment fund, the department provide for the modernization of state information technology systems, and integrate state system interfaces to improve customer service.

Sec. 18-837. From the increased funds appropriated in part 1 for cyber security improvements, the department shall increase cyber security information technology investment projects in the current fiscal year. The purpose of this program expansion will be to provide cyber security enhancements for network security improvements, development of a comprehensive security framework and asset security program, implementation of an enterprise-wide data loss prevention process and governance, risk and compliance program, and development of security dashboards and security reporting processes.

Sec. 18-838. From the increased funds appropriated in part 1 for enterprise identity management, the department shall expand the enterprise identity management program in the current fiscal year. The purpose of this program expansion is to provide an enterprise-wide single sign-on and identity management tool to establish, manage, and authenticate user identities for state information technology systems.

Sec. 18-839. From the increased funds appropriated in part 1 for office of retirement services ongoing support of technology, the department shall expand the office of

retirement services' information technology capability in the current fiscal year. The purpose of this new program/program expansion is to provide a 90% customer contact satisfaction level.

**STATE BUILDING AUTHORITY**

Sec. 18-842. (1) The state building authority rent appropriations in part 1 may also be expended for the payment of required premiums for insurance on facilities owned by the state building authority or payment of costs that may be incurred as the result of any deductible provisions in such insurance policies.

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

**CIVIL SERVICE COMMISSION**

Sec. 18-850. (1) In accordance with section 5 of article XI of the state constitution of 1963, all restricted funds shall be assessed a sum not less than 1% of the total aggregate payroll paid from those funds for financing the civil service commission on the basis of actual 1% restricted sources total aggregate payroll of the classified service for the preceding fiscal year. This includes, but is not limited to, restricted funds appropriated in part 1 of any appropriations act. Unexpended 1% appropriated funds shall be returned to each 1% fund source at the end of the fiscal year.

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

(3) The financing from restricted sources shall be credited to the civil service commission by the end of the second fiscal quarter.

Sec. 18-851. Except where specifically appropriated for this purpose, financing from restricted sources shall be credited to the civil service commission. For restricted sources of funding within the general fund that have the legislative authority for

carryover, if current spending authorization or revenues are insufficient to accept the charge, the shortage shall be taken from carryforward balances of that funding source. Restricted revenue sources that do not have carryforward authority shall be utilized to satisfy commission operating deducts first and civil service obligations second. General fund dollars are appropriated for any shortfall, pursuant to approval by the state budget director.

Sec. 18-852. The appropriation in part 1 to the civil service commission, for state-sponsored group insurance, flexible spending accounts, and COBRA, represents amounts, in part, included within the various appropriations throughout state government for the current fiscal year to fund the flexible spending account program included within the civil service commission. Deposits against state-sponsored group insurance, flexible spending accounts, and COBRA for the flexible spending account program shall be made from assessments levied during the current fiscal year in a manner prescribed by the civil service commission. Unspent employee contributions to the flexible spending accounts may be used to offset administrative costs for the flexible spending account program, with any remaining balance of unspent employee contributions to be lapsed to the general fund.

**CAPITAL OUTLAY**

Sec. 18-860. As used in sections 18-861 through 18-875:

(a) "Board" means the state administrative board.

(b) "Community college" does not include a state agency or university.

(c) "Department" means the department of technology, management and budget.

(d) "Director" means the director of the department.

(e) "University" means a 4-year university supported by the state. University does not include a community college or a state agency.

Sec. 18-861. Each capital outlay project authorized in this article or any previous capital outlay act shall comply with the procedures required by the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

Sec. 18-864. The appropriations in part 1 for capital outlay shall be carried forward at the end of the fiscal year consistent with the provisions of section 248 of the management and budget act, 1984 PA 431, MCL 18.1248.

Sec. 18-865. (1) A site preparation economic development fund is created in the

department of technology, management and budget. As used in this section, "economic development sites" means those state-owned sites declared as surplus property pursuant to section 251 of the management and budget act, 1984 PA 431, MCL 18.1251, that would provide economic benefit to the area or to the state. The Michigan economic development corporation board and the state budget director shall determine whether or not a specific state-owned site qualifies for inclusion in the fund created under this subsection.

(2) Proceeds from the sale of any sites designated in subsection (1) shall be deposited into the fund created in subsection (1) and shall be available for site preparation expenditures, unless otherwise provided by law. The economic development sites authorized in subsection (1) are authorized for sale consistent with state law. Expenditures from the fund are authorized for site preparation activities that enhance the marketable sale value of the sites. Site preparation activities include, but are not limited to, demolition, environmental studies and abatement, utility enhancement, and site excavation.

(3) A cash advance in an amount of not more than $25,000,000.00 is authorized from the general fund to the site preparation economic development fund.

(4) An annual report shall be transmitted to the senate and house of representatives standing committees on appropriations not later than December 31 of each year. This report shall detail both of the following:

(a) The revenue and expenditure activity in the fund for the preceding fiscal year.

(b) The sites identified as economic development sites under subsection (1).

Sec. 18-867. Proceeds from the sale of the Farnum Building shall be subsequently appropriated to the department in accordance with any legislation enacted that authorizes the sale of that property. If the net proceeds from the sale of the Farnum Building are less than the $7,000,000.00 authorized for senate relocation costs in section 896 of article VIII of 2014 PA 252, an amount equal to the difference between the net sale proceeds and $7,000,000.00 shall be appropriated by the legislature to the department.

**CAPITAL OUTLAY – UNIVERSITIES AND COMMUNITY COLLEGES**

Sec. 18-873. (1) This section applies only to projects for community colleges.

(2) State support is directed towards the remodeling and additions, special maintenance, or construction of certain community college buildings. The community college

shall obtain or provide for site acquisition and initial main utility installation to operate the facility. Funding shall be composed of local and state shares and not more than 50% of a capital outlay project, not including a lump-sum special maintenance project or remodeling and addition project, for a community college shall be appropriated from state and federal funds, unless otherwise appropriated by the legislature.

(3) An expenditure under this article is authorized when the release of the appropriation is approved by the board upon the recommendation of the director. The director may recommend to the board the release of any appropriation in part 1 only after the director is assured that the legal entity operating the community college to which the appropriation is made has complied with this article and has matched the amounts appropriated as required by this article. A release of funds in part 1 shall not exceed 50% of the total cost of planning and construction of any project, not including lump-sum remodeling and additions and special maintenance, unless otherwise appropriated by the legislature. Further planning and construction of a project authorized by this article or applicable sections of the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594, shall be in accordance with the purpose and scope as defined and delineated in the approved program statements and planning documents. This article is applicable to all projects for which planning appropriations were made in previous acts.

(4) The community college shall take the steps necessary to secure available federal construction and equipment money for projects funded for construction in this article if an application was not previously made. If there is a reasonable expectation that a prior year unfunded application may receive federal money in a subsequent year, the college shall take whatever action necessary to keep the application active.

Sec. 18-874. If university and community college matching revenues are received in an amount less than the appropriations for capital projects contained in this article, the state funds shall be reduced in proportion to the amount of matching revenue received.

Sec. 18-875. (1) The director may require that community colleges and universities that have an authorized project listed in part 1 submit documentation regarding the project match and governing board approval of the authorized project not more than 60 days after the beginning of the fiscal year.

(2) If the documentation required by the director under subsection (1) is not submitted, or does not adequately authenticate the availability of the project match or

board approval of the authorized project, the authorization may terminate. The authorization terminates 30 days after the director notifies the JCOS of the intent to terminate the project unless the JCOS convenes to extend the authorization.

**ONE-TIME APPROPRIATIONS**

Sec. 18-822g. The department of technology, management and budget shall report by April 1 to the senate and house appropriations subcommittees on general government and the senate and house fiscal agencies on legal service fund expenditures. The report shall itemize expenditures by case, purpose, and department involved.

**Article 19**

**DEPARTMENT OF TRANSPORTATION**

PART 1

LINE-ITEM APPROPRIATIONS AND ANTICIPATED APPROPRIATIONS

Sec. 19-101. Subject to the conditions set forth in this article, the amounts listed in this part for the department of transportation are appropriated for the fiscal year ending September 30, 2017, and are anticipated to be appropriated for the fiscal year ending September 30, 2018, from the funds indicated in this part. The following is a summary of the appropriations and anticipated appropriations in this part:

| | For Fiscal Year Ending Sept. 30, 2017 | For Fiscal Year Ending Sept. 30, 2018 |
|---|---|---|
| **DEPARTMENT OF TRANSPORTATION** | | |
| **APPROPRIATION SUMMARY** | | |
| Full-time equated unclassified positions..... | 6.0 | 6.0 |
| Full-time equated classified positions..... | 2,912.3 | 2,912.3 |
| **GROSS APPROPRIATION ..... | **$ 4,125,203,600** | **$ 4,114,803,600** |
| Total interdepartmental grants and intradepartmental transfers..... | 4,013,400 | 4,013,400 |
| ADJUSTED GROSS APPROPRIATION ..... | $ 4,121,190,200 | $ 4,110,790,200 |
| Total federal revenues ..... | 1,314,744,000 | 1,314,744,000 |
| Total local revenues ..... | 50,418,500 | 50,418,500 |
| Total private revenues ..... | 100,000 | 100,000 |
| Total other state restricted revenues ..... | 2,745,527,700 | 2,745,527,700 |
| State general fund/general purpose ..... | $ 10,400,000 | $ 0 |
| *State general fund/general purpose schedule:* | | |
| *Ongoing state general fund/general purpose .....* | *0* | *0* |
| *One-time state general fund/general purpose .....* | *10,400,000* | *0* |
| **Sec. 19-102. DEBT SERVICE** | | |
| State trunkline ..... | $ 194,076,400 | $ 194,076,400 |
| Economic development ..... | 11,612,200 | 11,612,200 |
| Local bridge fund ..... | 2,406,500 | 2,406,500 |
| Blue Water Bridge fund ..... | 6,963,900 | 6,963,900 |
| Airport safety and protection plan ..... | 4,616,400 | 4,616,400 |
| Comprehensive transportation ..... | 18,249,900 | 18,249,900 |
| **GROSS APPROPRIATION ..... | **$ 237,925,300** | **$ 237,925,300** |
| Appropriated from | | |
| Federal revenues: | | |
| Federal aid-transportation programs ..... | 45,767,900 | 45,767,900 |
| Special revenue funds: | | |
| Blue Water Bridge fund ..... | 6,963,900 | 6,963,900 |
| Comprehensive transportation fund ..... | 18,249,900 | 18,249,900 |
| Economic development fund ..... | 11,612,200 | 11,612,200 |
| IRS debt service rebate ..... | 7,011,800 | 7,011,800 |

| | For Fiscal Year Ending Sept. 30, 2017 | For Fiscal Year Ending Sept. 30, 2018 |
|---|---|---|
| Local bridge fund | 2,406,500 | 2,406,500 |
| State aeronautics fund | 4,616,400 | 4,616,400 |
| State trunkline fund | 141,296,700 | 141,296,700 |
| State general fund/general purpose | $ 0 | $ 0 |
| **Sec. 19-103. COLLECTION, ENFORCEMENT, AND OTHER AGENCY SUPPORT SERVICES** | | |
| MTF grant to department of environmental quality | $ 1,335,100 | $ 1,335,100 |
| MTF grant to department of state for collection of revenue and fees | 20,000,000 | 20,000,000 |
| MTF grant to department of treasury | 2,684,100 | 2,684,100 |
| MTF grant to legislative auditor general | 315,800 | 315,800 |
| STF grant to department of attorney general | 2,429,200 | 2,429,200 |
| STF grant to civil service commission | 5,847,000 | 5,847,000 |
| STF grant to department of technology, management and budget | 1,226,000 | 1,226,000 |
| STF grant to department of state police | 11,627,600 | 11,627,600 |
| STF grant to department of treasury | 157,900 | 157,900 |
| STF grant to legislative auditor general | 733,500 | 733,500 |
| SAF grant to department of attorney general | 177,600 | 177,600 |
| SAF grant to civil service commission | 150,000 | 150,000 |
| SAF grant to department of technology, management and budget | 33,500 | 33,500 |
| SAF grant to department of treasury | 73,900 | 73,900 |
| SAF grant to legislative auditor general | 30,300 | 30,300 |
| CTF grant to department of attorney general | 204,500 | 204,500 |
| CTF grant to civil service commission | 200,000 | 200,000 |
| CTF grant to department of technology, management and budget | 42,200 | 42,200 |
| CTF grant to department of treasury | 13,500 | 13,500 |
| CTF grant to legislative auditor general | 39,000 | 39,000 |
| **GROSS APPROPRIATION** | **$ 47,320,700** | **$ 47,320,700** |
| Appropriated from: | | |
| Special revenue funds: | | |

| | For Fiscal Year Ending Sept. 30, 2017 | For Fiscal Year Ending Sept. 30, 2018 |
|---|---|---|
| Comprehensive transportation fund | 499,200 | 499,200 |
| Michigan transportation fund | 24,335,000 | 24,335,000 |
| State aeronautics fund | 465,300 | 465,300 |
| State trunkline fund | 22,021,200 | 22,021,200 |
| State general fund/general purpose | $ 0 | $ 0 |
| **Sec. 19-104. EXECUTIVE DIRECTION** | | |
| Full-time equated unclassified positions | 6.0 | 6.0 |
| Full-time equated classified positions | 29.3 | 29.3 |
| Unclassified salaries | $ 754,000 | $ 754,000 |
| Asset management council | 1,626,400 | 1,626,400 |
| Commission support and audit—29.3 FTE positions | 3,335,900 | 3,335,900 |
| **GROSS APPROPRIATION** | **$ 5,716,300** | **$ 5,716,300** |
| Appropriated from: | | |
| Special revenue funds: | | |
| Michigan transportation fund | 1,626,400 | 1,626,400 |
| State trunkline fund | 4,089,900 | 4,089,900 |
| State general fund/general purpose | $ 0 | $ 0 |
| **Sec. 19-105. BUSINESS SUPPORT** | | |
| Full-time equated classified positions | 54.0 | 54.0 |
| Business support services—44.0 FTE positions | $ 6,756,100 | $ 6,756,100 |
| Economic development and enhancement programs—10.0 FTE positions | 1,633,200 | 1,633,200 |
| Property management | 7,112,200 | 7,112,200 |
| Worker's compensation | 1,711,200 | 1,711,200 |
| **GROSS APPROPRIATION** | **$ 17,212,700** | **$ 17,212,700** |
| Appropriated from: | | |
| Special revenue funds: | | |
| Comprehensive transportation fund | 1,835,100 | 1,835,100 |
| Economic development fund | 378,100 | 378,100 |
| Michigan transportation fund | 801,100 | 801,100 |
| State aeronautics fund | 752,100 | 752,100 |
| State trunkline fund | 13,446,300 | 13,446,300 |

| | For Fiscal Year Ending Sept. 30, 2017 | For Fiscal Year Ending Sept. 30, 2018 |
|---|---|---|
| State general fund/general purpose ..... | $ 0 | $ 0 |
| **Sec. 19-106. INFORMATION TECHNOLOGY** | | |
| Information technology services and projects ..... | $ 32,364,500 | $ 32,364,500 |
| **GROSS APPROPRIATION ..... ** | **$ 32,364,500** | **$ 32,364,500** |
| Appropriated from: | | |
| Federal revenues: | | |
| Federal aid-transportation programs ..... | 520,500 | 520,500 |
| Special revenue funds: | | |
| Blue Water Bridge fund ..... | 55,100 | 55,100 |
| Comprehensive transportation fund ..... | 224,400 | 224,400 |
| Economic development fund ..... | 37,200 | 37,200 |
| Michigan transportation fund ..... | 293,300 | 293,300 |
| State aeronautics fund ..... | 175,100 | 175,100 |
| State trunkline fund ..... | 31,058,900 | 31,058,900 |
| State general fund/general purpose ..... | $ 0 | $ 0 |
| **Sec. 19-107. FINANCE, CONTRACTS, AND SUPPORT SERVICES** | | |
| Full-time equated classified positions..... | 186.0 | 186.0 |
| Finance, contracts, and support services—186.0 FTE positions..... | $ 21,791,700 | $ 21,791,700 |
| **GROSS APPROPRIATION ..... ** | **$ 21,791,700** | **$ 21,791,700** |
| Appropriated from: | | |
| Interdepartmental grant revenues: | | |
| IDG for accounting service center user charges ..... | 4,013,400 | 4,013,400 |
| Special revenue funds: | | |
| Michigan transportation fund ..... | 1,621,700 | 1,621,700 |
| State trunkline fund ..... | 16,156,600 | 16,156,600 |
| State general fund/general purpose ..... | $ 0 | $ 0 |
| **Sec. 19-108. TRANSPORTATION PLANNING** | | |
| Full-time equated classified positions..... | 140.0 | 140.0 |
| Planning services-140.0 FTE positions ..... | $ 38,481,100 | $ 38,481,100 |
| Grants to regional planning councils ..... | 488,800 | 488,800 |
| **GROSS APPROPRIATION ..... ** | **$ 38,969,900** | **$ 38,969,900** |

| | For Fiscal Year Ending Sept. 30, 2017 | For Fiscal Year Ending Sept. 30, 2018 |
|---|---|---|
| Appropriated from: | | |
| Federal revenues: | | |
| Federal aid-transportation program ..... | 19,250,000 | 19,250,000 |
| Special revenue funds: | | |
| Comprehensive transportation fund ..... | 610,500 | 610,500 |
| Michigan transportation fund ..... | 9,571,400 | 9,571,400 |
| State aeronautics fund ..... | 15,000 | 15,000 |
| State trunkline fund ..... | 9,523,000 | 9,523,000 |
| State general fund/general purpose ..... | $ 0 | $ 0 |
| **Sec. 19-109. DESIGN AND ENGINEERING SERVICES** | | |
| Full-time equated classified positions..... | 1,589.3 | 1,589.3 |
| Program development, delivery and system operations —1,539.3 FTE positions..... | $ 166,199,900 | $ 166,199,900 |
| Welcome center operations—50.0 FTE positions ..... | 4,532,800 | 4,532,800 |
| **GROSS APPROPRIATION ..... | **$ 170,732,700** | **$ 170,732,700** |
| Appropriated from: | | |
| Federal revenues: | | |
| Federal aid-transportation programs ..... | 23,529,800 | 23,529,800 |
| Special revenue funds: | | |
| Michigan transportation fund ..... | 12,246,000 | 12,246,000 |
| State trunkline fund ..... | 134,956,900 | 134,956,900 |
| State general fund/general purpose ..... | $ 0 | $ 0 |
| **Sec. 19-110. HIGHWAY MAINTENANCE** | | |
| Full-time equated classified positions..... | 743.7 | 743.7 |
| State trunkline operations—743.7 FTE positions ..... | $ 303,948,000 | $ 303,948,000 |
| **GROSS APPROPRIATION ..... | **$ 303,948,000** | **$ 303,948,000** |
| Appropriated from: | | |
| Special revenue funds: | | |
| State trunkline fund ..... | 303,948,000 | 303,948,000 |
| State general fund/general purpose ..... | $ 0 | $ 0 |
| **Sec. 19-111. ROAD AND BRIDGE PROGRAMS** | | |
| State trunkline federal aid and road and bridge | | |

| | For Fiscal Year Ending Sept. 30, 2017 | For Fiscal Year Ending Sept. 30, 2018 |
|---|---|---|
| construction | $ 1,057,776,900 | $ 1,057,776,900 |
| Local federal aid and road and bridge construction | 272,511,000 | 272,511,000 |
| Grants to local programs | 33,000,000 | 33,000,000 |
| Rail grade crossing | 3,000,000 | 3,000,000 |
| Rail grade crossing-surface improvements | 3,000,000 | 3,000,000 |
| Local bridge program | 27,468,600 | 27,468,600 |
| County road commissions | 797,470,600 | 797,470,600 |
| Cities and villages | 444,625,500 | 444,625,500 |
| **GROSS APPROPRIATION** | **$ 2,638,852,600** | **$ 2,638,852,600** |
| Appropriated from: | | |
| Federal revenues: | | |
| Federal aid-transportation programs | 1,030,225,800 | 1,030,225,800 |
| Special revenue funds: | | |
| Local funds | 30,000,000 | 30,000,000 |
| Blue Water Bridge fund | 28,998,100 | 28,998,100 |
| Local bridge fund | 27,468,600 | 27,468,600 |
| Michigan transportation fund | 1,281,096,100 | 1,281,096,100 |
| State trunkline fund | 241,064,000 | 241,064,000 |
| State general fund/general purpose | $ 0 | $ 0 |
| **Sec. 19-112. BLUE WATER BRIDGE** | | |
| Full-time equated classified positions | 41.0 | 41.0 |
| Blue Water Bridge operations—41.0 FTE positions | $ 6,433,100 | $ 6,433,100 |
| **GROSS APPROPRIATION** | **$ 6,433,100** | **$ 6,433,100** |
| Appropriated from: | | |
| Special revenue funds: | | |
| Blue Water Bridge fund | 6,433,100 | 6,433,100 |
| State general fund/general purpose | $ 0 | $ 0 |
| **Sec. 19-113. TRANSPORTATION ECONOMIC DEVELOPMENT FUND** | | |
| Forest roads | $ 5,000,000 | $ 5,000,000 |
| Rural county urban system | 2,500,000 | 2,500,000 |
| Target industries/economic redevelopment | 19,823,700 | 19,823,700 |
| Urban county congestion | 8,161,900 | 8,161,900 |

| | For Fiscal Year Ending Sept. 30, 2017 | For Fiscal Year Ending Sept. 30, 2018 |
|---|---|---|
| Rural county primary | 8,161,900 | 8,161,900 |
| **GROSS APPROPRIATION** | **$ 43,647,500** | **$ 43,647,500** |
| Appropriated from: | | |
| Special revenue funds: | | |
| Economic development fund | 43,647,500 | 43,647,500 |
| State general fund/general purpose | $ 0 | $ 0 |
| **Sec. 19-114. AERONAUTICS SERVICES** | | |
| Full-time equated classified positions | 54.0 | 54.0 |
| Aeronautics services—54.0 FTE positions | $ 7,648,800 | $ 7,648,800 |
| Air service program | 250,000 | 250,000 |
| **GROSS APPROPRIATION** | **$ 7,898,800** | **$ 7,898,800** |
| Appropriated from: | | |
| Special revenue funds: | | |
| State aeronautics fund | 7,898,800 | 7,898,800 |
| State general fund/general purpose | $ 0 | $ 0 |
| **Sec. 19-115. PUBLIC TRANSPORTATION SERVICES** | | |
| Full-time equated classified positions | 36.0 | 36.0 |
| Passenger transportation services—36.0 FTE positions | $ 5,740,500 | $ 5,740,500 |
| **GROSS APPROPRIATION** | **$ 5,740,500** | **$ 5,740,500** |
| Appropriated from: | | |
| Federal revenues: | | |
| Federal aid-transportation programs | 972,100 | 972,100 |
| Special revenue funds: | | |
| Comprehensive transportation fund | 4,768,400 | 4,768,400 |
| State general fund/general purpose | $ 0 | $ 0 |
| **Sec. 19-116. BUS TRANSIT DIVISION: STATUTORY OPERATING** | | |
| Local bus operating | $ 180,000,000 | $ 180,000,000 |
| Nonurban operating/capital | 26,027,900 | 26,027,900 |
| **GROSS APPROPRIATION** | **$ 206,027,900** | **$ 206,027,900** |
| Appropriated from: | | |
| Federal revenues: | | |
| Federal aid-transportation programs | 24,027,900 | 24,027,900 |

| | For Fiscal Year Ending Sept. 30, 2017 | For Fiscal Year Ending Sept. 30, 2018 |
|---|---|---|
| Special revenue funds: | | |
| Local funds | 2,000,000 | 2,000,000 |
| Comprehensive transportation fund | 180,000,000 | 180,000,000 |
| State general fund/general purpose | $ 0 | $ 0 |
| **Sec. 19-117. INTERCITY PASSENGER** | | |
| Full-time equated classified positions | 39.0 | 39.0 |
| Office of rail—39.0 FTE positions | $ 6,427,700 | $ 6,427,700 |
| Freight property management | 1,000,000 | 1,000,000 |
| Detroit/Wayne County port authority | 468,200 | 468,200 |
| Intercity services | 6,250,000 | 6,250,000 |
| Rail operations and infrastructure | 118,894,800 | 118,894,800 |
| Marine passenger service | 400,000 | 400,000 |
| Terminal development | 300,000 | 300,000 |
| **GROSS APPROPRIATION** | **$ 133,740,700** | **$ 133,740,700** |
| Appropriated from | | |
| Federal revenues: | | |
| Federal aid-transportation programs | 64,600,000 | 64,600,000 |
| Special revenue funds: | | |
| Local funds | 150,000 | 150,000 |
| Private funds | 100,000 | 100,000 |
| Comprehensive transportation fund | 60,043,000 | 60,043,000 |
| Intercity bus equipment fund | 100,000 | 100,000 |
| Michigan transportation fund | 2,029,100 | 2,029,100 |
| Rail freight fund | 6,000,000 | 6,000,000 |
| State trunkline fund | 718,600 | 718,600 |
| State general fund/general purpose | $ 0 | $ 0 |
| **Sec. 19-118. PUBLIC TRANSPORTATION DEVELOPMENT** | | |
| Specialized services | $ 17,938,900 | $ 17,938,900 |
| Municipal credit program | 2,000,000 | 2,000,000 |
| Transit capital | 60,157,100 | 60,157,100 |
| Van pooling | 195,000 | 195,000 |
| Service initiatives | 2,889,200 | 2,889,200 |

| | For Fiscal Year Ending Sept. 30, 2017 | For Fiscal Year Ending Sept. 30, 2018 |
|---|---|---|
| Transportation to work | 3,700,000 | 3,700,000 |
| **GROSS APPROPRIATION** | **$ 86,880,200** | **$ 86,880,200** |
| Appropriated from: | | |
| Federal revenues: | | |
| Federal aid-transportation programs | 26,850,000 | 26,850,000 |
| Special revenue funds: | | |
| Local funds | 5,760,000 | 5,760,000 |
| Comprehensive transportation fund | 54,270,200 | 54,270,200 |
| State general fund/general purpose | $ 0 | $ 0 |
| **Sec. 19-119. CAPITAL OUTLAY** | | |
| **(1) BUILDINGS AND FACILITIES** | | |
| Special maintenance, remodeling, and additions | $ 3,001,500 | $ 3,001,500 |
| **GROSS APPROPRIATION** | **$ 3,001,500** | **$ 3,001,500** |
| Appropriated from: | | |
| Special revenue funds: | | |
| State trunkline fund | 3,001,500 | 3,001,500 |
| State general fund/general purpose | $ 0 | $ 0 |
| **(2) AIRPORT IMPROVEMENT PROGRAMS** | | |
| Airport safety, protection and improvement program | $ 97,824,000 | $ 97,824,000 |
| Detroit Metropolitan Wayne County airport | 8,775,000 | 8,775,000 |
| **GROSS APPROPRIATION** | **$ 106,599,000** | **$ 106,599,000** |
| Appropriated from: | | |
| Federal revenues: | | |
| Federal aid-transportation programs | 79,000,000 | 79,000,000 |
| Special revenue funds: | | |
| Local funds | 12,508,500 | 12,508,500 |
| State aeronautics fund | 6,315,500 | 6,315,500 |
| Qualified airport fund | 8,775,000 | 8,775,000 |
| State general fund/general purpose | $ 0 | $ 0 |
| **Sec. 19-120. ONE-TIME APPROPRIATIONS** | | |
| State trunkline federal aid road and bridge construction | $ 10,400,000 | $ 0 |

| | For Fiscal Year Ending Sept. 30, 2017 | For Fiscal Year Ending Sept. 30, 2018 |
|---|---|---|
| **GROSS APPROPRIATION** | **$ 10,400,000** | **$ 0** |
| Appropriated from: | | |
| State general fund/general purpose | $ 10,400,000 | $ 0 |

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FISCAL YEAR 2017

**GENERAL SECTIONS**

Sec. 19-201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for fiscal year 2016-2017 is $2,755,927,700.00 and state spending from state resources to be paid to local units of government for fiscal year 2016-2017 is $1,583,461,200.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF TRANSPORTATION

| | |
|---|---|
| Grants to regional planning councils | $ 488,800 |
| Grants to local programs | 33,000,000 |
| Rail grade crossing | 3,000,000 |
| Rail grade crossing-surface improvements | 3,000,000 |
| Local bridge program | 27,468,600 |
| County road commissions | 797,470,600 |
| Cities and villages | 444,625,500 |
| Economic development fund | 23,823,800 |
| Air service program | 250,000 |
| Local bus operating | 180,000,000 |
| Detroit/Wayne County port authority | 468,200 |
| Marine passenger service | 400,000 |
| Terminal development | 300,000 |
| Specialized services | 3,853,900 |
| Municipal credit program | 2,000,000 |
| Transit capital | 43,607,100 |
| Service initiatives | 914,200 |

| | | |
|---|---|---|
| Transportation to work | | 3,700,000 |
| Airport safety, protection, and improvement program | | 6,315,500 |
| Detroit Metropolitan Wayne County airport | | 8,775,000 |
| Total payments to local units of government | $ | 1,583,461,200 |

Sec. 19-202. The appropriations authorized under this article are subject to the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

Sec. 19-203. As used in this article:

(a) "CTF" means comprehensive transportation fund.

(b) "Department" means the state transportation department.

(c) "Director" means the director of the department.

(d) "DOT" means the United States department of transportation.

(e) "DOT-FHWA" means DOT, federal highway administration.

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

(g) "IDG" means interdepartmental grant.

(h) "IRS" means the internal revenue service.

(i) "MTF" means Michigan transportation fund.

(j) "SAF" means state aeronautics fund.

(k) "STF" means state trunkline fund.

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

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

Sec. 19-206. The director shall take all reasonable steps to ensure businesses in deprived and depressed communities compete for and perform contracts to provide services or

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

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

(a) The dates of each travel occurrence.

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

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

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

Sec. 19-210. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed $200,000,000.00 for federal contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this article under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

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

not to exceed $40,000,000.00 for state restricted contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this article under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

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

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

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

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

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

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

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

(e) Job specifications and wage rates.

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

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

Sec. 19-214. Total authorized appropriations from all sources under part 1 for legacy costs for the fiscal year ending September 30, 2017 is $70,450,500.00. From this amount,

total agency appropriations for pension-related legacy costs are estimated at $39,063,000.00. Total agency appropriations for retiree health care legacy costs are estimated at $31,387,500.00.

**DEPARTMENTAL SECTIONS**

Sec. 19-301. (1) The department may establish a fee schedule and collect fees sufficient to cover the costs to issue the permits that the department is authorized by law to issue upon request, unless otherwise stipulated by law. All permit fees are nonrefundable application fees and shall be credited to the appropriate fund to recover the direct and indirect costs of receiving, reviewing, and processing the requests.

(2) A bridge authority shall hold 3 public hearings on an increase in any toll charged by the authority at least 30 days before the toll change will become effective. Two of the hearings shall be held within 5 miles of the bridge over which the bridge authority has jurisdiction. One hearing shall be held in Lansing. Public hearings held under this section shall be conducted in accordance with the open meetings act, 1976 PA 267, MCL 15.261 to 15.275, and shall be conducted so as to provide a reasonable opportunity for public comment, including both spoken and written comments.

Sec. 19-304. If, as a requirement of bidding on a highway project, the department requires a contractor to submit financial or proprietary documentation as to how the bid was calculated, that bid documentation shall be kept confidential and shall not be disclosed other than to a department representative without the contractor's written consent. The department may disclose the bid documentation if necessary to address or defend a claim by a contractor.

Sec. 19-305. (1) The department may permit space on public passenger transportation properties to be occupied by public or private tenants on a competitive market rate basis. The department shall require that revenue from the tenants be placed in an account to be used to pay the costs to maintain and improve the property.

(2) The department shall charge public transit agencies and intercity bus carriers equal rates per square foot for leasing space in state-owned intermodal facilities.

Sec. 19-306. (1) The amounts appropriated in part 1 to support tax and fee collection, law enforcement, and other program services provided to the department and to transportation funds by other state departments shall be expended from transportation funds

pursuant to annual contracts between the department and those other state departments. The contracts shall be executed prior to the expenditure or obligation of those funds. The contracts shall provide, but are not limited to, the following data applicable to each state department:

(a) Estimated costs to be recovered from transportation funds.

(b) Description of services provided to the department and/or transportation funds and financed with transportation funds.

(c) Detailed cost allocation methods appropriate to the type of services being provided and the activities financed with transportation funds.

(2) Not later than 2 months after publication of the state of Michigan comprehensive annual financial report, each state department receiving funding pursuant to an interdepartment contract with the department shall submit a written report to the department, the state budget director, and the house and senate fiscal agencies stating by spending authorization account the amount of estimated funds contracted with the department, the amount of funds expended, the amount of funds returned to the transportation funds, and any unreimbursed transportation-related costs incurred but not billed to transportation funds. A copy of the report shall be submitted to the auditor general, and the report shall be subject to audit.

Sec. 19-307. Before March 1 of each year, the department will provide to the legislature, the state budget office, and the house and senate fiscal agencies its rolling 5-year plan listing by county or by county road commission all highway construction projects for the fiscal year and all expected projects for the ensuing fiscal years.

Sec. 19-310. The department shall provide in a timely manner copies of the agenda and approved minutes of monthly transportation commission meetings to the members of the house and senate appropriations subcommittees on transportation, the house and senate fiscal agencies, and the state budget director.

Sec. 19-313. (1) From funds appropriated in part 1, the department may increase a state infrastructure bank program and grant or loan funds in accordance with regulations of the state infrastructure bank program of the United States department of transportation. The state infrastructure bank is to be administered by the department for the purpose of providing a revolving, self-sustaining resource for financing transportation infrastructure projects.

(2) In addition to funds provided in subsection (1), money received by the state as federal grants, repayment of state infrastructure bank loans, or other reimbursement or revenue received by the state as a result of projects funded by the program and interest earned on that money shall be deposited in the revolving state infrastructure bank fund and shall be available for transportation infrastructure projects. At the close of the fiscal year, any unencumbered funds remaining in the state infrastructure bank fund shall remain in the fund and be carried forward into the succeeding fiscal year.

Sec. 19-383. (1) The department shall prepare a report on use of department-owned aircraft during the fiscal year ending September 30, 2016. With respect to each department-owned aircraft, the report shall include all of the following:

(a) Total hours of usage.

(b) Description of specific flights including dates of travel, names of passengers including state agency, university, or local government affiliation, travel origin and destination, and total estimated costs associated with the air travel.

(2) The report shall be submitted to the senate and house appropriations subcommittees on transportation and the house and senate fiscal agencies no later than February 1, 2017.

(3) The department shall maintain a system for recovering the cost of operating department-owned aircraft through charges to aircraft users.

(4) From the funds appropriated in part 1, the department is prohibited from transporting legislators or legislative staff on state-owned aircraft without prior approval from the senate majority leader or the speaker of the house of representatives and only when the aircraft is scheduled by state agencies on related official business.

Sec. 19-384. (1) Except as otherwise provided in subsection (2), the department shall not obligate the state to expend any state transportation revenue for construction planning or construction of the Detroit River International Crossing or a renamed successor. In addition, except as provided in subsection (2), the department shall not commit the state to any new contract related to the construction planning or construction of the Detroit River International Crossing or a renamed successor that would obligate the state to expend any state transportation revenue. An expenditure for staff resources used in connection with project activities, which expenditure is subject to full and prompt reimbursement from Canada, shall not be considered an expenditure of state transportation revenue.

(2) If the legislature enacts specific enabling legislation for the construction of the Detroit River International Crossing or a renamed successor, subsection (1) does not apply once the enabling legislation goes into effect.

Sec. 19-385. (1) The department shall submit reports to the state budget director, the speaker of the house, the house minority leader, the senate majority leader, the senate minority leader, the house and senate appropriations subcommittees on transportation, and the house and senate fiscal agencies on department activities related to all nonconstruction or construction planning activities related to the Detroit River International Crossing or a renamed successor. The initial report shall be submitted on or before December 1, 2016 and shall cover the fiscal year ending September 30, 2016.

(2) The initial report shall include, at a minimum, all of the following:

(a) Department costs incurred in the fiscal year ending September 30, 2016, including employee salaries, wages, benefits, travel, and contractual services, and what activities those costs were related to.

(b) Costs of other executive branch agencies incurred in the fiscal year ending September 30, 2016, including employee salaries, wages, benefits, travel, and contractual services, and what activities those costs were related to.

(c) A breakdown of the source of funds used for the activities described in subdivisions (a) and (b).

(d) A breakdown of reimbursements made by Canada under section 384(1) to the state for expenditures for staff resources used in connection with project activities.

(e) A narrative description of the status of the Detroit River International Crossing or a renamed successor, including efforts undertaken to implement provisions of the crossing agreement executed June 15, 2012 by representatives of the Canadian government and this state.

(3) After submission of the initial report, a subsequent report shall be submitted on March 1, 2017, June 1, 2017, and September 1, 2017 and shall include the same information described in subsection (2) for the applicable previous fiscal quarter.

Sec. 19-395. From the funds appropriated in part 1 for state trunkline federal aid road and bridge construction, the department may expend up to $10,000,000.00 on highway maintenance activities to support safety-related, high-priority and other deferred routine maintenance needs on Michigan’s state trunkline network.

**FEDERAL**

Sec. 19-402. A portion of the federal DOT-FHWA highway research, planning, and construction funds made available to this state shall be allocated to transportation programs administered by local jurisdictions in accordance with section 10o of 1951 PA 51, MCL 247.660o. A local road agency, with respect to a project approved for federal aid funding in a state transportation improvement program, may enter into a voluntary buyout agreement with the department or with another local road agency to exchange the federal aid with state restricted transportation funds as agreed to by the respective parties. The state restricted transportation funds received in exchange for federal aid funds shall be used for the same purpose as the federal aid funds were originally intended.

**MICHIGAN TRANSPORTATION FUND**

Sec. 19-501. The money received under the motor carrier act, 1933 PA 254, MCL 475.1 to 479.43, and not appropriated to the department of licensing and regulatory affairs or the department of state police is deposited in the Michigan transportation fund.

Sec. 19-503. (1) The funds appropriated in part 1 for the economic development and local bridge programs shall not lapse at the end of the fiscal year but shall carry forward each fiscal year for the purposes for which appropriated in accordance with 1987 PA 231, MCL 247.901 to 247.913, and section 10(5) of 1951 PA 51, MCL 247.660.

(2) Interest earned in the department of transportation economic development fund and local bridge fund shall remain in the respective funds and shall be allocated to the respective programs based on actual interest earned at the end of each fiscal year.

(3) In addition to the funds appropriated in part 1, the department of transportation economic development fund and local bridge fund may receive federal, local, or private funds or restricted source funds such as interest earnings. These funds are appropriated for projects that are consistent with the purposes of the respective funds.

(4) None of the funds statutorily dedicated to the transportation economic development fund and local bridge fund shall be diverted to other projects.

Sec. 19-504. Funds from the Michigan transportation fund shall be distributed to the comprehensive transportation fund, the economic development fund, the recreation improvement fund, and the state trunkline fund, in accordance with this article and part

711 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.71101 to 324.71108, and may only be used as specified in this article, 1951 PA 51, MCL 247.651 to 247.675, and part 711 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.71101 to 324.71108.

Sec. 19-505. If roads innovation funds are not released by a 1-time concurrent resolution pursuant to section 1J(5) of 2015 PA 175, MCL 247.651J on or before October 1, 2016, The department shall prepare a report that specifies the portions of total Michigan transportation fund distributions to be withheld from the state trunkline fund and each local road agency. The department shall present the report to the senate and house standing committees on transportation, the senate and house appropriations subcommittees on transportation, the senate and house fiscal agencies, and the state budget director on or before November 1, 2016.

**STATE TRUNKLINE FUND**

Sec. 19-604. At the close of the fiscal year, any unencumbered and unexpended balance in the state trunkline fund shall remain in the state trunkline fund and shall carry forward and is appropriated for federal aid road and bridge programs for projects contained in the annual state transportation program.

**TRANSIT AND RAIL RELATED FUNDS**

Sec. 19-701. The department shall establish an intercity bus equipment and facility fund as a subsidiary fund within the comprehensive transportation fund created under section 10b of 1951 PA 51, MCL 247.660b. Proceeds received by this state from the sale of state-owned intercity bus equipment shall be credited to the intercity bus equipment and facility fund for the purchase and repair of intercity bus equipment, as appropriated. Security deposits not returned to a lessee of state-owned intercity bus equipment under terms of the lease agreement shall be credited to the intercity bus equipment and facility fund for the repair of intercity bus equipment, as appropriated. Money received by the department from lease payments for state-owned intercity bus equipment, and facility maintenance charges under terms of leases of state-owned intercity facilities, shall be credited to the intercity bus equipment and facility fund for the purchase and repair of intercity bus equipment or for the maintenance and rehabilitation of state-owned intercity

facilities, as appropriated. At the close of the fiscal year, any funds remaining in the intercity bus equipment and facility fund shall remain in the fund and be carried forward into the succeeding fiscal year.

Sec. 19-702. Money that is received by this state as repayment for loans made for rail or water freight capital projects, and as a result of the sale of property or equipment used or projected to be used for rail or water freight projects shall be deposited in the rail freight fund created by section 17 of the state transportation preservation act of 1976, 1976 PA 295, MCL 474.67. At the close of the fiscal year, any funds remaining in the rail freight fund shall remain in the fund and be carried forward into the succeeding fiscal year.

Sec. 19-706. The Detroit/Wayne County port authority shall issue a complete operations assessment and a financial disclosure statement. The operations assessment shall include operational goals for the next 5 years and recommendations to improve land acquisition and development efficiency. The report shall be completed and submitted to the house of representatives and senate appropriations subcommittees on transportation, the state budget director, and the house and senate fiscal agencies by February 15 of each fiscal year for the prior fiscal year.

Sec. 19-735. For the fiscal year ending September 30, 2017, the appropriation to a street railway pursuant to section 10e(22) of 1951 PA 51, MCL 247.660e, is $0.

**AERONAUTICS FUND**

Sec. 19-801. Except as otherwise provided in section 903 for capital outlay, at the close of the fiscal year, any unobligated and unexpended balance in the state aeronautics fund created in the aeronautics code of the state of Michigan, 1945 PA 327, MCL 259.1 to 259.208, shall lapse to the state aeronautics fund and be appropriated by the legislature in the immediately succeeding fiscal year.

**CAPITAL OUTLAY**

Sec. 19-901. (1) From federal-state-local project appropriations contained in part 1 for the purpose of assisting political entities and subdivisions of this state in the construction and improvement of publicly used airports and landing fields within this state, the state transportation department may permit the award of contracts on behalf of

units of local government for the authorized locations not to exceed the indicated amounts, of which the state allocated portion shall not exceed the amount appropriated in part 1.

(2) Political entities and subdivisions shall provide not less than 5% of the cost of any project under this section, unless a total nonfederal share greater than 10% is otherwise specified in federal law. State money shall not be allocated until local money is allocated. State money for any 1 project shall not exceed 1/3 of the total appropriation in part 1 from state funds for airport improvement programs.

(3) The Michigan aeronautics commission may take those steps necessary to match federal money available for airport construction and improvement within this state and to meet the matching requirements of the federal government. Whether acting alone or jointly with another political subdivision or public agency or with this state, a political subdivision or public agency of this state shall not submit to any agency of the federal government a project application for airport planning or development unless it is authorized in this article and the project application is approved by the governing body of each political subdivision or public agency making the application and by the Michigan aeronautics commission.

Sec. 19-903. The appropriations in part 1 for capital outlay shall be carried forward at the end of the fiscal year consistent with the provisions of section 248 of the management and budget act, 1984 PA 431, MCL 18.1248.

## Article 20

## DEPARTMENT OF TREASURY

PART 1

LINE-ITEM APPROPRIATIONS AND ANTICIPATED APPROPRIATIONS

Sec. 20-101. Subject to the conditions set forth in this article, the amounts listed in this part for the department of treasury are appropriated for the fiscal year ending September 30, 2017, and are anticipated to be appropriated for the fiscal year ending September 30, 2018, from the funds indicated in this part. The following is a summary of the appropriations and anticipated appropriations in this part:

| | For Fiscal Year Ending Sept. 30, 2017 | For Fiscal Year Ending Sept. 30, 2018 |
|---|---|---|
| **DEPARTMENT OF TREASURY** | | |
| **APPROPRIATION SUMMARY** | | |
| Full-time equated unclassified positions..... | 10.0 | 10.0 |
| Full-time equated classified positions..... | 1,906.5 | 1,906.5 |
| **GROSS APPROPRIATION ..... | **$ 1,910,747,400** | **$ 1,909,341,400** |
| Total interdepartmental grants and intradepartmental transfers..... | 11,250,600 | 11,250,600 |
| ADJUSTED GROSS APPROPRIATION ..... | $ 1,899,496,800 | $ 1,898,090,800 |
| Total federal revenues ..... | 39,954,200 | 39,954,200 |
| Total local revenues ..... | 9,265,700 | 9,265,700 |
| Total private revenues ..... | 26,700 | 26,700 |
| Total other state restricted revenues ..... | 1,615,304,400 | 1,635,282,900 |
| State general fund/general purpose ..... | $ 234,945,800 | $ 213,561,300 |
| *State general fund/general purpose schedule:* | | |
| *Ongoing state general fund/general purpose .....* | *232,103,300* | *213,561,300* |
| *One-time state general fund/general purpose .....* | *2,842,500* | *0* |
| **Sec. 20-102. EXECUTIVE DIRECTION** | | |
| Full-time equated unclassified positions..... | 10.0 | 10.0 |
| Full-time equated classified positions..... | 52.0 | 52.0 |
| Unclassified positions-10.0 FTE positions ..... | $ 995,500 | $ 995,500 |
| Executive direction and operations-52.0 FTE positions . | 9,328,400 | 9,328,400 |
| **GROSS APPROPRIATION ..... | **$ 10,323,900** | **$ 10,323,900** |
| Appropriated from: | | |
| Federal revenues: | | |
| DED-OPSE, federal lenders allowance ..... | 20,000 | 20,000 |
| DED-OPSE higher education act of 1965 insured loans ... | 45,000 | 45,000 |
| Local – city income tax fund ..... | 101,900 | 101,900 |
| Special revenue funds: | | |
| Delinquent tax collection revenue ..... | 2,159,800 | 2,159,800 |
| State lottery fund ..... | 288,700 | 288,700 |
| State services fee fund ..... | 328,200 | 328,200 |
| State general fund/general purpose ..... | $ 7,380,300 | $ 7,380,300 |

| | For Fiscal Year Ending Sept. 30, 2017 | For Fiscal Year Ending Sept. 30, 2018 |
|---|---|---|
| **Sec. 20-103. DEPARTMENTWIDE APPROPRIATIONS** | | |
| Rent and building occupancy charges-property management services | $ 6,047,400 | $ 6,047,400 |
| Workers' compensation insurance premium | 36,400 | 36,400 |
| **GROSS APPROPRIATION** | **$ 6,083,800** | **$ 6,083,800** |
| Appropriated from: | | |
| Special revenue funds: | | |
| Delinquent tax collection revenue | 2,890,600 | 2,890,600 |
| State general fund/general purpose | $ 3,193,200 | $ 3,193,200 |
| **Sec. 20-104. LOCAL GOVERNMENT PROGRAMS** | | |
| Full-time equated classified positions | 111.0 | 111.0 |
| Supervision of the general property tax law-86.0 FTE positions | $ 14,590,200 | $ 14,590,200 |
| Property tax assessor training-4.0 FTE positions | 1,040,400 | 1,040,400 |
| Local finance-21.0 FTE positions | 2,607,000 | 2,607,000 |
| **GROSS APPROPRIATION** | **$ 18,237,600** | **$ 18,237,600** |
| Appropriated from: | | |
| Special revenue funds: | | |
| Local-assessor training fees | 1,040,400 | 1,040,400 |
| Local-audit charges | 825,800 | 825,800 |
| Local-equalization study charge-backs | 40,000 | 40,000 |
| Local-revenue from local government | 100,000 | 100,000 |
| Delinquent tax collection revenue | 1,514,700 | 1,514,700 |
| Land reutilization fund | 2,044,000 | 2,044,000 |
| Municipal finance fees | 544,900 | 544,900 |
| State general fund/general purpose | $ 12,127,800 | $ 12,127,800 |
| **Sec. 20-105. TAX PROGRAMS** | | |
| Full-time equated classified positions | 774.0 | 774.0 |
| Tax compliance-340.0 FTE positions | $ 45,075,300 | $ 45,075,300 |
| Tax and economic policy-75.0 FTE positions | 11,570,600 | 11,570,600 |
| Tax processing-331.0 FTE positions | 37,376,900 | 37,376,900 |
| Health insurance claims fund-15.0 FTE positions | 2,070,500 | 2,070,500 |

| | For Fiscal Year Ending Sept. 30, 2017 | For Fiscal Year Ending Sept. 30, 2018 |
|---|---|---|
| Home heating assistance | 3,086,200 | 3,086,200 |
| Tobacco tax enforcement-13.0 FTE positions | 1,509,100 | 1,509,100 |
| Bottle bill implementation | 250,000 | 250,000 |
| **GROSS APPROPRIATION** | **$ 100,938,600** | **$ 100,938,600** |
| Appropriated from: | | |
| Interdepartmental grant revenues: | | |
| IDG from MDOT-Michigan transportation fund | 2,284,100 | 2,284,100 |
| IDG from MDOT-state aeronautics fund | 72,200 | 72,200 |
| Federal revenues: | | |
| HHS-SSA, low income energy assistance | 3,086,200 | 3,086,200 |
| Special revenue funds: | | |
| Emergency 911 fund | 158,700 | 158,700 |
| Bottle deposit fund | 250,000 | 250,000 |
| Delinquent tax collection revenue | 70,557,200 | 70,557,200 |
| Health insurance claims assessment fund | 2,070,500 | 2,070,500 |
| Tobacco tax revenue | 4,109,300 | 4,109,300 |
| Waterways fund | 107,100 | 107,100 |
| State general fund/general purpose | $ 18,243,300 | $ 18,243,300 |
| **Sec. 20-106. FINANCIAL AND ADMINISTRATIVE SERVICES** | | |
| Full-time equated classified positions | 381.0 | 381.0 |
| Departmental services-88.0 FTE positions | $ 9,180,500 | $ 9,180,500 |
| Unclaimed property-29.0 FTE positions | 4,835,300 | 4,835,300 |
| Office of collections-202.0 FTE positions | 26,255,100 | 26,255,100 |
| Office of accounting services-24.0 FTE positions | 2,491,400 | 2,491,400 |
| Office of financial services-38.0 FTE positions | 4,478,500 | 4,478,500 |
| **GROSS APPROPRIATION** | **$ 47,240,800** | **$ 47,240,800** |
| Appropriated from: | | |
| Interdepartmental grant revenues: | | |
| IDG-levy/warrant cost assessment fees | 2,335,000 | 2,335,000 |
| IDG-State agency collection fees | 4,341,700 | 4,341,700 |
| IDG-from MDHHS title IV-D | 776,000 | 776,000 |
| IDG-data/collection service fees | 336,600 | 336,600 |

| | For Fiscal Year Ending Sept. 30, 2017 | For Fiscal Year Ending Sept. 30, 2018 |
|---|---|---|
| IDG-from accounting service center user charges ..... | 494,500 | 494,500 |
| Special revenue funds: | | |
| Delinquent tax collection revenue ..... | 27,387,100 | 27,387,100 |
| Escheats revenue ..... | 4,835,300 | 4,835,300 |
| Justice system fund ..... | 428,100 | 428,100 |
| Garnishment fees ..... | 2,636,100 | 2,636,100 |
| State restricted indirect funds ..... | 278,600 | 278,600 |
| Treasury fees ..... | 47,200 | 47,200 |
| State general fund/general purpose ..... | $ 3,344,600 | $ 3,344,600 |
| **Sec. 20-107. FINANCIAL PROGRAMS** | | |
| Full-time equated classified positions..... | 210.5 | 210.5 |
| Investments-82.0 FTE positions ..... | $ 20,594,200 | $ 20,594,200 |
| Common cash and debt management-21.5 FTE positions .... | 1,666,200 | 1,666,200 |
| Student financial assistance programs-25.5 FTE positions..... | 2,683,300 | 2,683,300 |
| Dual enrollment payments ..... | 1,507,600 | 1,507,600 |
| Michigan finance authority bond finance programs-72.5 FTE positions..... | 38,856,600 | 38,856,600 |
| Financial independence team-9.0 FTE positions ..... | 3,729,500 | 3,729,500 |
| John R. Justice grant program ..... | 288,100 | 288,100 |
| **GROSS APPROPRIATION ..... | **$ 69,325,500** | **$ 69,325,500** |
| Appropriated from: | | |
| Interdepartmental grant revenues: | | |
| IDG, fiscal agent service fees ..... | 210,500 | 210,500 |
| Federal revenues: | | |
| Federal – John R. Justice grant ..... | 288,100 | 288,100 |
| DED-OPSE, federal lenders allowance ..... | 10,686,100 | 10,686,100 |
| DED-OPSE, higher education act of 1965, insured loans . | 25,169,600 | 25,169,600 |
| Special revenue funds: | | |
| Defined contribution administrative fee revenue ..... | 100,000 | 100,000 |
| MFA, bond and loan program revenue ..... | 2,944,600 | 2,944,600 |
| School bond fees ..... | 854,300 | 854,300 |

| | For Fiscal Year Ending Sept. 30, 2017 | For Fiscal Year Ending Sept. 30, 2018 |
|---|---|---|
| Michigan merit awards trust fund ..... | 1,163,800 | 1,163,800 |
| Retirement funds ..... | 19,016,000 | 19,016,000 |
| Treasury fees ..... | 1,694,600 | 1,694,600 |
| State general fund/general purpose ..... | $ 7,197,900 | $ 7,197,900 |
| **Sec. 20-108. DEBT SERVICE** | | |
| Quality of life bond ..... | $ 28,687,000 | $ 21,664,000 |
| Clean Michigan initiative ..... | 89,477,000 | 63,308,000 |
| Great lakes water quality bond ..... | 18,873,000 | 33,523,000 |
| **GROSS APPROPRIATION ..... | **$ 137,037,000** | **$ 118,495,000** |
| Appropriated from: | | |
| Special revenue funds: | | |
| State general fund/general purpose ..... | $ 137,037,000 | $ 118,495,000 |
| **Sec. 20-109. GRANTS** | | |
| Convention facility development distribution ..... | $ 90,950,000 | $ 90,950,000 |
| Senior citizen cooperative housing tax exemption ..... | 10,520,000 | 10,520,000 |
| Emergency 911 payments ..... | 27,000,000 | 27,000,000 |
| Health and safety fund grants ..... | 9,000,000 | 9,000,000 |
| **GROSS APPROPRIATION ..... | **$ 137,470,000** | **$ 137,470,000** |
| Appropriated from: | | |
| Special revenue funds: | | |
| Convention facility development fund ..... | 90,950,000 | 90,950,000 |
| Health and safety fund ..... | 9,000,000 | 9,000,000 |
| Emergency 911 fund ..... | 27,000,000 | 27,000,000 |
| State general fund/general purpose ..... | $ 10,520,000 | $ 10,520,000 |
| **Sec. 20-110. BUREAU OF STATE LOTTERY** | | |
| Full-time equated classified positions..... | 183.0 | 183.0 |
| Lottery operations-183.0 FTE positions ..... | $ 24,760,300 | $ 24,760,300 |
| Lottery information and technology services and projects | 5,239,600 | 5,239,600 |
| **GROSS APPROPRIATION ..... | **$ 29,999,900** | **$ 29,999,900** |
| Appropriated from: | | |
| Special revenue funds: | | |
| State lottery fund ..... | 29,999,900 | 29,999,900 |

| | For Fiscal Year Ending Sept. 30, 2017 | For Fiscal Year Ending Sept. 30, 2018 |
|---|---|---|
| State general fund/general purpose | $ 0 | $ 0 |
| **Sec. 20-111. CASINO GAMING** | | |
| Full-time equated classified positions | 142.0 | 142.0 |
| Michigan gaming control board | $ 50,000 | $ 50,000 |
| Casino gaming control administration-132.0 FTE positions | 26,196,700 | 26,196,700 |
| Casino gaming information technology services and projects | 2,512,700 | 2,512,700 |
| Racing commission-10.0 FTE positions | 1,962,600 | 1,962,600 |
| **GROSS APPROPRIATION** | **$ 30,722,000** | **$ 30,722,000** |
| Appropriated from: | | |
| Special revenue funds: | | |
| Casino gambling agreements | 942,700 | 942,700 |
| Equine development fund | 2,085,300 | 2,085,300 |
| Laboratory fees | 700,000 | 700,000 |
| State services fee fund | 26,994,000 | 26,994,000 |
| State general fund/general purpose | $ 0 | $ 0 |
| **Sec. 20-112. PAYMENTS IN LIEU OF TAXES** | | |
| Commercial forest reserve | $ 3,368,100 | $ 3,368,100 |
| Purchased lands | 8,425,100 | 8,425,100 |
| Swamp and tax reverted lands | 15,605,600 | 15,605,600 |
| **GROSS APPROPRIATION** | **$ 27,398,800** | **$ 27,398,800** |
| Appropriated from: | | |
| Special revenue funds: | | |
| Game and fish protection fund | 2,919,700 | 2,919,700 |
| Michigan natural resources trust fund | 2,004,600 | 2,004,600 |
| Michigan state waterways fund | 253,200 | 253,200 |
| Private funds | 26,700 | 26,700 |
| State general fund/general purpose | $ 22,194,600 | $ 22,194,600 |
| **Sec. 20-113. REVENUE SHARING** | | |
| Constitutional state general revenue sharing grants | $ 781,501,400 | $ 806,679,900 |
| County incentive program | 43,033,500 | 43,033,500 |
| City, village, and township revenue sharing | 243,040,000 | 243,040,000 |

| | For Fiscal Year Ending Sept. 30, 2017 | For Fiscal Year Ending Sept. 30, 2018 |
|---|---|---|
| County revenue sharing | 172,134,000 | 172,134,000 |
| Financially distressed cities, villages, and townships | 5,000,000 | 5,000,000 |
| Competitive grant assistance program | 5,800,000 | 5,800,000 |
| **GROSS APPROPRIATION** | **$ 1,250,508,900** | **$ 1,275,687,400** |
| Appropriated from: | | |
| Special revenue funds: | | |
| Sales tax | 1,250,508,900 | 1,275,687,400 |
| State general fund/general purpose | $ 0 | $ 0 |
| **Sec. 20-114. STATE BUILDING AUTHORITY** | | |
| Full-time equated classified positions | 4.0 | 4.0 |
| State building authority-4.0 FTE positions | $ 725,200 | $ 725,200 |
| **GROSS APPROPRIATION** | **$ 725,200** | **$ 725,200** |
| Appropriated from: | | |
| Special revenue funds: | | |
| State building authority revenue | 725,200 | 725,200 |
| State general fund/general purpose | $ 0 | $ 0 |
| **Sec. 20-115. CITY INCOME TAX ADMINISTRATION PROGRAM** | | |
| Full-time equated classified positions | 49.0 | 49.0 |
| City income tax administration-49.0 FTE positions | $ 5,879,100 | $ 5,879,100 |
| **GROSS APPROPRIATIONS** | **$ 5,879,100** | **$ 5,879,100** |
| Appropriated from: | | |
| Special revenue funds: | | |
| Local-city income tax fund | 5,879,100 | 5,879,100 |
| State general fund/general purpose | $ 0 | $ 0 |
| **Sec. 20-116. INFORMATION TECHNOLOGY** | | |
| Treasury operations information technology service and projects | $ 30,813,800 | $ 30,813,800 |
| **GROSS APPROPRIATION** | **$ 30,813,800** | **$ 30,813,800** |
| Appropriated from: | | |
| Interdepartmental grant revenues: | | |
| IDG, from MDOT Michigan transportation fund | 400,000 | 400,000 |
| Federal revenues: | | |

| | For Fiscal Year Ending Sept. 30, 2017 | For Fiscal Year Ending Sept. 30, 2018 |
|---|---|---|
| DED-OPSE federal lenders allowance ..... | 659,200 | 659,200 |
| Special revenue funds: | | |
| Local-city income tax fund ..... | 1,278,500 | 1,278,500 |
| Tobacco tax revenue ..... | 135,900 | 135,900 |
| Delinquent tax collection revenue ..... | 16,668,400 | 16,668,400 |
| Retirement funds ..... | 807,200 | 807,200 |
| State general fund/general purpose ..... | $ 10,864,600 | $ 10,864,600 |
| **Sec. 20-117. ONE-TIME APPROPRIATIONS** | | |
| Competitive grant assistance program ..... | $ 5,200,000 | $ 0 |
| Free individual tax E-file ..... | 2,842,500 | 0 |
| **GROSS APPROPRIATION ..... | **$ 8,042,500** | **$ 0** |
| Appropriated from: | | |
| Special revenue funds | | |
| Sales tax ..... | 5,200,000 | 0 |
| State general fund/general purpose ..... | $ 2,842,500 | $ 0 |

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FISCAL YEAR 2017

**GENERAL SECTIONS**

Sec. 20-201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for fiscal year 2016-2017 is $1,850,250,200.00 and state spending from state resources to be paid to local units of government for fiscal year 2016-2017 is $1,441,979,600.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF TREASURY

| | |
|---|---|
| Senior citizen cooperative housing tax exemption program ..... | $ 10,520,000 |
| Health and safety fund grants ..... | 9,000,000 |
| Constitutional state general revenue sharing grants ..... | 781,501,400 |
| City, village, and township revenue sharing ..... | 243,040,000 |
| Convention facility development fund distribution ..... | 90,950,000 |

| | | |
|---|---|---|
| Emergency 911 payments | | 23,800,000 |
| Financially distressed cities, villages, and townships | | 5,000,000 |
| County incentive program | | 43,033,500 |
| County revenue sharing payments | | 172,134,000 |
| Airport parking distribution pursuant to section 909 | | 24,601,900 |
| Payments in lieu of taxes | | 27,398,800 |
| Competitive grant assistance program | | 11,000,000 |
| TOTAL | $ | 1,441,979,600 |

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

Sec. 20-203. As used in this article:

(a) "DED" means the United States department of education.

(b) "DED-OPSE" means the DED office of post secondary education.

(c) "Department" means the department of treasury.

(d) "Director" means the director of the department.

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

(f) "HHS" means the United States department of health and human services.

(g) "HHS-SSA" means HHS social security administration.

(h) "IDG" means interdepartmental grant.

(i) "JCOS" means the joint capital outlay subcommittee.

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

(k) "MDOT" means the Michigan department of transportation.

(*l*) "MFA" means the Michigan finance authority.

(m) "Title IV-D" means part D of title IV of the social security act, 42 USC 65 to 669b.

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

Sec. 20-205. Funds appropriated in part 1 shall not be used for the purchase of foreign goods or services, or both, if competitively priced and of comparable quality

American goods or services, or both, are available. Preference shall be given to goods or services, or both, manufactured or provided by Michigan businesses, if they are competitively priced and of comparable quality. In addition, preference should be given to goods or services, or both, that are manufactured or provided by Michigan businesses owned and operated by veterans, if they are competitively priced and of comparable quality.

Sec. 20-206. The director shall take all reasonable steps to ensure businesses in deprived and depressed communities compete for and perform contracts to provide services or supplies, or both. Each director shall strongly encourage firms with which the department contracts to subcontract with certified businesses in depressed and deprived communities for services, supplies, or both.

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

(a) The dates of each travel occurrence.

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

Sec. 20-208. Funds appropriated in part 1 shall not be used by a principal executive department, state agency, or authority to hire a person to provide legal services that are the responsibility of the attorney general. This prohibition does not apply to legal services for bonding activities and for those outside services that the attorney general authorizes.

Sec. 20-209. Not later than November 30, the state budget office shall prepare and transmit a report that provides for estimates of the total general fund/general purpose appropriation lapses at the close of the prior fiscal year. This report shall summarize the projected year-end general fund/general purpose appropriation lapses by major departmental program or program areas. The report shall be transmitted to the chairpersons of the senate

and house appropriations committees, and the senate and house fiscal agencies.

Sec. 20-210. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed $1,000,000.00 for federal contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this article under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

(2) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed $10,000,000.00 for state restricted contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this article under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

(3) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed $200,000.00 for local contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this article under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

(4) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed $40,000.00 for private contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this article under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

Sec. 20-211. The department shall cooperate with the department of technology, management and budget to maintain a searchable website accessible by the public at no cost that includes, but is not limited to, all of the following for each department or agency:

(a) Fiscal year-to-date expenditures by category.

(b) Fiscal year-to-date expenditures by appropriation unit.

(c) Fiscal year-to-date payments to a selected vendor, including the vendor name, payment date, payment amount, and payment description.

(d) The number of active department employees by job classification.

(e) Job specifications and wage rates.

Sec. 20-212. Within 14 days after the release of the executive budget recommendation, the department shall cooperate with the state budget office to provide the senate and house appropriations chairs, the senate and house appropriations subcommittees chairs, and the senate and house fiscal agencies with an annual report on estimated state restricted fund balances, state restricted fund projected revenues, and state restricted fund expenditures

for the fiscal years ending September 30, 2016 and September 30, 2017.

Sec. 20-213. The department shall maintain, on a publicly accessible website, a department scorecard that identifies, tracks and regularly updates key metrics that are used to monitor and improve the agency's performance.

Sec. 20-214. Total authorized appropriations from all department of treasury sources under part 1 for legacy costs for the fiscal year ending September 30, 2017 is $49,651,800.00. From this amount, total department of treasury appropriations for pension-related legacy costs are estimated at $27,530,500.00. Total department of treasury appropriations for retiree health care legacy costs are estimated at $22,121,300.00.

Sec. 20-215. Funds appropriated in part 1 shall not be used by this state, a department, an agency, or an authority of this state to purchase an ownership interest in a casino enterprise or a gambling, operation as those terms are defined in the Michigan gaming control and revenue act, 1996 IL, MCL 432.201 to 432.226.

**DEPARTMENT OF TREASURY OPERATIONS**

Sec. 20-902. (1) Amounts needed to pay for interest, fees, principal, mandatory and optional redemptions, arbitrage rebates as required by federal law, and costs associated with the payment, registration, trustee services, credit enhancements, and issuing costs in excess of the amount appropriated to the department of treasury in part 1 for debt service on notes and bonds that are issued by the state under sections 14, 15, and 16 of article IX of the state constitution of 1963 as implemented by 1967 PA 266, MCL 17.451 to 17.455, are appropriated.

(2) In addition to the amount appropriated to the department of treasury for debt service in part 1, there is appropriated an amount for fiscal year cash-flow borrowing costs to pay for interest on interfund borrowing made under 1967 PA 55, MCL 12.51 to 12.53.

(3) In addition to the amount appropriated to the department of treasury for debt service in part 1, there is appropriated all repayments received by the state on loans made from the school bond loan fund not required to be deposited in the school loan revolving fund by or pursuant to section 4 of 1961 PA 112, MCL 388.984, to the extent determined by the state treasurer, for the payment of debt service, including, without limitation, optional and mandatory redemptions, on bonds, notes or commercial paper issued by the state pursuant to 1961 PA 112, MCL 388.981 to 388.985.

Sec. 20-903. (1) From the funds appropriated in part 1, the department of treasury may contract with private collection agencies and law firms to collect taxes and other accounts due this state. In addition to the amounts appropriated in part 1 to the department of treasury, there are appropriated amounts necessary to fund collection costs and fees not to exceed 25% of the collections or 2.5% plus operating costs, whichever amount is prescribed by each contract. The appropriation to fund collection costs and fees for the collection of taxes or other accounts due this state are from the fund or account to which the revenues being collected are recorded or dedicated. However, if the taxes collected are constitutionally dedicated for a specific purpose, the appropriation of collection costs and fees are from the general purpose account of the general fund.

(2) From the funds appropriated in part 1, the department of treasury may contract with private collections agencies and law firms to collect defaulted student loans and other accounts due the Michigan guaranty agency. In addition to the amounts appropriated in part 1 to the department of treasury, there are appropriated amounts necessary to fund collection costs and fees not to exceed 24.34% of the collection or a lesser amount as prescribed by the contract. The appropriation to fund collection costs and fees for the auditing and collection of defaulted student loans due the Michigan guaranty agency is from the fund or account to which the revenues being collected are recorded or dedicated.

(3) The department of treasury shall submit a report for the immediately preceding fiscal year ending September 30 to the state budget director and the senate and house of representatives standing committees on appropriations not later than November 30 stating the agencies or law firms employed, the amount of collections for each, the costs of collection, and other pertinent information relating to determining whether this authority should be continued.

Sec. 20-904. (1) The department of treasury, through its bureau of investments, may charge an investment service fee against the applicable retirement funds. The fees may be expended for necessary salaries, wages, contractual services, supplies, materials, equipment, travel, worker's compensation insurance premiums, and grants to the civil service commission and state employees' retirement funds. Service fees shall not exceed the aggregate amount appropriated in part 1. The department of treasury shall maintain accounting records in sufficient detail to enable the retirement funds to be reimbursed periodically for fee revenue that is determined by the department of treasury to be

surplus.

(2) In addition to the funds appropriated in part 1 from the retirement funds to the department of treasury, there is appropriated from retirement funds an amount sufficient to pay for the services of money managers, investment advisors, investment consultants, custodians, and other outside professionals, the state treasurer considers necessary to prudently manage the retirement funds' investment portfolios. The state treasurer shall report annually to the senate and house of representatives standing committees on appropriations and the state budget office concerning the performance of each portfolio by investment advisor.

Sec. 20-904a. (1) There is appropriated an amount sufficient to recognize and pay expenditures for financial services provided by financial institutions as provided under section (1) of 1861 PA 111, MCL 21.181.

(2) The appropriations under subsection (1) shall be funded by restricting revenues from common cash interest earnings and investment earnings in an amount sufficient to record these expenditures. If the amounts of common cash interest earnings are insufficient to cover these costs, then miscellaneous revenues shall be used to fund the remaining balance of these expenditures.

Sec. 20-905. A revolving fund known as the municipal finance fee fund is created in the department of treasury. Fees are established under the revised municipal finance act, 2001 PA 34, MCL 141.2101 to 141.2821, and the fees collected shall be credited to the municipal finance fee fund and may be carried forward for future appropriation.

Sec. 20-906. (1) The department of treasury shall charge for audits as permitted by state or federal law or under contractual arrangements with local units of government, other principal executive departments, or state agencies. A report detailing audits performed and audit charges for the immediately preceding fiscal year shall be submitted to the state budget director and the senate and house fiscal agencies not later than November 30.

(2) A revolving fund known as the audit charges fund is created in the department of treasury. The contractual charges collected shall be credited to the audit charges fund and may be carried forward for future appropriation.

Sec. 20-907. A revolving fund known as the assessor certification and training fund is created in the department of treasury. The assessor certification and training fund

shall be used to organize and operate a property assessor certification and training program. Each participant certified and trained shall pay to the department of treasury examination fees not to exceed $50.00 per examination and certification fees not to exceed $175.00. Training courses shall be offered in assessment administration. Each participant shall pay a fee to cover the expenses incurred in offering the optional programs to certified assessing personnel and other individuals interested in an assessment career opportunity. The fees collected shall be credited to the assessor certification and training fund.

Sec. 20-908. The amount appropriated in part 1 to the department of treasury, home heating assistance program, is to cover the costs, including data processing, of administering federal home heating credits to eligible claimants and to administer the supplemental fuel cost payment program for eligible tax credit and welfare recipients.

Sec. 20-909. Revenue from the airport parking tax act, 1987 PA 248, MCL 207.371 to 207.383, is appropriated and shall be distributed under section 7a of the airport parking tax act, 1987 PA 248, MCL 207.377a.

Sec. 20-910. The disbursement by the department of treasury from the bottle deposit fund to dealers as required by section 3c(2) of 1976 IL 1, MCL 445.573c, is appropriated.

Sec. 20-911. (1) There is appropriated an amount sufficient to recognize and pay refundable income tax credits as provided by the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

(2) The appropriations under subsection (1) shall be funded by restricting income tax revenue in an amount sufficient to record these expenditures.

Sec. 20-912. A plaintiff in a garnishment action involving this state shall pay to the state treasurer 1 of the following:

(a) A fee of $6.00 at the time a writ of garnishment of periodic payments is served upon the state treasurer, as provided in section 4012 of the revised judicature act of 1961, 1961 PA 236, MCL 600.4012.

(b) A fee of $6.00 at the time any other writ of garnishment is served upon the state treasurer, except that the fee shall be reduced to $5.00 for each writ of garnishment for individual income tax refunds or credits filed by magnetic media.

Sec. 20-913. (1) The department of treasury may contract with private firms to appraise and, if necessary, appeal the assessments of senior citizen cooperative housing

units. Payment for this service shall be from savings resulting from the appraisal or appeal process.

(2) Of the funds appropriated in part 1 to the department of treasury for the senior citizens' cooperative housing tax exemption program, a portion may be utilized for a program audit of the program. The department of treasury shall forward copies of any audit report completed to the senate and house of representatives standing committees on appropriations subcommittees on general government and to the state budget office. The department of treasury may utilize up to 1% of the funds for program administration and auditing.

Sec. 20-914. The department of treasury may provide a $200.00 annual prize from the Ehlers internship award account in the gifts, bequests, and deposit fund to the runner-up of the Rosenthal prize for interns. The Ehlers internship award account is interest bearing.

Sec. 20-915. Pursuant to section 61 of the Michigan campaign finance act, 1976 PA 388, MCL 169.261, there is appropriated from the general fund to the state campaign fund an amount equal to the amounts designated for tax year 2015. Except as otherwise provided in this section, the amount appropriated shall not revert to the general fund and shall remain in the state campaign fund. Any amounts remaining in the state campaign fund in excess of $10,000,000.00 on December 31 shall revert to the general fund.

Sec. 20-916. The department of treasury may make available to interested entities otherwise unavailable customized unclaimed property listings of nonconfidential information in its possession. The charge for this information is as follows: 1 to 100,000 records at 2.5 cents per record and 100,001 or more records at .5 cents per record. The revenue received from this service shall be deposited to the appropriate revenue account or fund. The department shall submit an annual report on or before June 1 to the state budget director and the senate and house of representatives standing committees on appropriations that states the amount of revenue received from the sale of information.

Sec. 20-917. There is appropriated for write-offs and advances an amount equal to total write-offs and advances for departmental programs, but not to exceed current year authorizations that would otherwise lapse to the general fund.

Sec. 20-919. (1) From funds appropriated in part 1, the department of treasury may contract with private auditing firms to audit for and collect unclaimed property due this

state in accordance with the uniform unclaimed property act, 1995 PA 29, MCL 567.221 to 567.265. In addition to the amounts appropriated in part 1 to the department of treasury, there are appropriated amounts necessary to fund auditing and collection costs and fees not to exceed 12% of the collections, or a lesser amount as prescribed by the contract. The appropriation to fund collection costs and fees for the auditing and collection of unclaimed property due this state is from the fund or account to which the revenues being collected are recorded or dedicated.

(2) The department of treasury shall submit a report for the immediately preceding fiscal year ending September 30 to the state budget director and the senate and house of representatives standing committees on appropriations not later than November 30 stating the auditing firms employed, the amount of collections for each, the costs of collection, and other pertinent information relating to determining whether this authority should be continued.

Sec. 20-924. (1) In addition to the funds appropriated in part 1, the department of treasury may receive and expend principal residence audit fund revenue for administration of principal residence audits under the general property tax act, 1893 PA 206, MCL 211.1 to 211.155.

(2) The department of treasury shall submit a report for the immediately preceding fiscal year to the state budget director and the senate and house fiscal agencies not later than December 31 stating the amount of exemptions denied and the revenue received under the program.

Sec. 20-926. Unexpended appropriations of the John R. Justice grant program are designated as work project appropriations and shall not lapse at the end of the fiscal year and shall continue to be available for expenditure until the project has been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to provide student loan forgiveness to qualified public defenders and prosecutors.

(b) The project will be accomplished by utilizing state employees or contracts with private vendors, or both.

(c) The total estimated cost of the project is $288,100.00.

(d) The tentative completion date is September 30, 2018.

Sec. 20-928. The department of treasury may provide receipt, warrant and cash processing, data, collection, investment, fiscal agent, levy and warrant cost assessment, writ of garnishment, and other user services on a contractual basis for other principal executive departments and state agencies. Funds for the services provided are appropriated and shall be expended for salaries and wages, fees, supplies, and equipment necessary to provide the services. Any unobligated balance of the funds received shall revert to the general fund of this state as of September 30.

Sec. 20-930. (1) The department of treasury shall provide accounts receivable collections services to other principal executive departments and state agencies under 1927 PA 375, MCL 14.131 to 14.134. The department of treasury shall deduct a fee equal to the cost of collections from all receipts except unrestricted general fund collections. Fees shall be credited to a restricted revenue account and appropriated to the department of treasury to pay for the cost of collections. The department of treasury shall maintain accounting records in sufficient detail to enable the respective accounts to be reimbursed periodically for fees deducted that are determined by the department of treasury to be surplus to the actual cost of collections.

(2) The department of treasury shall submit a report for the immediately preceding fiscal year to the state budget director and the senate and house fiscal agencies not later than November 30 stating the principal executive departments and state agencies served, funds collected, and costs of collection under subsection (1).

Sec. 20-931. (1) The appropriation in part 1 to the department of treasury for treasury fees shall be assessed against all restricted funds that receive common cash earnings or other investment income. Treasury fees include all costs, including administrative overhead, relating to the investment of each restricted fund. The fee assessed against each restricted fund will be based on the size of the restricted fund (the absolute value of the average daily cash balance plus the market value of investments in the prior fiscal year) and the level of effort necessary to maintain the restricted fund as required by each department. The department of treasury shall provide a report to the state budget director, the senate and house of representatives standing committees on appropriations subcommittees on general government, and the senate and house fiscal agencies by November 30 of each year identifying the fees assessed against each restricted fund and the methodology used for assessment.

(2) In addition to the funds appropriated in part 1, the department of treasury may receive and expend investment fees relating to new restricted funding sources that participate in common cash earnings or other investment income during the current fiscal year. When a new restricted fund is created starting on or after October 1, that restricted fund shall be assessed a fee using the same criteria identified in subsection (1).

Sec. 20-932. Revenue received under the Michigan education trust act, 1986 PA 316, MCL 390.1421 to 390.1442, may be expended by the board of directors of the Michigan education trust for necessary salaries, wages, supplies, contractual services, equipment, worker's compensation insurance premiums, and grants to the civil service commission and state employees' retirement fund.

Sec. 20-934. The department of treasury may expend revenues received under the hospital finance authority act, 1969 PA 38, MCL 331.31 to 331.84, the shared credit rating act, 1985 PA 227, MCL 141.1051 to 141.1076, the higher education facilities authority act, 1969 PA 295, MCL 390.921 to 390.934, the Michigan public educational facilities authority, Executive Reorganization Order No. 2002-3, MCL 12.192, the Michigan tobacco settlement finance authority act, 2005 PA 226, MCL 129.261 to 129.279, the land bank fast track act, 2003 PA 258, MCL 124.751 to 124.774, part 505 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.50501 to 324.50522, the state housing development authority act of 1966, 1966 PA 346, MCL 125.1401 to 125.1499c, and the Michigan finance authority, Executive Reorganization Order No. 2010-2, MCL 12.194, for necessary salaries, wages, supplies, contractual services, equipment, worker's compensation insurance premiums, grants to the civil service commission and state employees' retirement fund, and other expenses as allowed under those acts.

Sec. 20-935. The funds appropriated in part 1 for dual enrollment payments for an eligible student enrolled in a state-approved nonpublic school shall be distributed as provided under the postsecondary enrollment options act, 1996 PA 160, MCL 388.511 to 388.524, and the career and technical preparation act, 2000 PA 258, MCL 388.1901 to 388.1913, in a form and manner as determined by the department of treasury.

Sec. 20-945. The appraisal quality assurance project manager of the department of treasury shall conduct a review of local unit assessment administration practices, procedures, and records, also known as the audit of minimal assessing requirements, in at least 1 assessment jurisdiction per county.

Sec. 20-946. Revenue collected in the convention facility development fund is appropriated and shall be distributed under section 8 and section 9 of the state convention facility development act, 1985 PA 106, MCL 207.628 and 207.629.

Sec. 20-947. Financial independence teams shall cooperate with the fiscal responsibility section to coordinate and streamline efforts in identifying and addressing fiscal emergencies in school districts and intermediate school districts.

Sec. 20-949. (1) From the funds appropriated in part 1, the department of treasury may contract with private agencies to prevent the disbursement of fraudulent tax refunds. In addition to the amounts appropriated in part 1 to the department of treasury, there are appropriated amounts necessary to pay contract costs or fund operations designed to reduce fraudulent income tax refund payments not to exceed $1,600,000.00 of the refunds identified as potentially fraudulent and for which payment of the refund is denied. The appropriation to fund fraud prevention efforts is from the fund or account to which the revenues being collected are recorded or dedicated.

(2) The department of treasury shall submit a report for the immediately preceding fiscal year ending September 30 to the state budget director and the senate and house of representatives standing committees on appropriations not later than November 30 stating the number of refund claims denied due to the fraud prevention operations, the amount of refunds denied, the costs of the fraud prevention operations, and other pertinent information relating to determining whether this authority should be continued.

Sec. 20-949b. (1) From the funds appropriated in part 1 for the city income tax administration program, the department of treasury shall administer the city income tax administration program.

(2) The department of treasury shall identify specific outcomes and performance measures for this initiative, including, but not limited to, the treasury’s ability to track and reduce fraudulent returns by expanding compliance and enforcement services. This will benefit cities in this state by allowing the taxpayer to e-file the city return as part of the state return.

Sec. 20-949e. From the funds appropriated in part 1 for the state essential services assessment program, the department of treasury shall administer the state essential services assessment program. The program will provide the department the ability to collect the state essential services assessment which is a phased-in replacement of locally

collected personal property taxes on eligible manufacturing personal property.

Sec. 20-949f. Revenue from the tobacco products tax act, 1993 PA 327, MCL 205.421 to 205.436, related to counties with a 2000 population of more than 2,000,000 is appropriated and shall be distributed under section 12(4)(d) of the tobacco products tax act, 1993 PA 327, MCL 205.432.

**REVENUE SHARING**

Sec. 20-950. The funds appropriated in part 1 for constitutional revenue sharing shall be distributed by the department of treasury to cities, villages, and townships, as required under section 10 of article IX of the state constitution of 1963. Revenue collected in accordance with section 10 of article IX of the state constitution of 1963 in excess of the amount appropriated in part 1 for constitutional revenue sharing is appropriated for distribution to cities, villages, and townships, on a population basis as required under section 10 of article IX of the state constitution of 1963.

Sec. 20-951. (1) The funds appropriated in part 1 for the competitive grant assistance program are to be used for assistance grants to cities, villages, townships, counties, authorities, school districts, intermediate school districts, public community colleges, and public universities to offset the costs associated with mergers, interlocal agreements, and cooperative efforts for those cities, villages, townships, counties, authorities, school districts, intermediate school districts, public community colleges, and public universities that elect to combine government operations. For an authority, school district, intermediate school district, public community college, or public university to qualify for grant funding under this section, the authority, school district, intermediate school district, public community college, or public university must combine operations with a city, village, township, or county. The department of treasury shall develop an application process and method of grant distribution.

(2) The unexpended funds appropriated in part 1 for the competitive grant assistance program are designated as work project appropriations and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditure for projects under this section until the projects have been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the projects is to provide incentive-based grants to recipients

under this section.

(b) The projects will be accomplished by grants to qualified governmental units.

(c) The total estimated cost of all projects is $11,000,000.00.

(d) The tentative completion date is September 30, 2021.

Sec. 20-952. (1) The funds appropriated in part 1 for city, village, and township revenue sharing are for grants to cities, villages, and townships such that, subject to fulfilling the requirements under subsection (3), each city, village, or township that received a payment under section 950(2) of 2009 PA 128 greater than $4,500.00 is eligible to receive a maximum of 78.51044% of its total payment received under section 950(2) of 2009 PA 128, rounded to the nearest dollar. For purposes of this subsection, any city, village, or township that completely merges with another city, village, or township will be treated as a single entity, such that when determining the eligible payment under section 950(2) of 2009 PA 128 for the combined single entity, the amount each of the merging local units received under section 950(2) of 2009 PA 128 is summed. In addition, any city or village that according to the 2010 federal decennial census is determined to have population in more than 1 county shall be treated as a single entity when determining the eligible payment under section 950(2) of 2009 PA 128.

(2) The funds appropriated in part 1 for the county incentive program are to be used for grants to counties such that each county is eligible to receive an amount equal to the amount by which the balance in its revenue sharing reserve fund under section 44a of the general property tax act, 1893 PA 206, MCL 211.44a, for the county's most recent fiscal year that ends prior to the January 1 of the state's fiscal year is less than the amount calculated under section 44a(14) of the general property tax act, 1893 PA 206, MCL 211.44a, for the county fiscal year that begins in the state's fiscal year. The amount calculated under this subsection shall be adjusted as necessary to reflect partial county fiscal years and prorated based on the total amount appropriated for distribution to all eligible counties. Except as otherwise provided under this subsection, payments under this subsection will be distributed to an eligible county subject to the county's fulfilling the requirements under subsection (3).

(3) For purposes of accountability and transparency, each eligible city, village, township, or county shall certify by December 1, or the first day of a payment month, that it has produced a citizen's guide of its most recent local finances, including a

recognition of its unfunded liabilities; a performance dashboard; a debt service report containing a detailed listing of its debt service requirements, including, at a minimum, the issuance date, issuance amount, type of debt instrument, a listing of all revenues pledged to finance debt service by debt instrument, and a listing of the annual payment amounts until maturity; and a projected budget report, including, at a minimum, the current fiscal year and a projection for the immediately following fiscal year. The projected budget report shall include revenues and expenditures and an explanation of the assumptions used for the projections. Each eligible city, village, township, or county shall include in any mailing of general information to its citizens the Internet website address location for its citizen's guide, performance dashboard, debt service report, and projected budget report or the physical location where these documents are available for public viewing in the city, village, township, or county clerk's office. Each city, village, township, and county applying for a payment under this subsection shall submit a copy of the citizen's guide, a copy of the performance dashboard, a copy of the debt service report, and a copy of the projected budget report to the department of treasury. The department of treasury shall develop detailed guidance for a city, village, township, or county to follow to meet the requirements of this subsection. The detailed guidance shall be posted on the department of treasury website and distributed to cities, villages, townships, and counties by October 1.

(4) City, village, and township revenue sharing payments and county incentive program payments are subject to the following conditions:

(a) The city, village, township, or county shall certify to the department that it has met the required criteria for subsection (3) and submitted the required citizen's guide, performance dashboard, debt service report, and projected budget report as required by subsection (3). A department of treasury review of the citizen's guide, dashboard, or reports is not required in order for a city, village, township, or county to receive a payment under subsection (1) or (2). The department shall develop a certification process and method for cities, villages, townships, and counties to follow.

(b) Subject to subdivisions (c), (d), and (e), if a city, village, township, or county meets the requirements of subsection (3), the city, village, township, or county shall receive its full potential payment under this section.

(c) Cities, villages, and townships eligible to receive a payment under subsection

(1) shall receive 1/6 of their eligible payment on the last business day of October, December, February, April, June, and August. Payments under subsection (1) shall be issued to cities, villages, and townships until the specified due date for subsection (3). After the specified due date for subsection (3), payments shall be made to a city, village, or township only if that city, village, or township has complied with subdivision (a).

(d) Payments under subsection (2) shall be issued to counties until the specified due date for subsection (3). After the specified due date for subsection (3), payments shall be made to a county only if that county has complied with subdivision (a).

(e) If a city, village, township, or county does not submit the required certification, citizen's guide, performance dashboard, debt service report, and projected budget report by December 1, or the first day of a payment month, the city, village, township, or county shall either defer or forfeit the payment in that payment month. In order to qualify for a deferred payment of any previously forfeited amounts, a city, village, township, or county shall submit the required certification, citizen's guide, performance dashboard, debt service report, and projected budget report by April 1. The deferred payments shall be paid on the last business day of August.

(f) Any city, village, township, or county that falsifies certification documents shall forfeit any future city, village, and township revenue sharing payments or county incentive program payments and shall repay to this state all payments it has received under this section.

(g) City, village, and township revenue sharing payments and county incentive program payments under this section shall be distributed on the last business day of October, December, February, April, June, and August.

(h) Payments distributed under this section may be withheld pursuant to sections 17a and 21 of the Glenn Steil state revenue sharing act of 1971, 1971 PA 140, MCL 141.917a and 141.921.

(5) The unexpended funds appropriated in part 1 for city, village, and township revenue sharing and the county incentive program shall be available for expenditure under the program for financially distressed cities, villages, and townships after the approval of transfers by the legislature pursuant to section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

Sec. 20-955. (1) The funds appropriated in part 1 for county revenue sharing shall be

distributed by the department of treasury to eligible counties pursuant to the Glenn Steil state revenue sharing act of 1971, 1971 PA 140, MCL 141.901 to 141.921.

(2) The department of treasury shall annually certify to the state budget director the amount each county is authorized to expend from its revenue sharing reserve fund.

Sec. 20-956. (1) The funds appropriated in part 1 for financially distressed cities, villages, and townships shall be granted by the department of treasury to cities, villages, and townships that have 1 or more conditions that indicate probable financial distress, as determined by the department of treasury. A city, village, or township with 1 or more conditions that indicate probable financial distress may apply in a manner determined by the department of treasury for a grant to pay for specific projects or services that move the city, village, or township toward financial stability. Grants are to be used for specific projects or services that move the city, village, or township toward financial stability. The city, village, or township may use, but is not limited to using, the grants under this section to make payments to reduce unfunded accrued liability; to repair or replace critical infrastructure and equipment owned or maintained by the city, village, or township; to reduce debt obligations; or for costs associated with a transition to shared services with another jurisdiction. The department of treasury shall award no more than $2,000,000.00 to any city, village, or township under this section.

(2) The department of treasury shall provide a report to the senate and house of representatives appropriations subcommittees on general government, the senate and house fiscal agencies, and the state budget office by March 31. The report shall include a list by grant recipient of the date each grant was approved, the amount of the grant, and a description of the project or projects that will be paid by the grant.

(3) The unexpended funds appropriated in part 1 for financially distressed cities, villages, and townships are designated as a work project appropriation, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditure for projects under this section until the projects have been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to provide assistance to financially distressed cities, villages, and townships under this section.

(b) The projects will be accomplished by grants to cities, villages, and townships

approved by the department of treasury.

(c) The total estimated cost of all projects is $5,000,000.00.

(d) The tentative completion date is September 30, 2021.

Sec. 20-957. (1) From the increased funds appropriated in part 1 for the competitive grant assistance program, the department shall provide assistance grants to cities, villages, townships, counties, authorities, school districts, intermediate school districts, public community colleges, and public universities that elect to combine government operations.

(2) The department shall identify specific outcomes and performance metrics for this initiative, including, but not limited to, the following:

(a) Grants awarded.

(b) Mergers of two or more governmental units.

(c) Consolidations of operations and/or existing services of two or more governmental units.

(d) Cooperative efforts between two or more governmental units.

**BUREAU OF STATE LOTTERY**

Sec. 20-960. In addition to the funds appropriated in part 1 to the bureau of state lottery, there is appropriated from state lottery fund revenues the amount necessary for, and directly related to, implementing and operating lottery games under the McCauley-Traxler-Law-Bowman-McNeely lottery act, 1972 PA 239, MCL 432.1 to 432.47, and activities under the Traxler-McCauley-Law-Bowman bingo act, 1972 PA 382, MCL 432.101 to 432.120, including expenditures for contractually mandated payments for vendor commissions, contractually mandated payments for instant tickets intended for resale, the contractual costs of providing and maintaining the online system communications network, and incentive and bonus payments to lottery retailers.

Sec. 20-964. For the bureau of the state lottery, there is appropriated 1% of the lottery's prior fiscal year's gross sales or $23,000,000.00, whichever is less, for promotion and advertising.

**CASINO GAMING**

Sec. 20-971. From the revenue collected by the Michigan gaming control board

regarding the total annual assessment of each casino licensee, $2,000,000.00 is appropriated and shall be deposited in the compulsive gaming prevention fund as described in section 12a(5) of the Michigan gaming control and revenue act, 1996 IL 1, MCL 432.212a.

Sec. 20-973. (1) Funds appropriated in part 1 for local government programs may be used to provide assistance to a local revenue sharing board referenced in an agreement authorized by the Indian gaming regulatory act, Public Law 100-497.

(2) A local revenue sharing board described in subsection (1) shall comply with the open meetings act, 1976 PA 267, MCL 15.261 to 15.275, and the freedom of information act, 1976 PA 442, MCL 15.231 to 15.246.

(3) A county treasurer is authorized to receive and administer funds received for and on behalf of a local revenue sharing board. Funds appropriated in part 1 for local government programs may be used to audit local revenue sharing board funds held by a county treasurer. This section does not limit the ability of local units of government to enter into agreements with federally recognized Indian tribes to provide financial assistance to local units of government or to jointly provide public services.

(4) A local revenue sharing board described in subsection (1) shall comply with all applicable provisions of any agreement authorized by the Indian gaming regulatory act, Public Law 100-497, in which the local revenue sharing board is referenced, including, but not limited to, the disbursal of tribal casino payments received under applicable provisions of the tribal-state class III gaming compact in which those funds are received.

(5) The director of the department of state police and the executive director of the Michigan gaming control board are authorized to assist the local revenue sharing boards in determining allocations to be made to local public safety organizations.

(6) The Michigan gaming control board shall submit a report by September 30 to the senate and house of representatives standing committees on appropriations and the state budget director on the receipts and distributions of revenues by local revenue sharing boards.

Sec. 20-974. If revenues collected in the state services fee fund are less than the amounts appropriated from the fund, available revenues shall be used to fully fund the appropriation in part 1 for casino gaming regulation activities before distributions are made to other state departments and agencies. If the remaining revenue in the fund is insufficient to fully fund appropriations to other state departments or agencies, the

shortfall shall be distributed proportionally among those departments and agencies.

Sec. 20-976. The executive director of the Michigan gaming control board may pay rewards of not more than $5,000.00 to a person who provides information that results in the arrest and conviction on a felony or misdemeanor charge for a crime that involves the horse racing industry. A reward paid pursuant to this section shall be paid out of the appropriation in part 1 for the racing commission.

Sec. 20-977. All appropriations from the Michigan agriculture equine industry development fund, except for the racing commission and laboratory analysis program appropriations, shall be reduced proportionately if revenues to the Michigan agriculture equine industry development fund decline during the fiscal year ending September 30, 2016 to a level lower than the amount appropriated in part 1.

Sec. 20-978. The Michigan gaming control board shall use actual expenditure data in determining the actual regulatory costs of conducting racing dates and shall provide that data to the senate and house appropriations subcommittees on agriculture and general government, the state budget office and the senate and house fiscal agencies. The Michigan gaming control board shall not be reimbursed for more than the actual regulatory cost of conducting race dates. In determining actual costs, the Michigan gaming control board shall take into account that each specific breed may require different regulatory mechanisms.

Sec. 20-979. In addition to the funds appropriated in part 1, the Michigan gaming control board may receive and expend state lottery fund revenue in an amount not to exceed $4,000,000.00 for necessary expenses incurred in the licensing and regulation of millionaire parties pursuant to Executive Order No. 2012-4. In accordance with section 8 of the Traxler-McCauley-Law-Bowman bingo act, 1972 PA 382, MCL 432.108, the amount of necessary expenses shall not exceed the amount of revenue received under that act. The Michigan gaming control board shall provide a report to the senate and house of representatives appropriations subcommittees on general government, the senate and house fiscal agencies, and the state budget office by April 15. The report shall include, but not be limited to, total expenditures related to the licensing and regulating of millionaire parties, steps taken to ensure charities are receiving revenue due to them, progress on promulgating rules to ensure compliance with the Traxler-McCauley-Law-Bowman bingo act, 1972 PA 382, MCL 432.101 to 432.120, and any enforcement actions taken.

**STATE BUILDING AUTHORITY**

Sec. 20-1100. (1) Subject to section 242 of the management and budget act, 1984 PA 431, MCL 18.1242, and upon the approval of the state building authority, the department of treasury may expend from the general fund of the state during the fiscal year an amount to meet the cash flow requirements of those state building authority projects solely for lease to a state agency identified in both part 1 and this section, and for which state building authority bonds or notes have not been issued, and for the sole acquisition by the state building authority of equipment and furnishings for lease to a state agency as permitted by 1964 PA 183, MCL 830.411 to 830.425, for which the issuance of bonds or notes is authorized by a legislative appropriation act that is effective for the fiscal year ending September 30, 2016. Any general fund advances for which state building authority bonds have not been issued shall bear an interest cost to the state building authority at a rate not to exceed that earned by the state treasurer's common cash fund during the period in which the advances are outstanding and are repaid to the general fund of the state.

(2) Upon sale of bonds or notes for the projects identified in part 1 or for equipment as authorized by a legislative appropriation act and in this section, the state building authority shall credit the general fund of the state an amount equal to that expended from the general fund plus interest, if any, as defined in this section.

(3) For state building authority projects for which bonds or notes have been issued and upon the request of the state building authority, the state treasurer shall make advances without interest from the general fund as necessary to meet cash flow requirements for the projects, which advances shall be reimbursed by the state building authority when the investments earmarked for the financing of the projects mature.

(4) In the event that a project identified in part 1 is terminated after final design is complete, advances made on behalf of the state building authority for the costs of final design shall be repaid to the general fund in a manner recommended by the director.

Sec. 20-1102. (1) State building authority funding to finance construction or renovation of a facility that collects revenue in excess of money required for the operation of that facility shall not be released to a university or community college unless the institution agrees to reimburse that excess revenue to the state building authority. The excess revenue shall be credited to the general fund to offset rent obligations associated with the retirement of bonds issued for that facility. The auditor

general shall annually identify and present an audit of those facilities that are subject to this section. Costs associated with the administration of the audit shall be charged against money recovered pursuant to this section.

(2) As used in this section, "revenue" includes state appropriations, facility opening money, other state aid, indirect cost reimbursement, and other revenue generated by the activities of the facility.

Sec. 20-1103. The state building authority shall provide to the JCOS and senate and house fiscal agencies a report relative to the status of construction projects associated with state building authority bonds as of September 30 of each year, on or before October 15, or not more than 30 days after a refinancing or restructuring bond issue is sold. The report shall include, but is not limited to, the following:

(a) A list of all completed construction projects for which state building authority bonds have been sold, and which bonds are currently active.

(b) A list of all projects under construction for which sale of state building authority bonds is pending.

(c) A list of all projects authorized for construction or identified in an appropriations act for which approval of schematic/preliminary plans or total authorized cost is pending that have state building authority bonds identified as a source of financing.

## Article 21

## MISCELLANEOUS

PART 1

PROVISIONS CONCERNING APPROPRIATIONS

Sec. 21-101. The appropriations in this article are subject to the following provisions concerning appropriations for the fiscal year ending September 30, 2017:

**GENERAL SECTIONS**

Sec. 21-201. (1) Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state sources for fiscal year 2016-2017 is estimated at $16,863,112,300.00 in the 2016-2017 appropriations acts and total state spending from state sources paid to local units of government for fiscal year 2016-2017 is estimated at $4,623,757,400.00. The state-local proportion is estimated at 55.4% of total state spending from state resources.

(2) If payments to local units of government and state spending from state sources for fiscal year 2016-2017 are different than the amounts estimated in subsection (1), the state budget director shall report the payments to local units of government and state spending from state sources that were made for fiscal year 2016-2017 to the senate and house of representatives standing committees on appropriations within 30 days after the final book-closing for fiscal year 2016-2017.

Sec. 21-202. The appropriations authorized under this article are subject to the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

Sec. 21-211. (1) Pursuant to section 352 of the management and budget act, 1984 PA 431, MCL 18.1352, which provides for a transfer of state general fund revenue into or out of the countercyclical budget and economic stabilization fund, the calculations required by section 352 of the management and budget act, 1984 PA 431, MCL 18.1352, are determined as follows:

| | 2015 | 2016 | 2017 |
|---|---|---|---|
| Michigan personal income (millions) | $420,279 | $438,771 | $457,200 |
| less: transfer payments | 91,444 | 95,376 | 99,573 |
| Subtotal | $328,835 | $343,395 | $357,627 |
| Divided by: Detroit Consumer Price Index for 12 months ending June 30 | 2.195 | 2.204 | 2.248 |
| Equals: real adjusted Michigan Personal income | $149,811 | $155,821 | $159,097 |
| Percentage change | N/A | 4.0% | 2.1% |
| Growth rate in excess of 2%? | N/A | 2.0% | 0.1% |
| Equals: countercyclical budget and economic stabilization fund pay-in | | | |

| | | | |
|---|---|---|---|
| calculation for the fiscal year ending | | | |
| September 30, 2017 (millions) ..... | N/A | $196.9 | 10.2 |
| Growth rate less than 0%? ..... | N/A | NO | NO |
| Equals: countercyclical budget and | | | |
| economic stabilization fund pay-out | | | |
| calculation for the fiscal year ending | | | |
| September 30, 2017 (millions) ..... | N/A | N/A | $0.0 |

(2) Notwithstanding subsection (1), there is appropriated for the fiscal year ending September 30, 2017, from general fund/general purpose revenue for deposit into the countercyclical budget and economic stabilization fund the sum of $0.

(3) In addition to the appropriation to the countercyclical budget and economic stabilization fund in subsection (2), there is appropriated to the fund for the fiscal year ending September 30, 2017, 25 percent of fiscal year 2016 general fund-general purpose unassigned fund balance recorded as part of the state book closing process for the 2016 fiscal year.

REVENUE STATEMENT

Sec. 21-301. Pursuant to section 18 of article V of the state constitution of 1963, fund balances and estimates are presented in the following statement:

BUDGET RECOMMENDATIONS BY OPERATING FUNDS

(Amounts in millions)

Fiscal Year 2016-2017

| | Fund | Beginning Available Balance | Estimated Revenue | Ending Balance |
|---|---|---|---|---|
| OPERATING FUNDS | | | | |
| General fund/general purpose | 0110 | 152.9 | 9,893.9 | 14.9 |
| General fund/special purpose | | 875.0 | 28,609.1 | 664.2 |
| Special Revenue Funds: | | | | |
| Countercyclical budget and economic stabilization | 0111 | 611.0 | 17.9 | 628.9 |

| | | | | | |
|---|---|---|---|---|---|
| Game and fish protection | 0112 | 3.5 | 82.9 | 3.7 |
| Michigan employment security act administration | 0113 | 0.0 | 42.1 | 0.0 |
| State aeronautics | 0114 | 2.7 | 17.6 | 0.0 |
| Michigan veterans' benefit trust | 0115 | 0.0 | 3.7 | 0.0 |
| State trunkline | 0116 | 0.0 | 1,001.5 | 0.0 |
| Michigan state waterways | 0117 | 8.2 | 30.8 | 6.5 |
| Blue Water Bridge | 0118 | 18.9 | 23.6 | 0.0 |
| Michigan transportation | 0119 | 0.0 | 2,514.9 | 0.0 |
| Comprehensive transportation | 0120 | 3.8 | 316.7 | 0.0 |
| School aid | 0122 | 47.9 | 12,527.6 | 15.4 |
| 21st Century Jobs Fund | 0383 | 81.6 | 75.0 | 65.9 |
| Detroit Public Schools Trust Fund | NEW | 0.0 | 72.0 | 0.0 |
| Game and fish protection trust | 0124 | 0.0 | 15.9 | 0.0 |
| State park improvement | 0125 | 12.6 | 57.5 | 7.9 |
| Forest development | 0126 | 12.7 | 40.9 | 8.2 |
| Michigan natural resources trust | 0129 | 13.4 | 32.9 | 30.6 |
| Michigan state parks endowment | 0130 | 0.5 | 40.9 | 0.5 |
| Safety education and training | 0131 | 5.2 | 9.6 | 4.5 |
| Bottle deposit | 0136 | 5.7 | 14.9 | 2.6 |
| State construction code | 0138 | 7.2 | 8.4 | 7.4 |
| Children's trust | 0139 | 1.8 | 1.2 | 1.2 |
| State casino gaming | 0140 | 1.7 | 0.3 | 2.0 |
| Michigan nongame fish and wildlife | 0143 | 0.4 | 0.5 | 0.3 |
| Michigan merit award trust | 0154 | 48.7 | 28.6 | 0.0 |
| Outdoor recreation legacy | 0162 | 1.1 | 3.0 | 1.1 |
| Off-road vehicle account | 0163 | 5.7 | 7.2 | 5.4 |
| Snowmobile account | 0164 | 5.6 | 11.6 | 5.5 |
| Silicosis dust disease and logging | 0870 | 1.4 | 0.9 | 1.2 |
| Utility consumer representation | 0893 | 1.6 | 1.2 | 1.5 |
| TOTALS | | $1,930.8 | $55,504.8 | $1,479.4 |