

No. 112
STATE OF MICHIGAN
Journal of the Senate
94th Legislature
REGULAR SESSION OF 2007

Senate Chamber, Lansing, Monday, October 29, 2007.

10:00 a.m.

The Senate was called to order by the President pro tempore, Senator Randy Richardville.

The roll was called by the Secretary of the Senate, who announced that a quorum was present.

Allen—present
Anderson—present
Barcia—present
Basham—present
Birkholz—present
Bishop—present
Brater—present
Brown—present
Cassis—present
Cherry—present
Clark-Coleman—present
Clarke—present
Cropsey—present

Garcia—present
George—present
Gilbert—present
Gleason—present
Hardiman—present
Hunter—present
Jacobs—present
Jansen—present
Jelinek—present
Kahn—present
Kuipers—present
McManus—present
Olshove—present

Pappageorge—present
Patterson—present
Prusi—present
Richardville—present
Sanborn—present
Schauer—present
Scott—present
Stamas—present
Switalski—present
Thomas—present
Van Woerkom—present
Whitmer—present

Reverend Dr. William M. Beachy of Trinity United Methodist Church of Delta Township offered the following invocation:

Almighty God, Maker of heaven and earth, Creator of the universe, author of life, we invite Your presence here today in this place. You know that there is a legislative session about to begin. There are motions to be made, statements provided that will be of opposing viewpoints, and comments presented in support. There will be differences of opinion, perspectives that are resisted, votes that are taken, and legislation enacted—all of which in some fashion impacts the people who live in the state of Michigan.

God, these civil servants carry a great weight of responsibility. They represent thousands, even hundreds of thousands of constituents, and collectively, millions of people. Help them to be considerate of one another, to defend those persons who are defenseless, to help those individuals who are helpless, and to make decisions, difficult as they may be, with a collective wisdom that puts others before self.

In these brief moments, for all of us, would You create a clean heart and a right spirit so that good may be brought for all people in our state as well as our nation. May there be harmony, unity, and a certain selflessness that comes only from Your grace.

In the name of Christ. Amen.

The President pro tempore, Senator Richardville, led the members of the Senate in recital of the *Pledge of Allegiance*.

Motions and Communications

Senator Garcia entered the Senate Chamber.

Senator Cropsey moved that rule 2.106 be suspended to allow conference committees to meet during Senate session. The motion prevailed, a majority of the members serving voting therefor.

Recess

Senator Cropsey moved that the Senate recess until 11:10 a.m. The motion prevailed, the time being 10:04 a.m.

The Senate reconvened at the expiration of the recess and was called to order by the President pro tempore, Senator Richardville.

During the recess, Senators Stamas, Hunter, Brater, Patterson, Gilbert, Sanborn, Thomas and Kahn entered the Senate Chamber.

The Secretary announced that the following House bill was received in the Senate and filed on Thursday, October 25:
House Bill No. 5102

The Secretary announced the enrollment printing and presentation to the Governor on Thursday, October 25, for her approval the following bills:

Enrolled Senate Bill No. 16 at 11:23 a.m.

Enrolled Senate Bill No. 348 at 11:25 a.m.

Enrolled Senate Bill No. 350 at 11:27 a.m.

Enrolled Senate Bill No. 347 at 11:29 a.m.

The Secretary announced that the following official bills were printed on Thursday, October 25, and are available at the legislative website:

Senate Bill Nos. 842 843 844 845

**House Bill Nos. 5342 5343 5344 5345 5346 5347 5348 5349 5350 5351 5352 5353 5354 5355
5356 5357 5358 5359 5360 5361 5362**

The Secretary announced that the following official bills and joint resolution were printed on Friday, October 26, and are available at the legislative website:

Senate Bill Nos. 846 847 848 849 850 851 852 853 854 855 856

Senate Joint Resolution J**House Bill Nos. 5363 5364 5365 5366 5367 5368 5369 5370 5371 5372 5373 5374****Messages from the Governor**

Senator Cropsey moved that consideration of the following bill be postponed for today:

Senate Bill No. 436

The motion prevailed.

The following messages from the Governor were received and read:

October 26, 2007

I respectfully submit to the Senate, pursuant to Section 6 of Article 5 of the Michigan Constitution of 1963, the following appointment to state office under Section 3 of the Firefighters Training Council Act, 1966 PA 291, MCL 29.363:

Fire Fighters Training Council

Mr. Michael R. Cousins of 1362 South Miller Road, Saginaw, Michigan 48609, county of Saginaw, succeeding William D. Anderson, whose term has expired, representing the Michigan Fire Service Instructors Association, for a term commencing October 26, 2007 and expiring December 31, 2010.

October 26, 2007

I respectfully submit to the Senate, pursuant to Section 6 of Article 5 of the Michigan Constitution of 1963, the following appointment and reappointment to state office under Section 78102 of the Natural Resources and Environmental Protection Act, 1994 PA 451, MCL 324.78102:

Michigan State Waterways Commission

Mr. Michael J. Bryanton of 523 Bainbridge Drive, #42, East Lansing, Michigan 48823, county of Ingham, succeeding Todd A. Wyett, whose term has expired, representing the general public, for a term commencing October 26, 2007 and expiring September 18, 2010.

Mr. Glen Dennis Bailey of 30024 East Maxton, Drummond Island, Michigan 49726, county of Chippewa, reappointed to represent persons residing north of townline 16 in the Upper Peninsula and individuals who own or operate a harbor or marina, for a term expiring September 18, 2010.

Sincerely,
Jennifer M. Granholm
Governor

The appointments were referred to the Committee on Government Operations and Reform.

Messages from the House

Senator Cropsey moved that consideration of the following bills be postponed for today:

Senate Bill No. 53**House Bill No. 4120****Senate Bill No. 79**

The motion prevailed.

Senate Bill No. 403, entitled

A bill to amend 1976 PA 451, entitled "The revised school code," by amending section 1278b (MCL 380.1278b), as amended by 2006 PA 623.

The House of Representatives has passed the bill, ordered that it be given immediate effect and pursuant to Joint Rule 20, inserted the full title.

The question being on concurring in the committee recommendation to give the bill immediate effect,

The recommendation was concurred in, 2/3 of the members serving voting therefor.

The Senate agreed to the full title.

The bill was referred to the Secretary for enrollment printing and presentation to the Governor.

Senate Bill No. 571, entitled

A bill to amend 1976 PA 451, entitled "The revised school code," by amending sections 1311 and 1311a (MCL 380.1311 and 380.1311a), section 1311 as amended by 1999 PA 23 and section 1311a as amended by 2000 PA 230.

The House of Representatives has passed the bill, ordered that it be given immediate effect and pursuant to Joint Rule 20, inserted the full title.

The question being on concurring in the committee recommendation to give the bill immediate effect,

The recommendation was concurred in, 2/3 of the members serving voting therefor.

The Senate agreed to the full title.

The bill was referred to the Secretary for enrollment printing and presentation to the Governor.

By unanimous consent the Senate proceeded to the order of

General Orders

Senator Cropsey moved that the Senate resolve itself into the Committee of the Whole for consideration of the General Orders calendar.

The motion prevailed, and the President pro tempore, Senator Richardville, designated Senator Allen as Chairperson.

After some time spent therein, the Committee arose; and, the President pro tempore, Senator Richardville, having resumed the Chair, the Committee reported back to the Senate, favorably and without amendment, the following bills:

Senate Bill No. 630, entitled

A bill to amend 2001 PA 142, entitled "Michigan memorial highway act," (MCL 250.1001 to 250.2080) by adding section 93.

Senate Bill No. 679, entitled

A bill to amend 1986 PA 32, entitled "Emergency telephone service enabling act," by amending section 717 (MCL 484.1717), as amended by 2006 PA 249; and to repeal acts and parts of acts.

Senate Bill No. 815, entitled

A bill to amend 1986 PA 32, entitled "Emergency telephone service enabling act," by amending section 401 (MCL 484.1401), as amended by 2006 PA 249.

The bills were placed on the order of Third Reading of Bills.

Resolutions

Senator Cropsey moved that consideration of the following resolutions be postponed for today:

Senate Resolution No. 101**Senate Concurrent Resolution No. 20****Senate Resolution No. 119**

The motion prevailed.

Senate Resolution No. 113.

A resolution to urge the Federal Emergency Management Agency to reject proposed revisions to existing flood insurance rate maps in the state of Michigan.

The question being on the adoption of the resolution,

The resolution was adopted.

Senators Kahn, Kuipers, Jacobs, Jansen, Thomas, Anderson, Barcia, Olshove, Brown, Sanborn, Gilbert, Gleason, Pappageorge, Jelinek, Clarke, Van Woerkom and Brater offered the following resolution:

Senate Resolution No. 122.

A resolution to urge state departments, universities, community colleges, and local units of government not to invest or deposit any funds in any business, legal, or governmental entity or institution that is engaged in business with known state sponsors of terror or has facilities in these countries.

Whereas, In recent years, there have been numerous terrorist attacks in locations such as New York, Washington, D.C., Madrid, London, and Yemen, as well as in Iraq and Afghanistan. The United States Secretary of State has determined

that certain countries have repeatedly provided support for acts of international terrorism, and such a country is known as a state sponsor of terror. State and local funds should not be invested in companies that do business or have facilities in countries that have been identified by the United States Secretary of State as state sponsors of terror; and

Whereas, A number of states have taken steps to urge or to prohibit investment or deposit of funds in companies that do business or have facilities in countries that have been identified as state sponsors of terror. It is important that states place pressure on such countries to stop supporting terrorism. Support of terrorism represents a grave threat to the security of the United States and to the residents of the state of Michigan. In the same manner, state and local agencies should not invest or deposit funds in countries which have been identified as state sponsors of terror. Twenty-eight states are considering legislation and six states have passed disinvestment legislation; now, therefore, be it

Resolved by the Senate, That we urge state departments, universities, community colleges, and local units of government not to invest or deposit any funds in any business, legal, or governmental entity or institution that is engaged in business with known state sponsors of terror or has facilities in these countries; and be it further

Resolved, That copies of this resolution be transmitted to state departments, universities, community colleges, and local government associations.

Pending the order that, under rule 3.204, the resolution be referred to the Committee on Government Operations and Reform,

Senator Cropsey moved that the rule be suspended.

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

The question being on the adoption of the resolution,

Senator Cropsey moved that the resolution be referred to the Committee on Homeland Security and Emerging Technologies.

The motion prevailed.

Senators Birkholz, Cassis, Hunter, Richardville, Schauer and Switalski were named co-sponsors of the resolution.

Senators Kahn, Kuipers, Jacobs, Jansen, Thomas, Anderson, Barcia, Olshove, Brown, Sanborn, Gilbert, Gleason, Pappageorge, Jelinek, Clarke, Van Woerkom and Brater offered the following concurrent resolution:

Senate Concurrent Resolution No. 21.

A concurrent resolution to urge state departments, universities, community colleges, and local units of government not to invest or deposit any funds in any business, legal, or governmental entity or institution that is engaged in business with known state sponsors of terror or has facilities in these countries.

Whereas, In recent years, there have been numerous terrorist attacks in locations such as New York, Washington, D.C., Madrid, London, and Yemen, as well as in Iraq and Afghanistan. The United States Secretary of State has determined that certain countries have repeatedly provided support for acts of international terrorism, and such a country is known as a state sponsor of terror. State and local funds should not be invested in companies that do business or have facilities in countries that have been identified by the United States Secretary of State as state sponsors of terror; and

Whereas, A number of states have taken steps to urge or to prohibit investment or deposit of funds in companies that do business or have facilities in countries that have been identified as state sponsors of terror. It is important that states place pressure on such countries to stop supporting terrorism. Support of terrorism represents a grave threat to the security of the United States and to the residents of the state of Michigan. In the same manner, state and local agencies should not invest or deposit funds in countries which have been identified as state sponsors of terror. Twenty-eight states are considering legislation and six states have passed disinvestment legislation; now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That we urge state departments, universities, community colleges, and local units of government not to invest or deposit any funds in any business, legal, or governmental entity or institution that is engaged in business with known state sponsors of terror or has facilities in these countries; and be it further

Resolved, That copies of this resolution be transmitted to state departments, universities, community colleges, and local government associations.

Pending the order that, under rule 3.204, the concurrent resolution be referred to the Committee on Government Operations and Reform,

Senator Cropsey moved that the rule be suspended.

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

The question being on the adoption of the concurrent resolution,

Senator Cropsey moved that the concurrent resolution be referred to the Committee on Homeland Security and Emerging Technologies.

The motion prevailed.

Senators Birkholz, Cassis, Hunter, Richardville, Schauer and Switalski were named co-sponsors of the concurrent resolution.

Introduction and Referral of Bills

Senator Allen introduced

Senate Bill No. 857, entitled

A bill to amend 1937 PA 94, entitled "Use tax act," by amending section 3d (MCL 205.93d), as added by 2007 PA 93. The bill was read a first and second time by title and referred to the Committee on Finance.

Senators Van Woerkom, Birkholz, Patterson, Sanborn, Richardville, Jansen, George, Pappageorge, Allen, Kahn, Cropsey, Hardiman, Garcia, Jelinek, Gilbert and Bishop introduced

Senate Bill No. 858, entitled

A bill to amend 1976 PA 399, entitled "Safe drinking water act," by amending section 4 (MCL 325.1004), as amended by 2006 PA 601.

The bill was read a first and second time by title and referred to the Committee on Natural Resources and Environmental Affairs.

Senators Patterson, Birkholz, Van Woerkom, Sanborn, Richardville, George, Pappageorge, Jansen, Allen, Kahn, Cropsey, Hardiman, Garcia, Jelinek, Gilbert and Bishop introduced

Senate Bill No. 859, entitled

A bill to amend 1994 PA 451, entitled "Natural resources and environmental protection act," by amending section 32713 (MCL 324.32713), as amended by 2006 PA 33.

The bill was read a first and second time by title and referred to the Committee on Natural Resources and Environmental Affairs.

Senators Birkholz, Van Woerkom, Patterson, Sanborn, Richardville, Jansen, George, Pappageorge, Allen, Kahn, Cropsey, Hardiman, Garcia, Jelinek, Gilbert and Bishop introduced

Senate Bill No. 860, entitled

A bill to amend 1994 PA 451, entitled "Natural resources and environmental protection act," by amending sections 32701, 32705, 32706, 32707, 32709, 32710, 32721, 32722, 32724, and 32725 (MCL 324.32701, 324.32705, 324.32706, 324.32707, 324.32709, 324.32710, 324.32721, 324.32722, 324.32724, and 324.32725), sections 32701 and 32707 as amended and sections 32721, 32722, and 32724 as added by 2006 PA 33, section 32705 as amended by 2006 PA 35, section 32706 as amended by 1996 PA 434, sections 32709 and 32710 as added by 1995 PA 59, and section 32725 as added by 2006 PA 36, and by adding sections 32706a, 32706b, and 32706c.

The bill was read a first and second time by title and referred to the Committee on Natural Resources and Environmental Affairs.

Senators Van Woerkom, Jelinek, Richardville, Birkholz, Whitmer, Gleason, Cherry, Thomas and Barcia introduced

Senate Bill No. 861, entitled

A bill to authorize the creation of promise zones and implementation of promise zone development plans; to provide for the creation of promise zone authorities; to prescribe the powers and duties of promise zone authorities; to provide for the capture and disbursement of certain tax revenue; and to prescribe powers and duties of certain state and local officials.

The bill was read a first and second time by title and referred to the Committee on Education.

House Bill No. 5102, entitled

A bill to amend 1972 PA 239, entitled "McCauley-Traxler-Law-Bowman-McNeely lottery act," by amending section 23 (MCL 432.23), as amended by 2004 PA 272.

The House of Representatives has passed the bill and ordered that it be given immediate effect.

The bill was read a first and second time by title and referred to the Committee on Economic Development and Regulatory Reform.

Statements

Senator Scott asked and was granted unanimous consent to make a statement and moved that the statement be printed in the Journal.

The motion prevailed.

Senator Scott's statement is as follows:

I'm going to read to you a statement that I gave to you a few days ago because I think if you had really heard me, you would have started taking up this bill, but maybe after the budget, you will. I begin my statements as I often do with a quote: "Outrageously unaffordable auto insurance is chasing people out of Detroit and other Michigan cities and practically forcing thousands of drivers to commit fraud to secure coverage at more reasonable rates or go without it." No, this is not the reflection of an activist or an author or a civil rights leader. This is a quote from an October 14, 2007, *Detroit Free Press* editorial which was prominently printed on the front page of Sunday's Opinion section.

I've read you dozens of e-mails from frustrated and angry drivers. I've lead thousands of folks to the Capitol to share their frustration. Now one of Detroit's major daily newspapers is telling you—with well over half-a-million readers statewide—in a 72-point headline to fix car insurance rates.

You have the tools to solve this problem before you. The question is: Are you listening? Are you listening?

Recess

Senator Cropsey moved that the Senate recess until 1:00 p.m.

The motion prevailed, the time being 11:34 a.m.

The Senate reconvened at the expiration of the recess and was called to order by the Associate President pro tempore, Senator Barcia.

Recess

Senator Cropsey moved that the Senate recess subject to the call of the Chair.

The motion prevailed, the time being 1:01 p.m.

1:16 p.m.

The Senate was called to order by the President pro tempore, Senator Richardville.

By unanimous consent the Senate returned to the order of

Third Reading of Bills

Senator Cropsey moved that the following bills be placed at the head of the Third Reading of Bills calendar:

House Bill No. 4234

House Bill No. 4725

The motion prevailed.

The following bill was read a third time:

House Bill No. 4234, entitled

A bill to amend 1982 PA 325, entitled "An act to authorize county sheriffs to declare a county jail overcrowding state of emergency; to prescribe the powers and duties of certain judges, county sheriffs, and other county officials; and to provide remedies for a county jail overcrowding state of emergency," (MCL 801.51 to 801.64) by adding sections 9a and 9b.

The question being on the passage of the bill,

The bill was passed, a majority of the members serving voting therefor, as follows:

Roll Call No. 435**Yeas—37**

Allen	Clark-Coleman	Jacobs	Prusi
Anderson	Clarke	Jansen	Richardville
Barcia	Cropsey	Jelinek	Sanborn
Basham	Garcia	Kahn	Schauer
Birkholz	George	Kuipers	Stamas
Bishop	Gilbert	McManus	Switalski
Brater	Gleason	Olshove	Thomas
Brown	Hardiman	Pappageorge	Van Woerkom
Cassis	Hunter	Patterson	Whitmer
Cherry			

Nays—0**Excused—0****Not Voting—1**

Scott

In The Chair: Richardville

The question being on concurring in the committee recommendation to give the bill immediate effect,
The recommendation was concurred in, 2/3 of the members serving voting therefor.
The Senate agreed to the title of the bill.

The following bill was read a third time:

House Bill No. 4725, entitled

A bill to amend 1982 PA 325, entitled “An act to authorize county sheriffs to declare a county jail overcrowding state of emergency; to prescribe the powers and duties of certain judges, county sheriffs, and other county officials; and to provide remedies for a county jail overcrowding state of emergency,” by amending sections 1, 2, 3, 4, 5, 8, 9, and 10 (MCL 801.51, 801.52, 801.53, 801.54, 801.55, 801.58, 801.59, and 801.60), sections 8 and 9 as amended by 1988 PA 399, and by adding section 1a.

The question being on the passage of the bill,

Senators Switalski and Sanborn offered the following amendments:

1. Amend page 3, line 2, after “**COUNTY**” by striking out the balance of the line through “**9A**” on line 4 and inserting “**DESCRIBED IN SUBSECTION (4)**”.

2. Amend page 4, following line 15, by inserting:

“(4) **SUBSECTIONS (1) TO (3) DO NOT APPLY TO EITHER OF THE FOLLOWING:**

(A) **A COUNTY FOR WHICH A COUNTY JAIL MANAGEMENT PLAN HAS BEEN APPROVED UNDER SECTION 9A.**

(B) **A COUNTY HAVING A POPULATION GREATER THAN 650,000 AS OF THE MOST RECENT FEDERAL DECENNIAL CENSUS THAT, ON THE EFFECTIVE DATE OF THIS SECTION, HAS IMPLEMENTED A WRITTEN JAIL MANAGEMENT PLAN IN WHICH THE BASIS OF THE PLAN IS JAIL BED ALLOCATION. THE EXCEPTION PROVIDED BY THIS SUBSECTION APPLIES ONLY AS LONG AS THAT PLAN REMAINS IN EFFECT.”.**

The amendments were adopted, a majority of the members serving voting therefor.

The question being on the passage of the bill,

The bill was passed, a majority of the members serving voting therefor, as follows:

Roll Call No. 436

Yeas—38

Allen	Clark-Coleman	Jansen	Richardville
Anderson	Clarke	Jelinek	Sanborn
Barcia	Cropsey	Kahn	Schauer
Basham	Garcia	Kuipers	Scott
Birkholz	George	McManus	Stamas
Bishop	Gilbert	Olshove	Switalski
Brater	Gleason	Pappageorge	Thomas
Brown	Hardiman	Patterson	Van Woerkom
Cassis	Hunter	Prusi	Whitmer
Cherry	Jacobs		

Nays—0

Excused—0

Not Voting—0

In The Chair: Richardville

The question being on concurring in the committee recommendation to give the bill immediate effect, The recommendation was concurred in, 2/3 of the members serving voting therefor. The Senate agreed to the title of the bill.

Recess

Senator Cropsey moved that the Senate recess subject to the call of the Chair. The motion prevailed, the time being 1:24 p.m.

2:22 p.m.

The Senate was called to order by the President pro tempore, Senator Richardville.

By unanimous consent the Senate returned to the order of

Conference Reports

Senator Cropsey moved that joint rule 9 be suspended to permit immediate consideration of the conference reports relative to the following bills:

- Senate Bill No. 231**
- Senate Bill No. 234**
- Senate Bill No. 235**
- Senate Bill No. 238**

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

Senator George submitted the following:

FIRST CONFERENCE REPORT

The Committee of Conference on the matters of difference between the two Houses concerning **Senate Bill No. 231, entitled**

A bill to make appropriations for the department of history, arts, and libraries for the fiscal year ending September 30, 2008; to provide for the expenditure of those appropriations; to provide for the disposition of fees and other income received by the state agencies; to create funds; to provide for the disbursement of certain grants; to provide for reports; to prescribe powers and duties of certain state departments and certain state and local agencies and officers; and to repeal acts and parts of acts.

Recommends:

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

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

A bill to make appropriations for the department of history, arts, and libraries for the fiscal year ending September 30, 2008; to provide for the expenditure of those appropriations; to provide for the disposition of fees and other income received by the state agencies; to create funds; to provide for the disbursement of certain grants; to provide for reports; and to prescribe powers and duties of certain state departments and certain state and local agencies and officers.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. Subject to the conditions set forth in this act, the amounts listed in this part are appropriated for the department of history, arts, and libraries for the fiscal year ending September 30, 2008, from the funds indicated in this part. The following is a summary of the appropriations in this part:

DEPARTMENT OF HISTORY, ARTS, AND LIBRARIES

APPROPRIATION SUMMARY:

Full-time equated unclassified positions	6.0	
Full-time equated classified positions	230.0	
GROSS APPROPRIATION		\$ 49,502,900
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers		139,200
ADJUSTED GROSS APPROPRIATION		\$ 49,363,700
Federal revenues:		
Total federal revenues		7,307,400
Special revenue funds:		
Total private revenues		112,400
Total other state restricted revenues		2,645,600
State general fund/general purpose		\$ 39,298,300

Sec. 102. DEPARTMENT OPERATIONS

Full-time equated unclassified positions	6.0	
Full-time equated classified positions	32.0	
Unclassified salaries		\$ 228,600
Management services—31.0 FTE positions.....		2,786,400
Building occupancy charges and rent		3,277,800
Worker’s compensation		9,000
Film office—1.0 FTE position		180,300
Human resources optimization user charges.....		16,500
GROSS APPROPRIATION		\$ 6,498,600

Appropriated from:

State general fund/general purpose		\$ 6,498,600
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Sec. 103. INFORMATION TECHNOLOGY

Information technology services and projects		\$ 1,099,200
GROSS APPROPRIATION		\$ 1,099,200

Appropriated from:

Mackinac Island state park fund		47,000
State general fund/general purpose		\$ 1,052,200

Sec. 104. COUNCIL FOR ARTS AND CULTURAL AFFAIRS

Full-time equated classified positions	5.0	
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	For Fiscal Year Ending Sept. 30, 2008
Administration—5.0 FTE positions.....	\$ 434,400
Arts and cultural grants.....	7,754,000
GROSS APPROPRIATION	\$ 8,188,400
Appropriated from:	
NFAH-NEA, promotion of the arts, partnership agreements	700,000
State general fund/general purpose	\$ 7,488,400
Sec. 105. MACKINAC ISLAND STATE PARK COMMISSION	
Full-time equated classified positions	39.0
Mackinac Island park operation—24.3 FTE positions.....	\$ 1,544,100
Historical facilities system—14.7 FTE positions	1,948,500
GROSS APPROPRIATION	\$ 3,492,600
Appropriated from:	
Federal funds	200,000
Mackinac Island state park operation fund.....	160,200
Mackinac Island state park fund	1,566,000
State general fund/general purpose	\$ 1,566,400
Sec. 106. MICHIGAN HISTORICAL PROGRAM	
Full-time equated classified positions	83.0
Historical administration and services—71.0 FTE positions	\$ 5,812,800
Federal programs—12.0 FTE positions	850,000
Heritage publications	700,000
Private grants and gifts	112,400
Thunder Bay national marine sanctuary and underwater preserve.....	202,000
Michigan history day	25,000
GROSS APPROPRIATION	\$ 7,702,200
Appropriated from:	
Interdepartmental grant revenues:	
IDG-MDOT, comprehensive transportation fund.....	3,800
IDG-MDOT, state aeronautics fund.....	2,300
IDG-MDOT, state trunkline fund	133,100
Federal revenues:	
DOI-NPS, historic preservation grants-in-aid.....	850,000
Special revenue funds:	
Private - grants and gifts	10,000
Private - Mann house trust fund.....	102,400
Game and fish protection fund.....	3,700
Heritage publication fund.....	700,000
Marine safety fund.....	400
Special revenue, internal service and pension trust	49,200
State lottery fund	19,100
State services fee fund	12,300
Waterways fund	800
State general fund/general purpose	\$ 5,815,100
Sec. 107. LIBRARY OF MICHIGAN	
Full-time equated classified positions	71.0
Book distribution centers	\$ 350,000
Collected gifts and fees.....	86,900
Library of Michigan operations—71.0 FTE positions	6,022,600
Library services and technology act.....	5,557,400
State aid to libraries.....	10,000,000
Subregional state aid.....	505,000
GROSS APPROPRIATION	\$ 22,521,900
Appropriated from:	
Library services and technology act.....	5,557,400
User fees	86,900
State general fund/general purpose	\$ 16,877,600

PART 2
PROVISIONS CONCERNING APPROPRIATIONS

GENERAL SECTIONS

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for fiscal year 2007-2008 is \$41,943,900.00 and state spending from state resources to be paid to local units of government for fiscal year 2007-2008 is \$11,536,300.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF HISTORY, ARTS, AND LIBRARIES

Arts and cultural grants.....	\$	1,031,300
State aid to libraries.....		10,000,000
Subregional state aid.....		505,000
Total department of history, arts, and libraries.....	\$	11,536,300

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

Sec. 203. As used in this appropriation act:

- (a) "Department" means the department of history, arts, and libraries.
- (b) "Director" means the director of the department of history, arts, and libraries.
- (c) "DOI-NPS" means the United States department of interior, national park service.
- (d) "Fiscal agencies" means the house fiscal agency and the senate fiscal agency.
- (e) "FTE" means full-time equated.
- (f) "IDG" means interdepartmental grant.
- (g) "MCACA" means the Michigan council for arts and cultural affairs.
- (h) "MDOT" means the Michigan department of transportation.
- (i) "NEA" means the national endowment for the arts.
- (j) "NFAH" means the national foundation of the arts and the humanities.
- (k) "Subcommittees" means all members of the appropriate subcommittees of the senate and house of representatives appropriations committees.

Sec. 204. The department of civil service shall bill the departments and agencies at the end of the first fiscal quarter for the 1% charge authorized by section 5 of article XI of the state constitution of 1963. Payments shall be made for the total amount of the billing by the end of the second fiscal quarter.

Sec. 205. (1) A hiring freeze is imposed on the state classified civil service. State departments and agencies are prohibited from hiring any new full-time state classified civil service employees and prohibited from filling any vacant state classified civil service positions. This hiring freeze does not apply to internal transfers of classified employees from 1 position to another within a department.

(2) The state budget director may grant exceptions to this hiring freeze when the state budget director believes that the hiring freeze will result in rendering a state department or agency unable to deliver basic services, cause a loss of revenue to the state, result in the inability of the state to receive federal funds, or would necessitate additional expenditures that exceed any savings from maintaining a vacancy. The state budget director shall report quarterly to the chairpersons of the senate and house of representatives standing committees on appropriations the number of exceptions to the hiring freeze approved during the previous quarter and the reasons to justify the exception.

Sec. 207. At least 60 days before beginning any effort to privatize, the department shall submit a complete project plan to the subcommittees and the fiscal agencies. The plan shall include the criteria under which the privatization initiative will be evaluated. The evaluation shall be completed and submitted to the fiscal agencies and to the subcommittees within 30 months.

Sec. 208. Unless otherwise specified, the department shall use the Internet to fulfill the reporting requirements of this act. 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. 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 should 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. 210. (1) The department shall report to the senate and house appropriation subcommittees on the budget for the department, the joint committee on administrative rules, and the senate and house fiscal agencies no later than April 1, 2008 on each specific policy change made to implement a public act affecting the department that took effect during the prior calendar year.

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

(3) As used in this section:

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

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

Sec. 211. The department shall establish and maintain affirmative action programs based on guidelines developed by the state equal opportunity workforce planning council which was created by Executive Order No. 1996-13 in order to receive general fund/general purpose dollars in compliance with section 26 of article I of the state constitution of 1963.

Sec. 213. From the funds appropriated in part 1 for information technology, the department shall pay user fees to the department of information technology for technology-related services and projects. The user fees shall be subject to provisions of an interagency agreement between the department and the department of information technology.

Sec. 214. Amounts appropriated in part 1 for information technology may be designated as work projects and carried forward to support technology projects under the direction of the department of information technology. Funds designated in this manner are not available for expenditure until approved as work projects under section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a.

Sec. 215. (1) The department may provide and enter into agreements to provide general services, training, meetings, information, special equipment, software, and 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. Fees for services shall be reasonably related to the cost of providing the services and shall be used to offset the costs of the services. The department may receive and expend funds in addition to those authorized in part 1 for the following:

(a) Supplying census-related information and technical services, publications, statistical studies, population projections and estimates, and other demographic products.

(b) Microfilming and other document and data imaging services, media, storage, and copies.

(c) Patron copier and document reproduction services and copies.

(d) Conferences, training classes, exhibits, programs, and workshops conducted as part of the department's mission.

(e) Use of specialized equipment, facilities, and software that permit distance learning and meetings, and group decision making.

(f) Special services including the rental of department exhibits and collections.

(g) Application fees.

(h) Grants, gifts, and bequests, including those for capital projects.

(2) The funds received under this section shall be deposited in and expended from the history, arts, and libraries fund established in section 216 of this act.

Sec. 216. (1) A fund known as the history, arts, and libraries fund is created in the department. The fund shall be used to receive and expend funds in addition to those authorized in part 1. All funds are allocated for expenditure upon receipt. The fund balance may be carried forward for expenditure in subsequent fiscal years.

(2) The department shall provide a report to the senate and house of representatives appropriations subcommittees on history, arts, and libraries of all revenues to and expenditures from the history, arts, and libraries fund. The report shall include an estimated fund balance for the fiscal year ending September 30, 2008. The report is due November 1, 2008.

Sec. 217. (1) Due to the current budgetary problems in this state, out-of-state travel shall be limited to situations in which 1 or more of the following conditions apply:

(a) The travel is required by legal mandate or court order or for law enforcement purposes.

(b) The travel is necessary to protect the health or safety of Michigan citizens or visitors or to assist other states in similar circumstances.

(c) The travel is necessary to produce budgetary savings or to increase state revenues, including protecting existing federal funds or securing additional federal funds.

(d) The travel is necessary to comply with federal requirements.

(e) The travel is necessary to secure specialized training for staff that is not available within this state.

(f) The travel is financed entirely by federal or nonstate funds.

(2) If out-of-state travel is necessary but does not meet 1 or more of the conditions in subsection (1), the state budget director may grant an exception to allow the travel. Any exceptions granted by the state budget director shall be reported on a monthly basis to the senate and house of representatives appropriations committees.

(3) Not later than January 1 of each year, each department shall prepare a travel report listing 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 chairs and members of the senate and house of representatives appropriations committees, the fiscal agencies, and the state budget director. The report shall include the following information:

(a) The name of each person receiving reimbursement for travel outside this state or whose travel costs were paid by this state.

- (b) The destination of each travel occurrence.
- (c) The dates of each travel occurrence.
- (d) A brief statement of the reason for each travel occurrence.
- (e) 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.
- (f) A total of all out-of-state travel funded for the immediately preceding fiscal year.

Sec. 218. It is the intent of the legislature to explore supplemental fund sourcing options for the department of history, arts, and libraries.

Sec. 219. The department shall not take disciplinary action against an employee for communicating with a member of the legislature or his or her staff.

Sec. 220. The department shall publish the proposed minutes of the Michigan film advisory commission on the Internet within 8 business days after the meeting to which the minutes refer. Approved minutes of the Michigan film advisory commission shall be posted on the Internet within 8 business days after their approval.

Sec. 222. The director shall take all reasonable steps to ensure businesses in deprived and depressed communities compete for and perform contracts to provide services or supplies, or both. The director shall strongly encourage firms with which the department contracts to subcontract with certified businesses in depressed and deprived communities for services, supplies, or both.

Sec. 223. 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 or for those activities that the attorney general authorizes.

Sec. 224. (1) The department of history, arts, and libraries shall collaborate with the state board of education, the department of human services, the department of community health, and the department of labor and economic growth to extend the duration of the Michigan after-school partnership, and oversee its efforts to implement the policy recommendations and strategic next steps identified in the Michigan after-school initiative's report of December 15, 2003.

(2) From the funds appropriated in part 1, \$25,000.00 may be used to support the Michigan after-school partnership. Funds shall be used to leverage other private and public funding to engage the public and private sectors in building and sustaining high-quality out-of-school-time programs and resources. The co-chairs, representing the department, the state board of education, the department of human services, the department of labor and economic growth, and the department of community health shall name a fiduciary agent and may authorize the fiduciary to expend funds and hire people to accomplish the work of the Michigan after-school partnership.

(3) Participation in the Michigan after-school partnership shall be expanded beyond the membership of the initial Michigan after-school initiative to increase the representation of parents, youth, foundations, employers, and others with experience in education, child care, after-school and youth development services, and crime and violence prevention, and to include representation from the Michigan department of history, arts, and libraries. Each year, on or before December 31, the Michigan after-school partnership shall report its progress in reaching the recommendations set forth in the Michigan after-school initiative's report to the legislature and governor.

Sec. 226. (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 act under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

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

Sec. 227. From the funds appropriated in part 1, the department shall implement continuous improvement efficiency mechanisms in the programs administered by the department. The continuous improvement efficiency mechanisms shall identify changes made in programs to increase efficiency and reduce expenditures in the programs. On March 31, 2008 and September 30, 2008, the department shall submit a report to the state budget director, the senate and house appropriation subcommittees, and the senate and house fiscal agencies on the progress made toward increased efficiencies in department programs. At a minimum, each report shall include information on the program review process, the type of improvement mechanisms implemented, and actual and projected expenditure savings as a result of the increased program efficiencies.

MICHIGAN COUNCIL FOR ARTS AND CULTURAL AFFAIRS

Sec. 401. (1) The MCACA in the department shall administer the arts and cultural grants appropriated in part 1.

(2) The MCACA shall render fair and independent decisions concerning arts and cultural grant requests and shall do all of the following:

(a) Use published criteria to evaluate program quality, including all of the following:

(i) The department's intended goals and outcomes for each program.

(ii) The department's quantifiable measures of success in meeting the intended goals and outcomes.

(b) Seek to award grants on an equitable geographic basis to the extent possible given the quality of grant applications received.

(c) Give priority to projects that serve multiple counties, leverage significant additional public and private investment, or demonstrate a significant potential to increase tourism or attract or retain businesses or residents.

(3) No payment shall be made under part 1 except upon application submitted in accordance with MCACA published regulations and procedures, which shall ensure both of the following:

(a) Artistic excellence and artistic merit are the criteria by which applications will be judged, taking into consideration general standards of decency and respect for the diverse beliefs and values of the people of this state.

(b) Criteria clearly indicate that obscenity is without artistic merit, is not protected speech, and will not be funded by a grant from appropriations under part 1.

(4) The MCACA shall provide for fair, equitable, and efficient distribution of funds granted through the regional regranteeing program. The MCACA shall provide for an annual assessment of grant management and distribution of mini-grant awards by designated regional regranteeing agencies and review the methodology employed.

(5) The MCACA shall continue and expand its efforts to encourage and support nonprofit arts and cultural organizations to transition from solely volunteer-based organizations to professionally directed operations. Criteria for support include the requirement of collaboration between these organizations and other community organizations.

(6) The department shall withhold undistributed grant payments from a grant recipient who violates the requirements for funding in subsection (3) and may disqualify the grant recipient from award of future grants for a period of not more than 3 years.

Sec. 402. The MCACA may award grants to counties, cities, villages, townships, community foundations and organizations in the following categories:

(a) Anchor organization program for organizations that serve regional and statewide audiences. Anchor organizations shall demonstrate a commitment to education, to mentoring smaller organizations, and to reaching underserved audiences.

(b) Arts projects program.

(c) Arts and learning program.

(d) Artists in residence for education program.

(e) Arts organization development program.

(f) Capital improvement program.

(g) Local arts agencies services program.

(h) Regional regranteeing program.

(i) Partnership program.

(j) Rural arts and cultural program.

(k) Cultural projects program.

(l) Historical society projects program.

(m) Discretionary grants program.

(n) Cultural and ethnic heritage centers and museums.

Sec. 403. (1) From the state funds appropriated in part 1 for arts and cultural grants, no 1 organization may receive more than 15% of this funding.

(2) The MCACA shall make every effort to provide total grant awards in the anchor organization program at a level not to exceed 70% of the total amount appropriated for arts and cultural grants.

(3) As documented in the audit report that is submitted as part of the grant application process, the total of all grants awarded to any organization receiving grants within the anchor organization program may not exceed 15% of their "total unrestricted revenues, gains, and other support", as defined by the financial accounting standards board in the accounting standards for not-for-profit organizations or equivalent accounting standards for other types of eligible organizations.

(4) Before any amount appropriated for arts and cultural grants in part 1 may be expended for a grant to an eligible recipient, the department shall execute a grant agreement with the recipient. The grant agreement shall identify the projects funded, specify the category in section 402 under which the grant is awarded, and include the prohibitions and sanctions identified in section 401(3) and (6).

Sec. 404. Grant applicants must meet and adhere to the following requirements:

(a) Each applicant shall pay a nonrefundable application fee of \$300.00 or 3% of the desired grant amount, whichever is less. Application fees shall be deposited in the history, arts, and libraries fund established in section 216. The department may use the application fee to offset its direct and indirect costs.

(b) An applicant for a grant under the anchor organization program shall submit with the application the applicant's most recent annual audit report which states their "total unrestricted revenues, gains, and other support", as defined by the financial accounting standards board in the accounting standards for not-for-profit organizations or equivalent accounting standards for other types of eligible organizations. The audit report must cover an audit period that ends within 18 months of the date of the application.

(c) Each applicant shall identify proposed matching funds from local and/or private sources on a minimum of a dollar-for-dollar basis. The match may include the reasonable value of services, materials, and equipment as allowed under the federal internal revenue code for charitable contributions.

Sec. 405. Each grant recipient shall provide the MCACA with the following:

(a) Proof of the entire amount of the matching funds, services, materials, or equipment by the end of the award period.

(b) Within 30 days following the end of the grant period, a final report that includes the following:

(i) Project revenues and expenditures including grant matching fund amounts.

(ii) Number of patrons attracted or benefiting during the grant period.

(iii) A narrative summary of each project and its outcome.

(c) By April 7 of the grant year, each recipient of a grant greater than \$100,000.00 shall submit an interim report that includes the items identified in subdivision (b).

Sec. 406. (1) The department shall make the following reports:

(a) A report identifying the website location that contains a list of all grant recipients, sorted by county. This report shall be provided to each legislator within 1 business day of the announcement of annual awards by the MCACA.

(b) A report to the senate and house of representatives appropriations subcommittees, the state budget office, and the fiscal agencies, within 30 days after the MCACA announces the annual grant awards, that includes all of the following:

(i) A listing of each applicant.

(ii) The county of residence of the applicant.

(iii) The amount requested.

(iv) The amount awarded.

(v) The grant category under which an applicant applied.

(vi) A summary of projects funded for each recipient.

(vii) The expected number of patrons for an applicant during the grant period.

(viii) The amount of matching funds proposed by each applicant.

(ix) A listing containing the applicant, county of residence of the applicant, and amount awarded for any regranted funds in the preceding fiscal year.

(c) An annual report to the appropriations subcommittees, the state budget office, and the fiscal agencies is due when materials are first distributed by the MCACA seeking grant applications for the subsequent fiscal year. The report shall contain the following:

(i) The MCACA guidelines for awarding grants.

(ii) A summary of any changes in the program guidelines from the previous fiscal year.

(2) The council shall report to the chairpersons of the senate and house of representatives appropriations subcommittees on history, arts, and libraries by August 1 all unexpended or unencumbered discretionary grant funding that is available. The council shall not redistribute any unexpended or unencumbered grant funds during the fiscal year without a 10-day notice to the chairpersons of the senate and house of representatives appropriations subcommittees on history, arts, and libraries.

MICHIGAN HISTORICAL PROGRAM

Sec. 501. The federal funds appropriated in part 1 for the historic site preservation grants are for work projects and shall not lapse at the end of the fiscal year but shall continue to be available for expenditure until the projects for which the funds were reserved have been completed or are terminated. The purpose of these work projects is the identification, designation, and preservation of historic resources. The method used will be to solicit applications, score applications based upon established criteria, and award subgrants. The department shall execute a grant agreement with each recipient. The total cost is \$85,000.00, and the tentative completion date is September 30, 2008.

Sec. 502. Funds collected by the department under sections 6, 7, and 7a of 1913 PA 271, MCL 399.6, 399.7, and 399.7a, are appropriated to the department for the purposes for which they were received, are allocated for expenditure upon receipt and may be carried forward for expenditure in subsequent fiscal years.

Sec. 503. 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. 505. From the funds appropriated in part 1 for historical administration and services, \$25,000.00 shall be allocated to support the operations of the Michigan freedom trail commission as specified in section 4 of the Michigan freedom trail commission act, 1998 PA 409, MCL 399.84. These funds shall be used to reimburse commission members, to pay for necessary contractual services of the commission, and to hire not more than 1.0 FTE position in the department's Michigan historical center to support commission operations.

Sec. 506. 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 are appropriated to the department and 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 of representatives appropriations subcommittees on history, arts, and libraries 1 week prior to any auctions or sales.

Sec. 507. Unless prohibited by law, the department shall make available to the historical society of Michigan the use of the Michigan history magazine subscriber list, or a portion of the Michigan history magazine subscriber list, at a cost not to exceed the actual expense incurred for providing a single mailing.

LIBRARY OF MICHIGAN

Sec. 601. In order to receive subregional state aid as appropriated in part 1 to the library of Michigan, a subregional library’s fiscal agency must 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 subregional library’s fiscal agency, that reduction shall not be interpreted as a reduction in local support and shall not disqualify a subregional library from receiving state aid under part 1. If a reduction in income affects a library cooperative or district library that is a subregional library’s fiscal agency or a reduction in expenditures for the subregional library’s fiscal agency, a reduction in expenditures for the subregional library shall not be interpreted as a reduction in local support and shall not disqualify a subregional library from receiving state aid under part 1.

Sec. 602. The funds appropriated in part 1 for a subregional library shall not be released until a budget for that subregional library has been approved by the department for expenditures for library services directly serving the blind and persons with disabilities.

Sec. 607. The funds appropriated in part 1 for book distribution centers shall be distributed equally to the public enrichment foundation and the Michigan friends of education.

MACKINAC ISLAND STATE PARK COMMISSION

Sec. 701. There is appropriated \$200,000.00 from the Mackinac Island State Park operations fees fund to the Mackinac Island state park commission, historic projects division, revenue bond fund for infrastructure improvements.

Third: That the Senate and House agree to the title of the bill to read as follows:

A bill to make appropriations for the department of history, arts, and libraries for the fiscal year ending September 30, 2008; to provide for the expenditure of those appropriations; to provide for the disposition of fees and other income received by the state agencies; to create funds; to provide for the disbursement of certain grants; to provide for reports; and to prescribe powers and duties of certain state departments and certain state and local agencies and officers.

Thomas M. George
Michelle McManus
Irma Clark-Coleman
Conferees for the Senate

Aldo Vagnozzi
Fran Amos
Conferees for the House

The question being on the adoption of the conference report,
The first conference report was adopted, a majority of the members serving voting therefor, as follows:

Roll Call No. 437

Yeas—36

- | | | | |
|----------|---------------|-------------|--------------|
| Allen | Cherry | Jacobs | Prusi |
| Anderson | Clark-Coleman | Jansen | Richardville |
| Barcia | Clarke | Jelinek | Schauer |
| Basham | Cropsey | Kahn | Scott |
| Birkholz | Garcia | Kuipers | Stamas |
| Bishop | George | McManus | Switalski |
| Brater | Gleason | Olshove | Thomas |
| Brown | Hardiman | Pappageorge | Van Woerkom |
| Cassis | Hunter | Patterson | Whitmer |

Nays—2

- | | |
|---------|---------|
| Gilbert | Sanborn |
|---------|---------|

Excused—0

Not Voting—0

In The Chair: Richardville

The question being on concurring in the committee recommendation to give the bill immediate effect, The recommendation was concurred in, 2/3 of the members serving voting therefor.

Senator Jansen submitted the following:

FIRST CONFERENCE REPORT

The Committee of Conference on the matters of difference between the two Houses concerning
Senate Bill No. 234, entitled

A bill to make appropriations for the department of labor and economic growth and certain other state purposes for the fiscal year ending September 30, 2008; to provide for the expenditure of those appropriations; to provide for the imposition of certain fees; to provide for the disposition of fees and other income received by the state agencies; to provide for reports to certain persons; and to prescribe powers and duties of certain state departments and certain state and local agencies and officers.

Recommends:

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

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

A bill to make appropriations for the department of labor and economic growth and certain other state purposes for the fiscal year ending September 30, 2008; to provide for the expenditure of those appropriations; to provide for the imposition of certain fees; to provide for the disposition of fees and other income received by the state agencies; to provide for reports to certain persons; and to prescribe powers and duties of certain state departments and certain state and local agencies and officers.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. The amounts listed in this part are appropriated for the department of labor and economic growth, subject to the conditions set forth in this act, for the fiscal year ending September 30, 2008, from the funds identified in this part. The following is a summary of the appropriations in this part:

DEPARTMENT OF LABOR AND ECONOMIC GROWTH

APPROPRIATION SUMMARY:

Full-time equated unclassified positions	58.5	
Full-time equated classified positions	4,282.5	
GROSS APPROPRIATION		\$ 1,301,230,700
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers		34,472,800
ADJUSTED GROSS APPROPRIATION		\$ 1,266,757,900
Federal revenues:		
Total federal revenues		820,712,500
Special revenue funds:		
Total local revenues		15,884,700
Total private revenues		5,314,300
Total other state restricted revenues		378,843,700
State general fund/general purpose		\$ 46,002,700
Sec. 102. DEPARTMENTAL ADMINISTRATION		
Full-time equated unclassified positions	58.5	
Full-time equated classified positions	179.0	
Unclassified salaries		\$ 5,349,400
Executive director programs—53.0 FTE positions		6,622,100

	For Fiscal Year Ending Sept. 30, 2008
Regulatory efficiency improvements/backlog reduction initiative	\$ 475,600
Property management.....	10,519,200
Rent	17,015,600
Worker’s compensation	1,381,000
Special project advances	940,000
HR optimization charges.....	259,700
Administrative services—126.0 FTE positions.....	13,059,500
GROSS APPROPRIATION	\$ 55,622,100
Appropriated from:	
Interdepartmental grant revenues:	
IDG from department of community health	300,000
Federal revenues:	
DOE-OEERE, multiple grants.....	9,300
DED-OSERS, rehabilitation services, vocational rehabilitation of state grants	4,902,300
DOL-ETA, unemployment insurance	13,570,600
DOL-ETA, workforce investment act	882,100
DOL, federal funds	2,334,500
DOL, multiple grants for safety and health.....	776,900
Federal revenues	
HHS, temporary assistance for needy families	347,000
HHS, titles XVIII and XIX	34,100
Special revenue funds:	
Private - special project advances	940,000
Local revenues	131,300
Bank fees	540,800
Boiler fees	254,000
Construction code fund	1,071,700
Consumer finance fees	177,600
Contingent fund, penalty and interest account	861,400
Contingent fund, regular penalty and interest	4,100
Corporation fees	5,132,100
Credit union fees.....	350,800
Elevator fees	268,600
Fees and collections/asbestos	76,200
Fire service fees.....	792,500
Insurance licensing and regulation fees.....	1,910,800
Insurance regulatory fees	1,098,400
Land sales fees.....	15,000
Licensing and regulation fees.....	822,600
Liquor license revenue	100,000
Liquor purchase revolving fund	5,536,700
Manufactured housing commission fees.....	263,600
Michigan state housing development authority fees and charges.....	4,021,500
Motor carrier fees	185,200
Public utility assessments	2,171,300
Private occupational school license fees	14,000
Rehabilitation services fees.....	90,300
Safety education and training fund	572,100
Second injury fund.....	257,000
Securities fees.....	2,409,700
Self-insurers security fund	87,300
Silicosis and dust disease fund.....	111,300
Tax tribunal fees	189,300
State general fund/general purpose	\$ 1,430,100
Sec. 103. OFFICE OF FINANCIAL AND INSURANCE SERVICES	
Full-time equated classified positions	288.0
Administration—21.0 FTE positions.....	\$ 4,162,400

	For Fiscal Year Ending Sept. 30, 2008
Policy conduct and consumer assistance—86.0 FTE positions.....	\$ 14,177,900
Financial evaluation—181.0 FTE positions.....	27,073,000
GROSS APPROPRIATION	\$ 45,413,300
Appropriated from:	
Federal revenues:	
Federal regulatory project revenue	50,400
Special revenue funds:	
Bank fees	7,469,200
Consumer finance fees	4,891,500
Credit union fees.....	5,404,000
Deferred presentment service transaction fees	1,307,400
Insurance continuing education fees	903,400
Insurance licensing and regulation fees.....	3,912,600
Insurance regulatory fees	19,231,000
Multiple employer welfare arrangement.....	72,300
Securities fees.....	2,171,500
State general fund/general purpose	\$ 0
Sec. 104. PUBLIC SERVICE COMMISSION	
Full-time equated classified positions	170.0
Administration, planning and regulation—159.0 FTE positions	\$ 21,797,600
Energy office—9.0 FTE positions	5,342,100
Children’s protection registry administration—2.0 FTE positions.....	271,200
GROSS APPROPRIATION	\$ 27,410,900
Appropriated from:	
Federal revenues:	
DOE-OEERE, multiple grants.....	4,828,100
DOT-RSPA, gas pipeline safety.....	984,900
Special revenue funds:	
Private - oil overcharge	30,000
Children’s protection registry fund	271,200
Motor carrier fees	2,220,100
Public utility assessments	18,076,600
Video franchise assessments	1,000,000
State general fund/general purpose	\$ 0
Sec. 105. LIQUOR CONTROL COMMISSION	
Full-time equated classified positions	152.0
Management support services—28.0 FTE positions.....	\$ 3,403,100
Liquor licensing and enforcement—124.0 FTE positions.....	12,175,000
GROSS APPROPRIATION	\$ 15,578,100
Appropriated from:	
Special revenue funds:	
Liquor license revenue	6,362,200
Liquor purchase revolving fund	9,215,900
State general fund/general purpose	\$ 0
Sec. 106. MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY	
Full-time equated classified positions	266.0
Payments on behalf of tenants	\$ 140,000,000
Housing and rental assistance program—266.0 FTE positions.....	37,256,600
GROSS APPROPRIATION	\$ 177,256,600
Appropriated from:	
Federal revenues:	
HUD, lower income housing assistance program	140,000,000
Special revenue funds:	
Michigan state housing development authority fees and charges.....	37,256,600
State general fund/general purpose	\$ 0

For Fiscal Year
Ending Sept. 30,
2008

Sec. 107. OCCUPATIONAL REGULATION

Full-time equated classified positions	421.0	
Boiler inspection program—25.0 FTE positions		\$ 2,764,400
Fire marshal program—5.0 FTE positions		448,200
Fire fighters training council—8.0 FTE positions		1,743,400
Fire safety program funding—44.0 FTE positions		4,333,300
Code enforcement—120.0 FTE positions		13,036,700
Commercial services—156.0 FTE positions		17,651,200
Elevator inspection program—30.0 FTE positions		2,938,800
Local manufactured housing communities inspections		250,000
Manufactured housing and land resources program—22.0 FTE positions		3,191,800
Property development group—11.0 FTE positions		1,569,400
GROSS APPROPRIATION		\$ 47,927,200

Appropriated from:

IDG from department of community health, inspection contract		68,500
IDG from department of state police, homeland security		754,300
FEMA		28,000
DOT		47,000
HHS, titles XVIII and XIX		700,000
Accountancy enforcement fund		103,600
Boiler fee revenue		3,166,300
Construction code fund		12,930,600
Corporation fees		5,857,900
Elevator fees		3,313,000
Fire alarm fees		99,000
Fire service fees		1,706,600
Homeowner construction lien recovery fund		1,537,900
Licensing and regulation fees		10,050,100
Mobile home code fund		2,771,800
Michigan boxing fund		45,000
Property development fees		282,900
Real estate appraiser continuing education fund		47,000
Real estate education fund		272,100
Remuneration fees		709,500
Security business fund		314,600
State general fund/general purpose		\$ 3,121,500

Sec. 108. MICHIGAN OCCUPATIONAL SAFETY AND HEALTH

ADMINISTRATION

Full-time equated classified positions	229.0	
Occupational safety and health—229.0 FTE positions		\$ 26,198,200
GROSS APPROPRIATION		\$ 26,198,200

Appropriated from:

Federal revenues:

DOL, multiple grants for safety and health		12,197,000
Special revenue funds:		
Corporation fees		2,279,600
Fees and collections/asbestos		863,300
Licensing and regulation fees		1,174,800
Safety education and training fund		7,848,700
Securities fees		1,834,800
State general fund/general purpose		\$ 0

Sec. 109. BUREAU OF WORKER'S AND UNEMPLOYMENT COMPENSATION

Full-time equated classified positions	1,251.0	
Administration—96.6 FTE positions		\$ 9,896,800
Board of magistrates and appellate commission—19.4 FTE positions		3,270,900
Wage and hour division—35.0 FTE positions		3,090,100

	For Fiscal Year Ending Sept. 30, 2008
Insurance funds administration—28.0 FTE positions	\$ 4,590,200
Supplemental benefit fund	820,000
Unemployment programs—1,002.7 FTE positions	94,340,500
Advocacy assistance program	1,500,000
Special audit and collections program—34.0 FTE positions	2,879,700
Training program for agency staff—2.1 FTE positions	1,807,300
Expanded fraud control program—33.2 FTE positions	3,184,900
GROSS APPROPRIATION	\$ 125,380,400
Appropriated from:	
Federal revenues:	
DOL-ETA, employment and training administration	677,400
DOL-ETA, unemployment insurance	93,347,500
Federal Reed act funds.....	4,487,500
Special revenue funds:	
Corporation fees	2,346,200
Contingent fund, regular penalty and interest account	14,459,400
Licensing and regulation fees.....	789,700
Second injury fund.....	2,471,200
Securities fees.....	2,346,900
Self-insurers security fund	1,168,300
Silicosis and dust disease fund.....	950,700
Worker's compensation administrative revolving fund	2,335,600
State general fund/general purpose	\$ 0
Sec. 110. STATE OFFICE OF ADMINISTRATIVE HEARINGS AND RULES	
Full-time equated classified positions	163.0
Administrative hearings and rules—163.0 FTE positions.....	\$ 21,788,000
GROSS APPROPRIATION	\$ 21,788,000
Appropriated from:	
Interdepartmental grant revenues:	
IDG from department of community health	1,704,200
IDG from department of corrections	3,801,800
IDG from department of education	1,064,200
IDG from department of environmental quality	522,000
IDG from department of human services	3,338,000
IDG from department of management and budget.....	42,000
Federal revenues:	
DOL-ETA, unemployment insurance	6,336,700
DOL, multiple grants for safety and health.....	202,700
Special revenue funds:	
Construction code fund	292,900
Corporation fees	365,700
Insurance regulatory fees	347,000
Licensing and regulation fees.....	1,074,000
Liquor purchase revolving fund	119,800
Manufactured housing commission fees.....	143,300
Public utility assessments	1,272,800
Safety education and training fund	195,600
Securities fees.....	888,600
Tax tribunal fees	76,700
State general fund/general purpose	\$ 0
Sec. 111. INFORMATION TECHNOLOGY	
Information technology services and projects	\$ 42,799,100
GROSS APPROPRIATION	\$ 42,799,100
Appropriated from:	
Federal revenues:	
DOL-ETA, unemployment insurance	21,091,700

	For Fiscal Year Ending Sept. 30, 2008
DOL, multiple grants for safety and health.....	\$ 273,700
Federal revenues	5,877,400
HHS, temporary assistance for needy families	176,300
Special revenue funds:	
Bank fees	487,100
Boiler fee revenue.....	327,200
Construction code fund.....	944,600
Consumer finance fees	198,700
Corporation fees	1,797,300
Credit union fees.....	274,600
Elevator fees	259,700
Fees and collections/asbestos.....	11,000
Fire service fees.....	520,700
Insurance regulatory fees	711,500
Land bank fast track fund	204,500
Licensing and regulation fees.....	1,168,000
Liquor purchase revolving fund	3,212,000
Manufactured housing commission fees.....	74,200
Michigan state housing development authority fees and charges.....	2,038,000
Motor carrier fees	118,600
Public utility assessments	890,900
Safety education and training fund	352,700
Second injury fund.....	149,200
Securities fees.....	1,509,200
Self-insurers security fund.....	70,100
Silicosis and dust disease fund.....	60,200
State general fund/general purpose	\$ 0
Sec. 112. WORKFORCE DEVELOPMENT	
Full-time equated classified positions965.5
Employment services—246.0 FTE positions.....	\$ 48,523,600
Jobs education training pilot—31.0 FTE positions.....	9,401,100
Jobs education training statewide expansion—62.0 FTE positions.....	13,476,700
Labor market information—52.0 FTE positions.....	6,340,200
Michigan rehabilitation services—513.5 FTE positions	70,737,800
Workforce programs administration—61.0 FTE positions.....	12,749,400
GROSS APPROPRIATION	\$ 161,228,800
Appropriated from:	
Interdepartmental grant revenues:	
IDG from department of human services	22,877,800
Federal revenues:	
DAG, employment and training.....	178,700
DED-OPSE, multiple grants.....	1,222,900
DED-OSERS, centers for independent living.....	58,200
DED-OSERS, rehabilitation long-term training	316,900
DED-OSERS, rehabilitation services, vocational rehabilitation of state grants	53,247,500
DED-OSERS, state grants for technical related assistance.....	56,000
DOL-ETA, workforce investment act	7,539,200
DOL, federal funds	48,273,400
DOL, ODEP.....	225,000
HHS-SSA, supplemental security income	3,763,300
HHS, temporary assistance for needy families	3,320,200
Special revenue funds:	
Private - gifts, bequests, and donations	816,000
Local revenue.....	4,269,600
Local vocational rehabilitation match	3,054,000
Contingent fund, penalty and interest account	1,809,900

	For Fiscal Year Ending Sept. 30, 2008
Rehabilitation services fees.....	\$ 1,347,000
Second injury fund.....	51,500
Student fees	308,000
Training materials fees.....	256,400
State general fund/general purpose	\$ 8,237,300
Sec. 113. CAREER EDUCATION PROGRAMS	
Full-time equated classified positions	30.0
Postsecondary education—14.0 FTE positions.....	\$ 2,691,200
Adult education—16.0 FTE positions	2,494,300
GROSS APPROPRIATION	\$ 5,185,500
Appropriated from:	
Federal revenues:	
Federal revenues	3,789,900
Special revenue funds:	
Private occupational school license fees	432,800
Defaulted loan collection fees.....	100,000
State general fund/general purpose	\$ 862,800
Sec. 114. DEPARTMENT GRANTS	
Adult basic education.....	\$ 20,000,000
Carl D. Perkins grants.....	19,000,000
Focus: HOPE	5,860,200
Gear-up program grants	3,000,000
Workforce training programs subgrantees	184,587,800
Personal assistance services	459,500
Vocational rehabilitation client services/facilities	55,549,500
Vocational rehabilitation independent living	3,079,700
Welfare-to-work programs	107,938,600
Fire protection grants.....	10,910,500
Low-income energy efficiency assistance.....	80,000,000
Liquor law enforcement grants	6,100,000
Remonumentation grants.....	14,000,000
Michigan nursing corps.....	1,500,000
Michigan housing and community development fund	2,163,400
Private grant funded projects	3,000,000
GROSS APPROPRIATION	\$ 517,149,200
Appropriated from:	
Federal revenues:	
DAG, employment and training.....	7,000,000
DED-OESE, gear-up	3,000,000
DED-OSERS, centers for independent living	450,200
DED-OSERS, rehabilitation services, vocational rehabilitation of state grants	35,797,900
DED-OSERS, rehabilitation services facilities.....	2,272,500
DED-OSERS, supported employment	1,541,300
DED-OSERS, state grants for technical related assistance.....	2,240,800
DED-OVAE, adult education.....	20,000,000
DED-OVAE, basic grants to states	19,000,000
DOL-ETA, workforce investment act	181,602,700
DOL, federal funds	17,985,100
HHS, temporary assistance for needy families	72,299,000
HHS-SSA, supplemental security income	3,480,600
Special revenue funds:	
Private - gifts, bequests, and donations	400,000
Private revenues	3,000,000
Local vocational rehabilitation match	6,630,500
Local vocational rehabilitation facilities match.....	1,278,300
Contingent fund, penalty and interest account	1,000,000

	For Fiscal Year Ending Sept. 30, 2008
Low-income energy efficiency fund	\$ 80,000,000
Fire protection fund	8,500,000
Liquor purchase revolving fund	2,410,500
Liquor license revenue	6,100,000
Rezonumentation fees	14,000,000
State general fund/general purpose	\$ 27,159,800
Sec. 115. BOARDS, AUTHORITIES AND COMMISSIONS	
Full-time equated classified positions	168.0
MES board of review program—18.0 FTE positions	\$ 2,307,500
Rights-of-way oversight authority—5.0 FTE positions	560,500
Land bank fast track authority—6.0 FTE positions	1,831,300
Commission on Spanish-speaking affairs—2.0 FTE positions	251,700
Commission on disability concerns—7.0 FTE positions	1,068,900
Commission for the blind—94.0 FTE positions	19,830,900
Utility consumer representation	950,000
Youth low vision program	241,800
Tax tribunal—15.0 FTE positions	2,006,900
Employment relations—21.0 FTE positions	3,243,800
GROSS APPROPRIATION	\$ 32,293,300
Appropriated from:	
Federal revenues:	
Federal revenues	14,992,600
DOL-ETA, unemployment insurance	2,307,500
EEOC, federal funds	10,000
Special revenue funds:	
Private revenues	128,300
Local revenues	521,000
Corporation fees	220,500
Land bank fast track funds	1,831,300
METRO authority fund	560,500
Securities fees	3,533,200
State restricted revenues	560,200
Tax tribunal fees	1,487,000
Utility consumer representation fund	950,000
State general fund/general purpose	\$ 5,191,200

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

GENERAL SECTIONS

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for fiscal year 2007-2008 is \$424,846,400.00 and state spending from state resources to be paid to local units of government for fiscal year 2007-2008 is \$51,470,500.00. The itemized statement below identifies appropriations from which spending to units of local government will occur:

DEPARTMENT OF LABOR AND ECONOMIC GROWTH

Fire protection grants	\$ 10,910,500
Liquor law enforcement	6,100,000
Local manufactured housing inspections	250,000
Rezonumentation grants	14,000,000
Fire fighters training council	1,710,400
Welfare to work	18,499,600
Total department of labor and economic growth	\$ 51,470,500

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

Sec. 203. As used in this act:

- (a) "DAG" means the United States department of agriculture.
- (b) "DED" means the United States department of education.
- (c) "DED-OESE" means the DED office of elementary and secondary education.

- (d) "DED-OPSE" means the DED office of postsecondary education.
- (e) "DED-OSERS" means the DED office of special education rehabilitation services.
- (f) "DED-OVAE" means the DED office of vocational and adult education.
- (g) "Department" means the department of labor and economic growth.
- (h) "Director" means the director of the department of labor and economic growth.
- (i) "DOE" means the United States department of energy.
- (j) "DOE-OEERE" means the DOE office of energy efficiency and renewable energy.
- (k) "DOL" means the United States department of labor.
- (l) "DOL-ETA" means the DOL employment and training administration.
- (m) "DOL-ODEP" means the DOL office of disability employment policy.
- (n) "DOT" means the United States department of transportation.
- (o) "DOT-RSPA" means the DOT research and special programs administration.
- (p) "EEOC" means equal employment opportunity commission.
- (q) "FEMA" means federal emergency management agency.
- (r) "Fiscal agencies" means Michigan house fiscal agency and Michigan senate fiscal agency.
- (s) "FTE" means full-time equated.
- (t) "HHS" means the United States department of health and human services.
- (u) "HHS-SSA" means HHS social security administration.
- (v) "HR" means human resources.
- (w) "HUD" means the United States department of housing and urban development.
- (x) "IDG" means interdepartmental grant.
- (y) "MES" means Michigan employment security.
- (z) "METRO" means metropolitan extension telecommunications rights-of-way oversight.
- (aa) "MIOSHA" means Michigan occupational safety and health administration.
- (bb) "SOAHR" means the state office of administrative hearings and rules.
- (cc) "Subcommittees" means all members of the subcommittees of the house and senate appropriations committees with jurisdiction over the budget for the department.

Sec. 204. The department of civil service shall bill departments and agencies at the end of the first fiscal quarter for the 1% charge authorized by section 5 of article XI of the state constitution of 1963. Payments shall be made for the total amount of the billing by the end of the second fiscal quarter.

Sec. 205. (1) A hiring freeze is imposed on the state classified civil service. State departments and agencies are prohibited from hiring any new full-time state classified civil service employees and prohibited from filling any vacant state classified civil service positions. This hiring freeze does not apply to internal transfers of classified employees from 1 position to another within a department.

(2) The state budget director may grant exceptions to this hiring freeze when the state budget director believes that the hiring freeze will result in rendering a state department or agency unable to deliver basic services, causes loss of revenue to the state, would result in the inability of the state to receive federal funds, or would necessitate additional expenditures that exceed any savings from maintaining a vacancy. The state budget director shall report quarterly to the chairpersons of the senate and house of representatives standing committees on appropriations the number of exceptions to the hiring freeze approved during the previous quarter and the reasons to justify the exception.

Sec. 208. The department shall use the Internet to fulfill the reporting requirements of this act. 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 the Internet or Intranet site.

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

Sec. 211. The department shall establish and maintain affirmative action programs based on the guidelines developed by the state equal opportunity workforce planning council which was created by Executive Order No. 1996-13 in order to receive general fund/general purpose dollars in compliance with section 26 of article I of the state constitution of 1963.

Sec. 213. From the funds appropriated in part 1 for information technology, the department shall pay user fees to the department of information technology for technology-related services and projects. Such user fees shall be subject to provisions of an interagency agreement between the department and the department of information technology.

Sec. 214. Amounts appropriated in part 1 for information technology may be designated as work projects and carried forward to support technology projects under the direction of the department of information technology. Funds designated in this manner are not available for expenditure until approved as work projects under section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a.

Sec. 215. (1) The department shall report no later than April 1, 2008 on each specific policy change made to implement a public act affecting the department that took effect during the prior calendar year to the subcommittees, the joint committee on administrative rules, and the fiscal agencies.

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

(3) As used in this section:

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

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

Sec. 216. It is the intent of the legislature that all revenue sources for funds appropriated in part 1 shall not be aggregated into general categories and shall be specifically identified and detailed as much as possible.

Sec. 217. (1) Due to the current budgetary problems in this state, out-of-state travel shall be limited to situations in which 1 or more of the following conditions apply:

(a) The travel is required by legal mandate or court order or for law enforcement purposes.

(b) The travel is necessary to protect the health or safety of Michigan citizens or visitors or to assist other states in similar circumstances.

(c) The travel is necessary to produce budgetary savings or to increase state revenues, including protecting existing federal funds or securing additional federal funds.

(d) The travel is necessary to comply with federal requirements.

(e) The travel is necessary to secure specialized training for staff that is not available within this state.

(f) The travel is financed entirely by federal or nonstate funds.

(2) If out-of-state travel is necessary but does not meet 1 or more of the conditions in subsection (1), the state budget director may grant an exception to allow the travel. Any exceptions granted by the state budget director shall be reported on a monthly basis to the house and senate appropriations committees.

(3) Not later than January 1 of each year, each department shall prepare a travel report listing 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 chairs and members of the house and senate appropriations committees, the fiscal agencies, and the state budget director. The report shall include the following information:

(a) The name of each person receiving reimbursement for travel outside this state or whose travel costs were paid by this state.

(b) The destination of each travel occurrence.

(c) The dates of each travel occurrence.

(d) A brief statement of the reason for each travel occurrence.

(e) 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.

(f) A total of all out-of-state travel funded for the immediately preceding fiscal year.

Sec. 219. The department shall not take disciplinary action against an employee for communicating with a member of the legislature or his or her staff.

Sec. 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.

Sec. 221. 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. 222. From the funds appropriated in part 1, the department shall implement continuous improvement efficiency mechanisms in the programs administered by the department. The continuous improvement efficiency mechanisms shall identify changes made in programs to increase efficiency and reduce expenditures in the programs. On March 31, 2008 and September 30, 2008, the department shall submit a report to the state budget director, the subcommittees, and the fiscal agencies on the progress made toward increased efficiencies in department programs. At a minimum, each report shall include information on the program review process, the type of improvement mechanisms implemented and actual and projected expenditure savings as a result of the increased program efficiencies.

Sec. 223. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$30,500,000.00 for federal contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this act 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 \$13,200,000.00 for state restricted contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this act 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 \$8,180,000.00 for local contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this act 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 \$550,000.00 for private contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this act under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

REGULATORY

Sec. 301. The appropriation in part 1 for fire protection grants from the liquor purchase revolving fund and the fire protection fund 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. 302. The funds collected by the office of financial and insurance services in connection with a conservatorship pursuant to section 32 of the mortgage brokers, lenders, and servicers licensing act, 1987 PA 173, MCL 445.1682, 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. 303. The 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. 304. 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, and charge for this information as follows: base fee for 1 to 1,000 records at the cost to the department; 1,001 to 10,000 records at 2.5 cents per record; and 10,001 or more records at .5 cents per record. The revenue received from this service may be used to offset expenses of programs as appropriated in part 1. The balance of this revenue collected and unexpended at the end of the fiscal year shall revert to the appropriate restricted revenue account or fund or, in absence of such an account or fund, to the general fund. The department shall submit an annual report on or before December 1 of each year to the state budget office and the subcommittees that states the amount of revenue received from the sale of information.

Sec. 306. The Michigan state housing development authority shall annually present a report to the state budget office and the subcommittees on the status of the authority's housing production goals under all financing programs established or administered by the authority. The report shall give special attention to efforts to raise affordable multifamily housing production goals.

Sec. 308. 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. The department shall submit a report on an annual basis to the state budget office and the subcommittees on the amount of funds available under this section.

Sec. 310. Money appropriated under this act for the bureau of fire services shall not be expended unless, in accordance with section 2c of the fire prevention code, 1941 PA 207, MCL 29.2c, inspection and plan review fees will be charged according to the following schedule:

<u>Facility type</u>	<u>Operation and maintenance inspection fee</u>	<u>Fee</u>
Hospitals	Any	\$8.00 per bed
<u>Plan review and construction inspection fees for hospitals and schools</u>		
<u>Project cost range</u>		<u>Fee</u>
\$101,000.00 or less		minimum fee of \$155.00
\$101,001.00 to \$1,500,000.00		\$1.60 per \$1,000.00
\$1,500,001.00 to \$10,000,000.00		\$1.30 per \$1,000.00
\$10,000,001.00 or more		\$1.10 per \$1,000.00
		or a maximum fee of \$60,000.00.

Sec. 313. If the revenue collected by the department from licensing and regulation fees collected by the office of commercial services 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. 314. Funds earned or authorized by the United States department of labor in excess of the gross appropriation in part 1 for the unemployment insurance agency and the employment service agency from the United States department of labor are appropriated and may be expended for staffing and related expenses incurred in the operation of its programs. These funds may be spent after the department notifies the state budget office and the subcommittees of the purpose and amount of each grant award.

Sec. 315. 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. The funds are available for expenditure when they are received by the department of treasury and may only be used for costs directly related to the continued updating and distribution of the documents pursuant to this section. This section 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 subdivision control manual, the state boundary commission operations manual, and other local government assistance manuals.

(c) The Michigan liquor control code of 1998, 1998 PA 58, MCL 436.1101 to 436.2303.

(d) 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, 1964 PA 265, MCL 451.501 to 451.818.

(e) Labor law books.

(f) Worker's compensation health care services rules.

(g) Construction code manuals.

(h) Copies of transcripts from administrative law hearings.

Sec. 317. The department, MIOSHA, shall provide an annual report by February 1 of each year to the state budget office, the fiscal agencies, and the subcommittees on the number of individuals killed and the number of individuals injured on the job within industries regulated by the bureau during the most recent year for which data are available.

Sec. 335. The public service commission shall report by June 1 of each year to the subcommittees, the state budget office, and the fiscal agencies on the distribution of funds appropriated in part 1 for the low-income/energy efficiency assistance program.

Sec. 336. The department shall provide the subcommittees, fiscal agencies, and state budget director with a report on or before December 1 outlining actual expenditures for the last completed fiscal year for each division within the office of financial and insurance services.

Sec. 337. The department shall not expend funds from the appropriations in part 1 for the office of financial and insurance services for the purpose of implementing prohibitions on the use of credit scoring in establishing insurance premiums by insurance companies until the legislature has, by statute, authorized such a prohibition.

Sec. 340. The office of financial and insurance services shall provide copies of the quarterly and annual financial filings of health maintenance organizations to the fiscal agencies on a timely basis. Reports can be transmitted electronically if available in that format.

Sec. 350. (1) The department shall allocate funds to promote awareness of the right of a policyholder, subscriber, member, enrollee, or other individual participating in a health benefit plan, after the covered person has exhausted the health carrier's internal grievance process provided for by law, to request an external review for an adverse determination.

(2) As used in this section, "covered person" means that term as defined in section 3 of the patient's right to independent review act, 2000 PA 251, MCL 550.1903.

Sec. 352. From the funds appropriated in part 1 for unclassified salaries, the department shall provide funding for 5 worker's compensation appellate commissioners and 26 worker's compensation board of magistrates. Expenditures shall be made so that the 2 bodies shall decide worker's compensation cases in a timely manner.

Sec. 355. (1) Of the funds appropriated in part 1, no funds shall be used to support the development of, staffing of, or activities promoting the development of guidelines, rules, standards, protocols, or other similar mandates that are more stringent than federal voluntary ergonomics guidelines. This section does not prohibit any person from adopting, or working with the state to develop, voluntary ergonomics standards.

(2) On March 1, 2008 and September 1, 2008, the department shall provide a report to the fiscal agencies and appropriations subcommittees of any staffing time or activities regarding the development of a voluntary or mandatory, or both, ergonomic standard, whether contained in rules, guidelines, policy directives, or bulletins.

Sec. 356. The Michigan commission for the blind shall work collaboratively with service organizations to identify qualified match dollars to maximize use of available federal funds.

Sec. 357. From the funds appropriated in part 1 for commercial services, the department may allocate not more than \$50,000.00 for the resumption of printing the real estate law and rules book (red book). The red book shall include, but is not limited to, real estate laws and regulations and related statutes. The red book will be provided at no charge to actively licensed real estate brokers, associate brokers, and salespersons. Any other party seeking a copy of the red book may purchase the book from the bureau of commercial services at the bureau's cost to produce the book or may print the bureau's Internet version of the red book at no cost.

Sec. 358. The real estate education fund created in section 37 of the state license fee act, 1979 PA 152, MCL 338.2237, and administered by the department shall allow prelicensure and postlicensure education to be delivered through on-line courses by a community college, university, or private school, after licensure and approval by the department. Expenditures from this fund may also be made to support department grants for educational providers to establish on-line courses that would be made available to students throughout the year.

Sec. 361. In addition to the amounts appropriated in part 1 for the administration of the land bank fast track authority, the 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.

Sec. 362. Of the funds appropriated in part 1 for the department, \$200,000.00 may be used for administration and enforcement of boxing regulation in Michigan.

Sec. 364. The department and MSHDA shall report to the subcommittees and the fiscal agencies by January 1 on the status of the loans entered into by the Michigan broadband development authority.

Sec. 365. From the funds appropriated in part 1 for Michigan occupational safety and health consultation education and training (CET) grants, not less than \$40,000.00 shall be allocated to nonprofit organizations representing the aggregate industry in Michigan.

Sec. 368. Funds collected 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. The funds appropriated under this section 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. 369. The video franchise assessment fund is created and shall exist in the state treasury and shall receive revenue as provided in the uniform video services local franchise act, 2006 PA 480, MCL 484.3301 to 484.3314. All interest and earnings of the fund may be retained by the fund per the direction of the state treasurer. Money in the fund at the close of the fiscal year may carry forward to the new fiscal year and be used as the first source of funds in the subsequent fiscal year.

Sec. 370. (1) MSHDA shall provide a report to the appropriations subcommittees by June 1 on the cities of promise blight elimination program. The report shall include:

- (a) Those cities designated as cities of promise.
- (b) The amount awarded to each designated city.
- (c) A description of the projects in each designated city.
- (d) The amount of private or local funds that were used as match for these projects.

(2) It is the intent of the legislature that MSHDA allocate at least \$750,000.00 from the cities of promise blight elimination program for each of the cities of Saginaw and Flint for building demolition.

Sec. 375. The public service commission shall implement a process for the low-income energy efficiency fund grants that shall require an application deadline of May 1 and the award announcements on October 1 of each year.

Sec. 376. By January 15, 2008, the liquor control commission, in conjunction with the authorized distribution agents shall submit a report to the subcommittees with an estimate on how much state revenue is lost due to spirits being purchased from other states and brought into Michigan for individual consumption or illegal resale. The report shall include the estimated cost of increasing the number of law enforcement officers needed, or other technological methods to be used, to reduce the amount of out-of-state spirits being transported and sold in Michigan illegally.

Sec. 377. (1) In addition to the funds appropriated in part 1, any unencumbered and unrestricted federal workforce investment act funds available from prior fiscal years are appropriated for the purposes originally intended.

(2) The department shall report by January 15 to the subcommittees, the fiscal agencies, and the state budget office on the amount by fiscal year of federal workforce investment act funds appropriated under this section.

WORKFORCE AND CAREER DEVELOPMENT

Sec. 401. The Michigan career and technical institute may receive equipment and in-kind contributions for the direct support of staff services through the Pine Lake fund, the Delton-Kellogg school district or other local or intermediate school district, or any combination of local or intermediate school districts in addition to those authorized in part 1.

Sec. 402. The Michigan rehabilitation service shall make every effort to ensure that all sources of matching funds in this state are used to obtain federal vocational rehabilitation funds. All sources include, but are not limited to, privately raised funds to support public nonprofit rehabilitation centers as permitted by the rehabilitation act of 1973, Public Law 93-112.

Sec. 403. The local match requirements for vocational rehabilitation facilities establishment grants shall not exceed 21.3% for the fiscal year ending September 30.

Sec. 404. (1) Of the funds appropriated in part 1 for vocational rehabilitation independent living, all general fund/general purpose revenue not used to match federal funds shall be used for the support of centers for independent living

that are in compliance with federal standards for such centers, for technical assistance to centers, and for projects to build capacity of centers to deliver independent living services. Applications for such funds shall be reviewed in accordance with criteria and procedures established by the statewide independent living council, the Michigan rehabilitation services unit within the department, and the Michigan commission for the blind. Funds must be used in a manner consistent with the priorities established in the state plan for independent living. The department is directed to work with the Michigan association of centers for independent living and the local workforce development boards to identify other competitive sources of funding.

(2) As a condition of receipt of funds appropriated in part 1, the statewide independent living council and the Michigan association of centers for independent living shall jointly produce a biennial report providing the following information:

(a) Results in terms of enhanced statewide access to independent living services to individuals who do not have access to such services through other existing public agencies, including measures by which these results can be monitored over time. These measures shall include:

(i) Total number of persons assisted by the centers and a comparison to the number assisted in the previous year.

(ii) Number of persons moved out of nursing homes into independent living situations and a comparison to the number assisted in the previous year.

(iii) Number of persons for whom accommodations were provided to enable independent living or access to employment and a comparison to the number assisted in the previous year.

(iv) The total number of disabled individuals served by personal care attendants and the number of personal care attendants provided through the use of any funds appropriated in part 1 administered by a center for independent living and a comparison to the number served in the previous year.

(b) Information from each center for independent living receiving funding through appropriations in part 1 detailing their total budget for their most recently completed fiscal year as well as the amount within that budget funded through the vocational rehabilitation independent living grant program referenced in part 1, the total amount funded through other state agencies, the amount funded through federal sources, and the amount funded through local and private sources.

(c) Savings to state taxpayers in other specific areas that can be shown to be the direct result of activities funded from the vocational rehabilitation independent living grant program during the most recently completed state fiscal year.

(3) The report required in subsection (2) shall be submitted to the subcommittees, the fiscal agencies, and the state budget director on or before January 30.

Sec. 405. The department shall administer the work first program in accordance with the requirements of the social security act, title IV, section 407(d), the state social welfare act, 1939 PA 280, MCL 400.1 to 400.119b, and all other applicable laws and regulations.

Sec. 406. (1) Using all relevant state data sources, the department shall conduct a 3-year longitudinal study of all former work first participants, whose department of human services program cases closed due to earnings during fiscal year 1999 and in succeeding fiscal years. The data will include the following:

(a) The number and percentage employed.

(b) The average hourly wage of those employed.

(c) The current hourly wage of those employed.

(d) The range of wages earned by those employed.

(e) The number of individuals that earned each wage amount.

(f) The number and percentage receiving health care benefits from their employer.

(g) The number and percentage receiving tuition reimbursement from their employer.

(h) The number and percentage receiving training benefits from their employer.

(i) The type of jobs obtained by former participants in general categories.

(j) The length of time former participants have retained their jobs, or if participants have had more than 1 job, the length of time employed at each job.

(k) The number and percentage continuing to receive any type of public assistance.

(l) If the former recipient has children, whether the children are enrolled in and attending school.

(m) The extent to which the former participant feels that they and their family are better off now than when they were on cash assistance with regard to household income, housing, food and nutritional needs, child health care, and access to health insurance coverage.

(2) The department shall notify the subcommittees, fiscal agencies, and state budget director electronically by March 15 of the location of the Internet site where the report containing the identified data is located.

(3) The department shall cooperate with the department of human services in formulating and acquiring the identified data.

(4) The department may retain a third party to conduct the studies to obtain the data identified under this section.

Sec. 407. State and federal funds allocated to local workforce development boards for disbursement shall not be expended unless the local workforce development boards maintain a partnership with governmental agencies, public

school districts, and public colleges located within the local service delivery area. Each board shall appoint an education advisory group made up of high-level administrators within local educational institutions, workforce development board members, other employers, labor, academic educators, and parents of public school pupils.

Sec. 408. (1) From the funds appropriated in part 1, it is the intent of the legislature that the department identify ways to enhance local access to baccalaureate degree opportunities in applied sciences and applied technologies through better utilizing the existing capacity of community colleges. Funds in part 1 may be used by the department to commission an independent study to determine where in Michigan these programs would be most beneficial in meeting current and projected economic and workforce development needs, and where community college capacity exists to develop baccalaureate level programs quickly. The study should consider criteria such as the following:

(a) Regions that have historically been dependent on manufacturing and automotive related industries where workers have been displaced or are in transition.

(b) Communities that are significantly below the state average of working age adults with 4-year degrees.

(c) Locations served by community colleges that have a strong track record for advanced technical training, workforce development programs, and employer partnerships.

(d) Communities that do not contain a public university already offering similar degree opportunities.

(e) Locations where the community college has both faculty and facilities already in place that are capable of supporting baccalaureate level programs in applied technical fields.

(f) Evidence of employer support and future employment opportunities for graduates of the programs.

(2) The department may commission and receive the study and present a report, not later than April 1, 2008, analyzing the study to the appropriations committees of the house and senate, the state budget office, and the fiscal agencies.

Sec. 409. Within 10 days after the receipt of a grant appropriated in the private grant funded projects line item in part 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 funding source, purpose, and amount of the grant.

Sec. 410. (1) The department shall make available, in person or by telephone, 1 disabled veterans outreach program specialist or local veterans employment representative to Michigan works! service centers, as resources permit, during hours of operation.

(2) The department shall ensure that each Michigan works! service center shall have the necessary equipment to allow the disabled veterans outreach specialist or local veterans employment representative to perform his or her duties.

(3) The department shall require each Michigan works! service center to have an employee available to ask each individual who requires intensive services beyond core services, as defined by section 134 of the workforce investment act of 1998, 29 USC 2864, whether that individual is a veteran. That employee shall refer each veteran to the disabled veterans outreach program specialist or local veterans employment representative on duty at the time.

(4) The department shall require that each Michigan works! service center shall have posted in a conspicuous place within the office a notice advising veterans that a disabled veterans outreach program specialist or a local veterans employment representative is available to assist him or her.

(5) The department shall require each Michigan works! service center to provide free mediated services to employers wishing to hire a veteran.

(6) The department shall continue to make the appropriate placement of veterans and disabled veterans a priority.

Sec. 415. Of the amounts appropriated in part 1 for postsecondary education, private occupational school license fees shall fund related administrative costs of the proprietary schools oversight unit within the department.

Sec. 417. The department is appropriated an amount not to exceed \$100,000.00 from collection of defaulted loans under the future faculty program in the Martin Luther King, Jr. - Cesar Chavez - Rosa Parks programs to offset costs of administering the loan collections.

Sec. 418. From the funds appropriated in part 1 for postsecondary education, the department shall compile data from each university that receives funding for the future faculty program within the King-Chavez-Parks initiative on employment outcomes for program participants. The report shall be distributed to the house and senate appropriations committees, the fiscal agencies, and the state budget office by February 1 of each year. The report shall include data from each participating university covering the most recently completed fiscal year. The data shall include all of the following:

(a) The number of participants receiving support under the program.

(b) The number of participants obtaining full-time employment.

(c) The number of participants obtaining full-time employment in college faculty positions.

(d) The number of participants obtaining full-time employment in college faculty positions within the university through which they received future faculty program support for graduate studies.

Sec. 421. The King-Chavez-Parks initiative shall be marketed by the department to Michigan parents and high school and college students, to promote the benefits and the availability of the college day, select student support services, college/university partnership, visiting professors, Morris Hood, Jr. educator development, and future faculty programs. The department shall provide electronic notification of the location of the report on the Internet to the subcommittees by December 30 of each year, identifying all efforts taken to market these programs, including, but not limited to, the amount of funding allocated for this purpose, the fund source, and any expenditures or encumbrances relating to this marketing effort.

Sec. 427. The youth low-vision program is considered the payer of last resort. Other available public or private insurance coverage, including Medicaid or MICHild, and special education funds, shall be exhausted prior to using any funds appropriated in part 1 to purchase low-vision devices or equipment for an individual.

Sec. 429. (1) As a condition for receipt of the funds appropriated in part 1, Focus: HOPE shall submit a report on the use of the grant's funds appropriated in part 1 to the chairs of the subcommittees, the fiscal agencies, and the state budget office that includes, but is not limited to, the following:

- (a) Detailed expenditures for administration including salaries and wages of employees.
- (b) Amount allocated for education and training programs including number of students served by each program.
- (c) Amount allocated for job search assistance and career planning including the number of students served by each program.

- (d) Detailed expenditures for any contracts entered into with the use of these funds.

- (e) Detailed expenditures for any program enhancements including number of new hires and capital expenditures.

- (2) The report shall be submitted on or before January 31.

Sec. 430. Funding in part 1 for the jobs, education and training (JET) statewide expansion in fiscal year 2008 shall not be allocated and released by the state budget director until savings are achieved and documented from the fiscal year 2007 JET program implementation in 50% of the state. The method for documenting JET savings for fiscal year 2007 shall be proposed by the department of human services and approved by the state budget director.

Sec. 431. (1) From the appropriation in part 1 for the Michigan nursing corps, grants shall be awarded to Michigan institutions of higher education consisting of public 4-year institutions, public 2-year institutions, independent colleges and universities, and tribally controlled community colleges with existing, accredited nursing baccalaureate or post-graduate education programs. The purpose of the grants is to prepare registered nurses and increase the number of nursing faculty. The department may also award grants on a matching basis to licensed hospitals that agree to provide nurse educators and related clinical training to additional student nurses in partnership with institutions of higher education described in this subsection. Awards shall be made in a manner and form as determined by the department, in collaboration with the department of community health.

- (2) One or more grants may be awarded to educational institutions for preparation of additional nurse faculty in programs that meet 1 or more of the following:

- (a) Preparation of master's-degreed nursing faculty in a nationally accredited, accelerated program. Grants for this program may include program tuition, a stipend for student living expenses, and other education-related costs.

- (b) Preparation of doctoral-degreed nursing faculty in an accelerated program within an existing, accredited doctor of philosophy in nursing program. Participants must be currently enrolled doctoral students who will be able to complete their doctoral degree program within 2 years. Grants for this program may include program tuition, a stipend for student living expenses, and other education-related costs.

- (c) Preparation of clinical instructors for nursing education programs. A common statewide curriculum will be developed by a consortium of the grantee institutions. The program shall include classroom instruction plus a practicum with students and patients. This program shall require collaborative agreements between nursing education programs and hospitals. It is expected that each graduate will provide clinical instruction for at least 1 cohort of nursing students per year.

- (3) A program receiving a grant under subsection (2) shall provide that eligible participating students under subsection (2) are registered nurses willing to participate full-time in accredited programs and become employed in Michigan as nursing faculty or clinical instructors for a minimum number of years, as determined by the department of community health, upon completion of the program. The department of community health shall establish procedures for recovery of funds from students who do not remain employed in Michigan for the prescribed time period.

- (4) One or more grants may be awarded for preparation of registered nurses in accredited, accelerated bachelor's in nursing programs. These programs shall be targeted toward Michigan workers who have been displaced from employment and who possess a bachelor's degree in a science-related area. Grants for this program may include program tuition, a stipend for student living expenses, and other education-related costs.

- (5) Program management, data management, and evaluation for these projects shall be the responsibility of the department of community health, in collaboration with the department.

- (6) The funds appropriated in part 1 for the Michigan nursing corps are designated as work project appropriations and shall not lapse at the end of the fiscal year. Any unencumbered and unexpended funds shall continue to be available for the expenditure of grants until the project has been completed. The total cost of the work project is estimated at \$1,500,000.00 and the tentative completion date is September 30, 2009.

Sec. 432. (1) Of the funds appropriated in part 1 for the workforce training programs subgrantees, the department shall provide a report by July 1, 2008 to the house and senate chairs of the subcommittees and the fiscal agencies on the status of the no worker left behind program. The report shall include the following:

- (a) The amount of funding allocated to each Michigan works! agency.

- (b) The number of participants enrolled in the program by each Michigan works! agency.
 - (c) The average duration of training for 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.
- (2) Data collection for the report shall be for the period August 1, 2007 through May 30, 2008.

Sec. 433. (1) The department shall use all relevant data sources available to compile data on participants in the JET pilot program and the 50% expansion of that program that was implemented January 1, 2007. The report shall include the following:

- (a) How many participants were enrolled in training.
 - (b) How many participants completed training.
 - (c) How many participants completed training and were employed as a result of that training.
 - (d) How many cases were closed.
 - (e) How many cases were referred to Michigan rehabilitation services.
- (2) Data collection for the report shall be for the period January 15, 2007 through December 30, 2007.
- (3) The report shall be submitted by March 1 to the subcommittees and the fiscal agencies.
- (4) The department shall cooperate with the department of human services in formulating and acquiring the identified data.
- (5) The department may retain a third party to conduct the studies to obtain data identified under this section.

Sec. 434. (1) The department shall collaborate with the state board of education, the department of human services, the department of community health, and the department of history, arts, and libraries to extend the duration of the Michigan after-school partnership, and oversee its efforts to implement the policy recommendations and strategic next steps identified in the Michigan after-school initiative's report of December 15, 2003.

(2) From the funds appropriated in part 1, \$25,000.00 may be used to support the Michigan after-school partnership. Funds shall be used to leverage other private and public funding to engage the public and private sectors in building and sustaining high-quality out-of-school-time programs and resources. The co-chairs, representing the department, the state board of education, the department of human services, the department of history, arts, and libraries and the department of community health shall name a fiduciary agent and may authorize the fiduciary to expend funds and hire people to accomplish the work of the Michigan after-school partnership.

(3) Participation in the Michigan after-school partnership shall be expanded beyond the membership of the initial Michigan after-school initiative to increase the representation of parents, youth, foundations, employers, and others with experience in education, child care, after-school and youth development services, and crime and violence prevention, and to include representation from the department. Each year, on or before December 31, the Michigan after-school partnership shall report its progress in reaching the recommendations set forth in the Michigan after-school initiative's report to the legislature and governor.

Sec. 435. The department shall ensure that school districts and career preparation programs operated by school districts are eligible education providers under the no worker left behind program and programs funded by the federal workforce investment act.

Sec. 437. From the funds appropriated in part 1 for welfare-to-work programs, \$140,000.00 shall be allocated to Focus: HOPE to design a pilot program which will improve the job placement and retention of welfare recipients. The pilot shall address barriers to employment identified by the department of human services jobs, education and training program. In developing this program, Focus: HOPE shall work collaboratively with the department of human services, community colleges, and universities.

Sec. 438. (1) From the funds appropriated in part 1 for the Michigan housing and community development fund, \$2,163,400.00 shall be allocated to the Michigan state housing development authority (MSHDA) for projects as described in sections 58c and 58d of the state housing development authority fund act of 1966, 1966 PA 346, MCL 125.1458c and 125.1458d.

(2) MSHDA shall report by May 1 to the subcommittees, fiscal agencies, and the state budget office on the status of the projects described in subsection (1), including the statewide allocation plan, number of applicants, amounts requested, description of projects, amounts awarded, number of housing units that have been or are projected to be created, and income levels of the households that have been or are projected to be served.

Sec. 439. From the funds appropriated in part 1 for land bank fast track authority, \$400,000.00 shall be used for additional maintenance or demolition of all tax reverted properties.

Third: That the Senate and House agree to the title of the bill to read as follows:

A bill to make appropriations for the department of labor and economic growth and certain other state purposes for the fiscal year ending September 30, 2008; to provide for the expenditure of those appropriations; to provide for the

imposition of certain fees; to provide for the disposition of fees and other income received by the state agencies; to provide for reports to certain persons; and to prescribe powers and duties of certain state departments and certain state and local agencies and officers.

Mark C. Jansen
Thomas M. George
Martha G. Scott
Conferees for the Senate

Richard Hammel
Joan Bauer
Jack Brandenburg
Conferees for the House

The question being on the adoption of the conference report,
The first conference report was adopted, a majority of the members serving voting therefor, as follows:

Roll Call No. 438

Yeas—37

Allen	Clark-Coleman	Jacobs	Prusi
Anderson	Clarke	Jansen	Richardville
Barcia	Cropsey	Jelinek	Schauer
Basham	Garcia	Kahn	Scott
Birkholz	George	Kuipers	Stamas
Bishop	Gilbert	McManus	Switalski
Brater	Gleason	Olshove	Thomas
Brown	Hardiman	Pappageorge	Van Woerkom
Cassis	Hunter	Patterson	Whitmer
Cherry			

Nays—1

Sanborn

Excused—0

Not Voting—0

In The Chair: Richardville

The question being on concurring in the committee recommendation to give the bill immediate effect,
The recommendation was concurred in, 2/3 of the members serving voting therefor.

Senator Garcia submitted the following:

FIRST CONFERENCE REPORT

The Committee of Conference on the matters of difference between the two Houses concerning
Senate Bill No. 235, entitled

A bill to make appropriations for the department of military and veterans affairs for the fiscal year ending September 30, 2008; to provide for the expenditure of the appropriations; to provide for certain powers and duties of the department of military and veterans affairs, other state agencies, and local units of government related to the appropriations; and to provide for the preparation of certain reports related to the appropriations.

Recommends:

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

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

A bill to make appropriations for the department of military and veterans affairs for the fiscal year ending September 30, 2008; to provide for the expenditure of the appropriations; to provide for certain powers and duties of the department of military and veterans affairs, other state agencies, and local units of government related to the appropriations; and to provide for the preparation of certain reports related to the appropriations.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. Subject to the conditions set forth in this act, the amounts listed in this part are appropriated for the department of military and veterans affairs for the fiscal year ending September 30, 2008, from the funds indicated in this part. The following is a summary of the appropriations in this part:

DEPARTMENT OF MILITARY AND VETERANS AFFAIRS

APPROPRIATION SUMMARY:

Full-time equated unclassified positions	7.0	
Full-time equated classified positions	1,015.0	
GROSS APPROPRIATION		\$ 129,430,700
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers		1,680,900
ADJUSTED GROSS APPROPRIATION		\$ 127,749,800
Federal revenues:		
Total federal revenues		56,187,500
Special revenue funds:		
Total local revenues		1,283,900
Total private revenues		1,463,300
Total other state restricted revenues		28,428,600
State general fund/general purpose		\$ 40,386,500

Sec. 102. HEADQUARTERS AND ARMORIES

Full-time equated unclassified positions	7.0	
Full-time equated classified positions	123.0	
Headquarters and armories—82.5 FTE positions		\$ 10,742,500
Unclassified military personnel		665,000
Military appeals tribunal		900
Michigan emergency volunteers		5,000
State active duty		90,100
Challenge program—40.5 FTE positions		4,696,300
Homeland security		1,000,000
Human resources optimization user charge		62,600
Military family relief fund		600,000
GROSS APPROPRIATION		\$ 17,862,400

Appropriated from:

IDG, challenge grant		260,000
IDG, community health		100,000
IDG, state police		900,000
IDG, human services		420,900
Federal revenues:		
DOD-DOA-NGB		5,226,900
Special revenue funds:		
Local - school aid fund		1,283,900
Rental fees		350,000
Mackinac Bridge authority		60,000
Private donations		819,700
Military family relief fund		600,000
Private - parent pay revenue		103,600
State general fund/general purpose		\$ 7,737,400

Sec. 103. MILITARY TRAINING SITES AND SUPPORT FACILITIES

Full-time equated classified positions	200.0	
Military training sites and support facilities—200.0 FTE positions		\$ 24,444,100

	For Fiscal Year Ending Sept. 30, 2008
Military training sites and support facilities test projects.....	\$ 100,000
GROSS APPROPRIATION	\$ 24,544,100
Appropriated from:	
Federal revenues:	
DOD-DOA-NGB	20,746,600
Special revenue funds:	
Regional training institute fund.....	1,500,000
Test project fees.....	100,000
State general fund/general purpose	\$ 2,197,500
Sec. 104. DEPARTMENTWIDE APPROPRIATIONS	
Departmentwide accounts	\$ 1,660,100
Special maintenance - state.....	651,200
Special maintenance - federal	5,300,000
Military retirement.....	3,048,000
Counter narcotic operations	50,000
Starbase grant	957,000
GROSS APPROPRIATION	\$ 11,666,300
Appropriated from:	
Federal revenues:	
DOD-DOA-NGB	7,523,100
Federal counter narcotic revenues	50,000
State general fund/general purpose	\$ 4,093,200
Sec. 105. VETERANS SERVICE ORGANIZATIONS	
American legion.....	\$ 886,000
Disabled American veterans.....	732,400
Marine corps league.....	336,300
American veterans of World War II and Korea	464,800
Veterans of foreign wars	886,000
Michigan paralyzed veterans of America	165,700
Purple heart.....	157,900
Veterans of World War I	100
Polish legion of American veterans.....	41,200
Jewish veterans of America	41,200
State of Michigan council - Vietnam veterans of America.....	159,500
Catholic war veterans.....	41,200
GROSS APPROPRIATION	\$ 3,912,300
Appropriated from:	
State general fund/general purpose	\$ 3,912,300
Sec. 106. GRAND RAPIDS VETERANS' HOME	
Full-time equated classified positions	517.0
Grand Rapids veterans' home—517.0 FTE positions	\$ 48,413,800
Board of managers.....	665,000
GROSS APPROPRIATION	\$ 49,078,800
Appropriated from:	
Federal revenues:	
DVA-VHA	15,504,500
HHS, Medicaid	153,500
HHS, Medicare	1,550,900
Special revenue funds:	
Private - veterans' home post and posthumous funds.....	415,000
Income and assessments.....	14,806,400
Military family relief fund.....	250,000
Lease revenue	12,200
State general fund/general purpose	\$ 16,386,300
Sec. 107. D.J. JACOBETTI VETERANS' HOME	
Full-time equated classified positions	159.0
D.J. Jacobetti veterans' home—159.0 FTE positions	\$ 15,599,000

	For Fiscal Year Ending Sept. 30, 2008
Board of managers	\$ 275,000
GROSS APPROPRIATION	\$ 15,874,000
Appropriated from:	
Federal revenues:	
DVA-VHA	4,479,600
HHS, Medicare	497,600
HHS, Medicaid	10,300
Special revenue funds:	
Private - veterans' home post and posthumous funds	125,000
Military family relief fund	150,000
Income and assessments.....	5,300,100
State general fund/general purpose	\$ 5,311,400
Sec. 108. VETERANS' AFFAIRS DIRECTORATE	
Full-time equated classified positions	16.0
Veterans' affairs directorate administration—3.0 FTE positions	\$ 336,500
Veterans' trust fund administration—13.0 FTE positions	1,222,300
Veterans' trust fund grants	3,746,500
GROSS APPROPRIATION	\$ 5,305,300
Appropriated from:	
Special revenue funds:	
Michigan veterans' trust fund	4,968,800
State general fund/general purpose	\$ 336,500
Sec. 109. INFORMATION TECHNOLOGY	
Information technology services and projects	\$ 1,187,500
GROSS APPROPRIATION	\$ 1,187,500
Appropriated from:	
Federal revenues:	
DOD-DOA-NGB	116,500
DVA-VHA	318,600
HHS, Medicare	9,400
Special revenue funds:	
Income and assessments.....	331,100
State general fund/general purpose	\$ 411,900

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

GENERAL SECTIONS

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for fiscal year 2007-2008 is \$68,815,100.00 and state spending from state resources to be paid to local units of government for fiscal year 2007-2008 is \$120,000.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF MILITARY AND VETERANS AFFAIRS
MILITARY TRAINING SITES AND SUPPORT FACILITIES

Payments in lieu of taxes	\$ 70,000
MICHIGAN VETERANS' TRUST FUND	
County counselor travel expenses	\$ 50,000
TOTAL	\$ 120,000

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

Sec. 203. As used in this act:

- (a) "Department" means the department of military and veterans affairs.
- (b) "Director" means the director of the department of military and veterans affairs.
- (c) "DOD" means the United States department of defense.
- (d) "DOD-DOA-NGB" means the DOD department of the army, national guard bureau.
- (e) "DVA" means the United States department of veterans' affairs.
- (f) "DVA-VHA" means the DVA veterans' health administration.
- (g) "FTE" means full-time equated.

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

(i) "IDG" means interdepartmental grant.

Sec. 204. The department of civil service shall bill the departments and agencies at the end of the first fiscal quarter for the 1% charge authorized by section 5 of article XI of the state constitution of 1963. Payments shall be made for the total amount of the billing by the end of the second fiscal quarter.

Sec. 205. (1) A hiring freeze is imposed on the state classified civil service. State departments and agencies are prohibited from hiring any new full-time state classified civil service employees and prohibited from filling any vacant state classified civil service positions. This hiring freeze does not apply to internal transfers of classified employees from 1 position to another within a department.

(2) The state budget director may grant exceptions to this hiring freeze when the state budget director believes that the hiring freeze will result in rendering a state department or agency unable to deliver basic services, causes loss of revenue to the state, would result in the inability of the state to receive federal funds, or would necessitate additional expenditures that exceed any savings from maintaining a vacancy. The state budget director shall report quarterly to the chairpersons of the senate and house of representatives standing committees on appropriations the number of exceptions to the hiring freeze approved during the previous quarter and the reasons to justify the exception.

Sec. 207. Sixty days before beginning any effort to privatize, the department shall submit a complete project plan to the appropriate senate and house of representatives appropriations subcommittees and the senate and house fiscal agencies. The plan shall include the criteria under which the privatization initiative will be evaluated. The evaluation shall be completed and submitted to the appropriate senate and house of representatives appropriations subcommittees and the senate and house fiscal agencies within 30 months.

Sec. 208. Unless otherwise specified, the department shall use the Internet to fulfill the reporting requirements of this act. 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. 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 should 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. 210. 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. 211. The departments and agencies receiving appropriations in part 1 shall receive and retain copies of all reports funded from appropriations in part 1. The department shall follow all federal guidelines and state laws regarding short-term and long-term retention of records.

Sec. 212. (1) Of the funds appropriated in part 1 for military training sites and support facilities, there shall be established a Michigan national guard education assistance program. Disbursements to the educational assistance program shall not exceed \$1,100,000.00 without legislative approval. Under the program, a member of the national guard who is in active service and who enrolls as a full- or part-time student at a public or private state college or university may be eligible to receive up to an equivalent of 50% of the total cost of tuition not to exceed \$2,000.00, as education assistance, in any academic year.

(2) As used in this section, an eligible person means a member of the Michigan national guard who is in active service, as defined in section 105 of the Michigan military act, 1967 PA 150, MCL 32.505. An eligible person does not include a member of the Michigan national guard or air national guard who is absent without leave or who is under charges as described in the Michigan code of military justice of 1980, 1980 PA 523, MCL 32.1001 to 32.1148.

(3) The department of military and veterans affairs, office of the adjutant general shall administer the education assistance program and prescribe forms and procedures to effectively carry out the education assistance program.

(4) An eligible person shall apply to the department of military and veterans affairs, office of the adjutant general for education assistance and shall provide evidence of attendance and completion of the course of study with a grade of at least 2.0 on a 4.0 scale, or its equivalent. The adjutant general shall approve the application for reimbursement if the applicant meets the definition of an eligible person under subsection (2) and other criteria as established by the adjutant general.

(5) The education assistance program applies to any course of instruction that is included in an associate, undergraduate, or postgraduate degree program offered by a college or university of this state.

(6) The education assistance program applies to an eligible person notwithstanding any other educational incentive or benefit received by the eligible person under any other educational assistance program provided by any other state.

(7) An eligible person who successfully completes the course of study with a grade of at least 2.0 on a 4.0 scale, or its equivalent, shall be eligible for reimbursement.

(8) The department of military and veterans affairs may use funds from the appropriated funds to administer the education assistance program.

(9) Reimbursed members who do not complete their national guard obligation shall pay the state for money received from the state for tuition. Members who fail to repay the state within the time limits established by the adjutant general shall be indebted to the state. The department shall work in conjunction with the department of treasury for inclusion in the tax intercept program for amounts due the state.

(10) A portion of the funds for the Michigan national guard education assistance program may be used by the department for the purpose of promoting the program and for encouraging those persons the department wishes to have enlist or reenlist in the Michigan national guard.

Sec. 213. The department shall consult with the house and senate appropriations subcommittees on military and veterans affairs regarding the projected closing or consolidation of any national guard armories.

Sec. 214. It is the intent of the legislature that, should the necessary legislation be enacted and funding become available, funds be appropriated for state military cemeteries in Crawford and Dickinson counties.

Sec. 221. From the funds appropriated in part 1 for information technology, departments and agencies shall pay user fees to the department of information technology for technology-related services and projects. These user fees shall be subject to provisions of an interagency agreement between the departments and agencies and the department of information technology.

Sec. 223. Amounts appropriated in part 1 for information technology may be designated as work projects and carried forward to support technology projects under the direction of the department of information technology. Funds designated in this manner are not available for expenditure until approved as work projects under section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a.

Sec. 225. (1) Due to the current budgetary problems in this state, out-of-state travel for the fiscal year ending September 30, 2008 shall be limited to situations in which 1 or more of the following conditions apply:

(a) The travel is required by legal mandate or court order or for law enforcement purposes.

(b) The travel is necessary to protect the health or safety of Michigan citizens or visitors or to assist other states in similar circumstances.

(c) The travel is necessary to produce budgetary savings or to increase state revenues, including protecting existing federal funds or securing additional federal funds.

(d) The travel is necessary to comply with federal requirements.

(e) The travel is necessary to secure specialized training for staff that is not available within this state.

(f) The travel is financed entirely by federal or nonstate funds.

(2) If out-of-state travel is necessary but does not meet 1 or more of the conditions in subsection (1), the state budget director may grant an exception to allow the travel. Any exceptions granted by the state budget director shall be reported on a monthly basis to the senate and house of representatives standing committees on appropriations.

(3) Not later than January 1 of each year, each department shall prepare a travel report listing 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 chairs and members of 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 the following information:

(a) The name of each person receiving reimbursement for travel outside this state or whose travel costs were paid by this state.

(b) The destination of each travel occurrence.

(c) The dates of each travel occurrence.

(d) A brief statement of the reason for each travel occurrence.

(e) 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.

(f) A total of all out-of-state travel funded for the immediately preceding fiscal year.

Sec. 226. The department shall not take disciplinary action against an employee for communicating with a member of the legislature or his or her staff.

Sec. 227. Sixty days prior to the public announcement of the intention to sell any department property, the department shall submit notification of that intent to the appropriate senate and house appropriations subcommittees and the senate and house fiscal agencies.

Sec. 228. 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. 229. There is hereby created and established under the jurisdiction and control of the department a revolving account to be known as the regional training institute conference center account. All of the fees and other revenues generated from the operation of the regional training institute conference center shall be deposited in the regional training institute conference center account. Appropriations shall be made from the account for the support of program

operations and the maintenance and operations of the regional training institute, the construction and maintenance of morale, welfare, and recreation facilities on Fort Custer or training areas within Michigan, and shall 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 regional training institute conference center account to the senate and house of representatives standing committees on appropriations, the senate and house fiscal agencies, and the state budget director at the end of the fiscal year.

Sec. 230. The regional training institute conference center shall be available but not limited to the following:

- (a) Military personnel.
- (b) Federal, state, and local government agencies.
- (c) Educational institutions.
- (d) Nonprofit corporations or associations organized pursuant to the nonprofit corporation act, 1982 PA 162, MCL 450.2101 to 450.3192.
- (e) Community service clubs.
- (f) Groups of persons with disabilities.
- (g) Members of the legislature for the purposes related to the business of the legislature.
- (h) Entities and organizations that wish to use the conference center to host an event that has a military agenda.

Sec. 231. (1) The department shall report no later than April 1, 2008 on each specific policy change made to implement a public act affecting the department that took effect during the prior calendar year to the house and senate appropriations subcommittees on the budget for the department, the joint committee on administrative rules, and the senate and house fiscal agencies.

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

(3) As used in this section:

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

Sec. 232. (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 act 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 act 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 act 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 act under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

HEADQUARTERS AND ARMORIES

Sec. 301. The department may charge reasonable rental and equipment usage fees for renting an armory or using the distance learning network. The fee shall include the cost of overtime compensation, insurance coverage, and any maintenance required.

Sec. 302. (1) The funds appropriated in this act for private donations to the challenge program shall be considered state restricted revenue, and unexpended funds remaining at the close of the fiscal year shall not lapse to the general fund but shall be carried forward to the subsequent fiscal year.

(2) The department may charge a parent or guardian of a participant in the challenge program a fee for participating in the program if the participant is a member of a family with an income that exceeds 200% of the federal poverty guidelines as published by the United States department of health and human services. The amount charged the parent or guardian shall not exceed the per-student state share cost of administering the program. The parent or guardian shall be notified of any charge to be assessed under this subsection prior to enrollment of the child in the program.

Sec. 304. The department will partner with the department of human services to identify youth who may be eligible for the challenge program from those youth served by department of human services programs. These eligible youth shall be given priority for enrollment in the program.

VETERANS SERVICE ORGANIZATIONS

Sec. 501. (1) Money appropriated in part 1 for grants to veterans service organizations shall be used only for salaries, wages, related personnel costs, training, and equipment for accredited veteran service advocacy officers and necessary

support and managerial staff. Training shall be provided for service advocacy officers and shall be conducted by accredited advocacy officers.

(2) To receive a grant from the money appropriated in part 1, a veterans service organization shall meet the following eligibility requirements:

(a) Be congressionally chartered by the United States congress.

(b) Be an active participating member of the Michigan veterans organizations' rehabilitation and veterans service committee and abide by its rules, guidelines, and programs.

(c) Demonstrate the receipt of monetary or service support from its own organization.

(d) Comply with the department's and the legislature's requirements of accounting audits, service work activity, accounting of recoveries, listing of volunteer hours, budget requests, and other requirements specified in subsection (3).

(e) For a veterans service organization founded after September 30, 1989, be in operation and providing service to Michigan veterans for not less than 2 years before receiving an initial state grant. During this 2-year period of time, the organization shall file a listing of service work activity and an accounting of recoveries with the department, the senate and house fiscal agencies, the senate and house of representatives appropriations subcommittees on military affairs, and the state budget office on forms as prescribed by the department.

(3) A veterans service organization receiving a grant from the money appropriated in part 1 shall file with the department an accounting of its expenditures, audited and certified by a certified public accountant, within 120 days after the organization's fiscal year end. Each organization shall provide a detailed budget request for the fiscal year ending September 30, 2009 to the department by November 15, 2007. Each veterans service organization shall provide 5 copies of a listing of all service activity, an accounting of recoveries, and a listing of volunteer hours for the fiscal year ending September 30, 2007 to the department by January 31, 2008. The listing of volunteer hours shall include the hours, services, and donations provided to residents of the Grand Rapids veterans' home and the D.J. Jacobetti veterans' home. Each veterans service organization shall provide a copy of the most recent and completed internal revenue service form 990 to the department at the end of the fiscal year ending September 30, 2007. A veterans service organization receiving a grant from the money appropriated in part 1 shall use the forms recommended by the Michigan veterans organizations rehabilitation and veterans service committee for filing reports required by this act. The department shall forward information required under this section to the senate and house fiscal agencies, the senate and house of representatives appropriations subcommittees on military affairs, and the state budget office.

(4) The veterans service directors committee and the department shall take steps to improve the coordination of veterans benefits counseling in the state to maximize the effective and efficient use of taxpayer dollars in this goal and to ensure that every veteran is served.

(5) To accomplish the goal of subsection (4), the veterans service directors committee and the department shall take steps to increase their responsibility in the administration, management, oversight, and outreach of the delivery of services to veterans. The veterans service directors committee and the department shall involve county veterans counselors and representatives from the Michigan veterans trust fund to work in concert to identify, implement, and evaluate steps to do all of the following:

(a) Increase the veterans service directors committee and the department's role in working directly with the United States department of veterans' affairs to enhance the delivery of services to Michigan veterans.

(b) Increase the number of initial claims filed with the United States department of veterans' affairs on behalf of veterans for service-connected disability or pension benefits. The veterans service directors committee and the department may work toward either an absolute increase of approved claims or an increase in the percentage of Michigan veterans with approved claims.

(c) Develop methods to increase rates of recovery paid by the United States department of veterans' affairs to Michigan veterans either by an increase in compensation paid per approved claim or increase in compensation paid on a per capita basis.

(d) Expand training opportunities for veterans service organization service officers.

(e) Increase either the number or percentage of Michigan veterans enrolled in the VA health care system.

(f) Publicize the availability, benefit, and value of burial in the Fort Custer and Great Lakes national cemeteries.

(g) Review each grant recipient's performance under the program and require that performance be a major consideration in the future funding of each grant recipient.

(h) Identify areas of redundancy which may exist among services provided by veterans service organizations grantees, Michigan veterans trust fund county committees, and county veterans counselors and provide a proposal on how any redundancies may be minimized and identify specific cost savings which could result.

(6) The veterans service directors committee and the department shall create a report of the efforts to complete the goals outlined in this section and shall provide suggestions on how a more effective and efficient veterans' benefits counseling program may best be designed for implementation for fiscal year 2008-2009. This report shall be delivered to the house and senate appropriations subcommittees no later than March 1, 2008.

VETERANS' HOMES

Sec. 601. Appropriations in this act for the Grand Rapids veterans' home and the D.J. Jacobetti veterans' home shall not be used for any purpose other than for veterans and veterans' families.

Sec. 602. The Grand Rapids veterans' home and the D.J. Jacobetti veterans' home, together with the department and the department of management and budget, shall produce and deliver to the senate and house of representatives appropriations subcommittees on state police and military affairs an annual written report. The report shall include an accounting of member populations and bed space available; a description and accounting of services and activities provided to members; financial information; current state nursing home licensure status; the steps required for Medicaid certification, including a listing of any personnel, equipment, supplies, or budgetary increases required; and whether or not steps are being taken toward Medicaid certification. The annual report shall be submitted to the senate and house of representatives appropriations subcommittees on military affairs no later than February 1, 2008.

Sec. 603. The money appropriated in this act for the boards of managers may be expended for facility improvements, the purchase and repair of equipment and furnishings, member services, and other purposes that benefit the Grand Rapids veterans' home and the D.J. Jacobetti veterans' home.

Sec. 604. The department shall, prior to altering the spending plan by the board of managers of post and posthumous funds, report to the appropriate senate and house appropriations subcommittees 30 days prior to that action and shall indicate the rationale for that decision.

VETERANS' TRUST FUND

Sec. 703. By April 1, 2008, the department shall submit to the senate and house of representatives appropriations subcommittees on military affairs and the state budget office a detailed annual report of the Michigan veterans' trust fund for fiscal year 2006-2007. The report shall include information on grants provided from the emergency grant program, including details concerning the methodology of allocations, the selection of emergency grant program authorized agents, and a detailed breakdown of trust fund expenditures for that year. The report shall also provide an update on the department's efforts to reduce program administrative costs and restore the Michigan veterans' trust fund corpus to its original amount of \$50,000,000.00.

Sec. 704. The Michigan veterans affairs directorate administration and the Michigan veterans' trust fund administration shall take steps to assist the county veterans counselors of the state to obtain training necessary for the execution of their duties.

Third: That the Senate and House agree to the title of the bill to read as follows:

A bill to make appropriations for the department of military and veterans affairs for the fiscal year ending September 30, 2008; to provide for the expenditure of the appropriations; to provide for certain powers and duties of the department of military and veterans affairs, other state agencies, and local units of government related to the appropriations; and to provide for the preparation of certain reports related to the appropriations.

Valde Garcia
 Tony Stamas
 Jim Barcia
 Conferees for the Senate

Richard LeBlanc
 John Espinoza
 Mike Nofs
 Conferees for the House

The question being on the adoption of the conference report,

The first conference report was adopted, a majority of the members serving voting therefor, as follows:

Roll Call No. 439

Yeas—35

Allen	Clarke	Jansen	Sanborn
Anderson	Cropsey	Jelinek	Schauer
Barcia	Garcia	Kahn	Scott
Birkholz	George	Kuipers	Stamas
Bishop	Gilbert	McManus	Switalski
Brater	Gleason	Olshove	Thomas
Brown	Hardiman	Pappageorge	Van Woerkom
Cherry	Hunter	Patterson	Whitmer
Clark-Coleman	Jacobs	Richardville	

Nays—3

Basham	Cassis	Prusi
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Excused—0

Not Voting—0

In The Chair: Richardville

The question being on concurring in the committee recommendation to give the bill immediate effect, The recommendation was concurred in, 2/3 of the members serving voting therefor.

Senator Garcia submitted the following:

FIRST CONFERENCE REPORT

The Committee of Conference on the matters of difference between the two Houses concerning **Senate Bill No. 238, entitled**

A bill to make appropriations for the department of state police and certain other state purposes for the fiscal year ending September 30, 2008; to provide for the expenditure of those appropriations; to provide for certain reports and the consideration of those reports; to provide for the disposition of other income received by the various state agencies; to provide for certain emergency powers; and to provide for the powers and duties of certain committees, certain state agencies, and certain employees.

Recommends:

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

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

A bill to make appropriations for the department of state police and certain other state purposes for the fiscal year ending September 30, 2008; to provide for the expenditure of those appropriations; to provide for certain reports and the consideration of those reports; to provide for the disposition of other income received by the various state agencies; to provide for certain emergency powers; and to provide for the powers and duties of certain committees, certain state agencies, and certain employees.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. Subject to the conditions set forth in this act, the amounts listed in this part are appropriated for the department of state police for the fiscal year ending September 30, 2008, from the funds indicated in this part. The following is a summary of the appropriations in this part:

DEPARTMENT OF STATE POLICE

APPROPRIATION SUMMARY:

Full-time equated unclassified positions	3.0	
Full-time equated classified positions	2,899.0	
GROSS APPROPRIATION		\$ 566,533,600
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers		26,143,700
ADJUSTED GROSS APPROPRIATION		\$ 540,389,900
Federal revenues:		
Total federal revenues		146,240,200
Special revenue funds:		
Total local revenues		8,739,100
Total private revenues		262,500
Total state restricted revenues		111,318,800
State general fund/general purpose		\$ 273,829,300
Sec. 102. EXECUTIVE DIRECTION		
Full-time equated unclassified positions	3.0	
Full-time equated classified positions	39.0	
Unclassified positions		\$ 366,100
Law enforcement resource study		250,000

	For Fiscal Year Ending Sept. 30, 2008
Executive direction—34.0 FTE positions	\$ 1,525,400
Special operations and events	2,500,000
Auto theft prevention program—5.0 FTE positions	10,752,200
GROSS APPROPRIATION	\$ 15,393,700
Appropriated from:	
Special revenue funds:	
Auto theft prevention fund.....	10,752,200
Motor carrier fees	450,000
State general fund/general purpose	\$ 4,191,500
Sec. 103. DEPARTMENTWIDE APPROPRIATIONS	
Special maintenance and utilities	\$ 447,600
Rent and building occupancy charges	9,399,300
Worker’s compensation	2,901,000
Fleet leasing.....	16,184,100
In-service training - law enforcement distribution.....	450,000
In-service training - competitive	600,000
Narcotics investigation funds	265,000
GROSS APPROPRIATION	\$ 30,247,000
Appropriated from:	
Interdepartmental grant revenues:	
IDG, training academy charges	265,400
IDT, Michigan justice training fund	1,050,000
Federal revenues:	
Federal narcotics investigation revenues	95,000
DOT	23,600
DHS	163,100
Special revenue funds:	
Forensic science reimbursement fee.....	94,200
Narcotics investigation revenues	170,000
State forensic laboratory fund	94,200
Criminal justice information center service fees	186,600
Secondary road patrol and training fund	6,600
Hazardous materials training center fees.....	98,400
Michigan justice training fund	13,600
Motor carrier fees	7,000
Highway safety fund.....	7,500
Traffic law enforcement and safety fund.....	14,800
State general fund/general purpose	\$ 27,957,000
Sec. 104. SUPPORT SERVICES	
Full-time equated classified positions	213.0
Human resources—25.0 FTE positions	\$ 2,239,400
Human resources optimization user charges.....	178,300
Management services—114.0 FTE positions.....	12,404,900
Training administration—37.0 FTE positions	5,781,500
Communications—12.0 FTE positions	2,730,300
Budget and financial services—25.0 FTE positions	2,265,900
GROSS APPROPRIATION	\$ 25,600,300
Appropriated from:	
Interdepartmental grant revenues:	
IDT, auto theft funds.....	26,900
IDG, training academy charges	3,191,700
IDT, truck safety fund.....	5,000
IDG-MDOT, state trunkline fund	2,300
IDG-MDTR, casino gaming fees.....	42,100
IDG-MDTR, emergency telephone fund coordinator.....	419,900

	For Fiscal Year Ending Sept. 30, 2008
IDG-MDTR, emergency telephone fund operations	\$ 476,800
IDG-MDOS.....	2,000
IDG-MDOC, contract.....	1,072,800
Federal revenues:	
DOT.....	212,600
Special revenues funds:	
Local - LEIN fees	255,500
Local - MPSCS subscriber fees.....	26,600
Local - school bus revenue.....	1,300
Highway safety fund.....	138,700
Auto theft prevention fund.....	6,700
Nuclear plant emergency planning reimbursement.....	5,600
Precision driving track fees.....	287,200
Criminal justice information center service fees	758,600
Traffic law enforcement and safety fund.....	239,700
Reimbursed services	1,374,500
Forensic science reimbursement fees	36,700
Drunk driving prevention and training fund.....	1,300
Hazardous materials training center fees.....	500
Michigan justice training fund	2,300
Narcotics investigation revenues	1,200
Secondary road patrol and training fund	1,700
Truck driver safety fund.....	1,100
Motor carrier fees	237,300
State general fund/general purpose	\$ 16,771,700
Sec. 105. HIGHWAY SAFETY PLANNING	
Full-time equated classified positions	26.0
State program planning and administration—14.0 FTE positions.....	\$ 1,216,600
Secondary road patrol program—2.0 FTE positions.....	14,029,900
Truck safety program—2.0 FTE positions	3,000,300
Federal highway traffic safety coordination—8.0 FTE positions.....	10,593,000
GROSS APPROPRIATION	\$ 28,839,800
Appropriated from:	
Federal revenues:	
DOT.....	10,728,500
DOJ	575,600
Special revenue funds:	
Truck driver safety fund.....	3,000,300
Secondary road patrol and training fund	14,029,900
State general fund/general purpose	\$ 505,500
Sec. 106. CRIMINAL JUSTICE INFORMATION CENTER	
Full-time equated classified positions	90.0
Criminal justice information center division—73.0 FTE positions.....	\$ 9,200,100
Criminal records improvement—1.0 FTE position.....	2,240,500
Traffic safety—16.0 FTE positions	2,684,600
GROSS APPROPRIATION	\$ 14,125,200
Appropriated from:	
Interdepartmental grant revenues:	
IDG-MDOS.....	281,700
IDG-MDCH, crime victim's rights fund.....	475,800
IDG-MDOT, state trunkline fund	871,000
Federal revenues:	
DOJ	2,240,500
DOT.....	1,454,700
Special revenue funds:	
Traffic crash revenue.....	77,200

	For Fiscal Year Ending Sept. 30, 2008
Sex offender registration fund.....	\$ 60,500
Criminal justice information center service fees	8,663,800
State general fund/general purpose	\$ 0
Sec. 107. FORENSIC SCIENCES	
Full-time equated classified positions	220.0
Laboratory operations—180.0 FTE positions	\$ 18,934,400
DNA analysis program—40.0 FTE positions	7,079,100
GROSS APPROPRIATION	\$ 26,013,500
Appropriated from:	
Interdepartmental grant revenues:	
IDG-MDCH, crime victim’s rights fund.....	430,000
Federal revenues:	
DOJ	4,054,200
Special revenue funds:	
Forensic science reimbursement fees	423,900
State forensic laboratory fund	1,497,000
State general fund/general purpose	\$ 19,608,400
Sec. 108. MICHIGAN COMMISSION ON LAW ENFORCEMENT STANDARDS	
Full-time equated classified positions	28.0
Standards and training—22.0 FTE positions	\$ 2,204,300
Justice training grants—4.0 FTE positions.....	7,916,900
Concealed weapons enforcement training	140,000
Training only to local units—2.0 FTE positions	770,300
Mental health awareness training	100,000
Officer’s survivor tuition program.....	48,500
Public safety officers benefit program.....	150,000
GROSS APPROPRIATION	\$ 11,330,000
Appropriated from:	
Interdepartmental grant revenues:	
IDG-MDOC	100,000
Federal revenues:	
DOJ	182,600
Special revenue funds:	
Secondary road patrol and training fund	770,300
Michigan justice training fund	8,042,700
Licensing fees	5,300
Concealed weapons enforcement fee.....	140,000
State general fund/general purpose	\$ 2,089,100
Sec. 109. EMERGENCY MANAGEMENT	
Full-time equated classified positions	72.0
Emergency management planning and administration—55.0 FTE positions	\$ 4,804,500
Grants to local government	2,482,100
FEMA program assistance—3.0 FTE positions	1,027,400
Nuclear power plant emergency planning—6.0 FTE positions	1,513,600
Hazardous materials programs—8.0 FTE positions.....	102,239,200
GROSS APPROPRIATION	\$ 112,066,800
Appropriated from:	
Federal revenues:	
DOT	583,800
DHS	106,317,300
Special revenue funds:	
Nuclear plant emergency planning reimbursement.....	1,513,600
Hazardous materials training center fees.....	1,503,300
State general fund/general purpose	\$ 2,148,800
Sec. 110. POST UNIFORM SERVICES	
Full-time equated classified positions	1,578.0
Uniform services—422.0 FTE positions	\$ 46,931,200

	For Fiscal Year Ending Sept. 30, 2008
Security guards—15.0 FTE positions	\$ 1,097,000
Reimbursed services	1,709,000
At-post troopers—1,141.0 FTE positions	138,355,100
Calumet post acquisition	450,000
GROSS APPROPRIATION	\$ 188,542,300
Appropriated from:	
Interdepartmental grant revenues:	
IDG-MDMB, building occupancy charges	648,400
Special revenue funds:	
Highway safety fund	15,451,400
Traffic law enforcement and safety fund	29,303,000
State police service fees	1,709,000
State general fund/general purpose	\$ 141,430,500
Sec. 111. STATEWIDE FIELD OPERATIONS	
Full-time equated classified positions	70.0
Operational support—53.0 FTE positions	\$ 5,927,600
Traffic services—10.0 FTE positions	3,861,000
Aviation program—7.0 FTE positions	1,453,200
GROSS APPROPRIATION	\$ 11,241,800
Appropriated from:	
Interdepartmental grant revenues:	
IDG-MDCH, crime victim's rights fund	121,500
IDG-MDOT, state trunkline fund	365,700
IDG-MDOC, contract	97,500
Federal revenues:	
DOT	1,878,900
Special revenue funds:	
Private donations	262,500
Rental of department aircraft	51,200
Drunk driving prevention and training fund	1,280,300
State general fund/general purpose	\$ 7,184,200
Sec. 112. SPECIAL INVESTIGATIONS	
Full-time equated classified positions	349.0
Criminal investigations—233.0 FTE positions	\$ 31,492,700
Federal antidrug initiatives—62.0 FTE positions	9,949,200
Reimbursed services, materials, and equipment	2,641,000
Auto theft prevention—9.0 FTE positions	1,675,000
Casino gaming oversight—32.0 FTE positions	4,404,300
Fire investigation—13.0 FTE positions	1,542,300
Fire investigation training to locals	50,000
GROSS APPROPRIATION	\$ 51,754,500
Appropriated from:	
Interdepartmental grant revenues:	
IDT, auto theft funds	1,364,300
IDG-MDTR, casino gaming fees	4,404,300
IDG-MDCH, tobacco tax	610,000
Federal revenues:	
Federal investigations - reimbursed services	750,500
DOJ	7,020,600
Federal narcotics investigation revenues	464,100
Special revenue funds:	
Local - reimbursed services	1,890,500
Narcotics investigation revenues	668,200
Forfeiture funds	510,500
State general fund/general purpose	\$ 34,071,500

For Fiscal Year
Ending Sept. 30,
2008

Sec. 113. MOTOR CARRIER ENFORCEMENT

Full-time equated classified positions	214.0	
Motor carrier enforcement—106.0 FTE positions		\$ 10,449,300
Truck safety enforcement team operations—10.0 FTE positions.....		1,325,000
Safety inspections—64.0 FTE positions.....		8,156,200
School bus inspections—16.0 FTE positions		1,395,300
Safety projects—18.0 FTE positions.....		2,115,900
GROSS APPROPRIATION.....		\$ 23,441,700
Appropriated from:		
Interdepartmental grant revenues:		
IDT, truck safety fund.....		1,325,000
IDG-MDOT, state trunkline fund		8,235,300
Federal revenues:		
DOT.....		8,640,900
Special revenue funds:		
Local school bus revenue		1,395,300
Motor carrier fees		3,845,200
State general fund/general purpose		\$ 0

Sec. 114. INFORMATION TECHNOLOGY

Information technology services and projects		\$ 17,931,200
Michigan public safety communications system		10,005,800
GROSS APPROPRIATION.....		\$ 27,937,000
Appropriated from:		
Interdepartmental grant revenues:		
IDG-MDTR, casino gaming fees.....		85,700
IDG-MDOT, state trunkline fund		90,500
IDG, training academy charges		32,600
IDG-MDOS.....		47,700
IDG-MDTR, emergency telephone fund coordinator.....		1,800
Federal revenues:		
DOJ		516,600
DHS		263,800
DOT.....		73,300
Special revenue funds:		
Local - LEIN fees		3,582,900
Local - AFIS fees.....		38,800
Local - MPSCS subscriber fees.....		1,544,000
Local - school bus revenue.....		4,200
Auto theft prevention fund.....		3,800
Criminal justice information center service fees		1,129,300
Drunk driving prevention and training fund.....		2,900
Forensic science reimbursement fees		1,128,400
Hazardous materials center fees.....		1,100
Michigan justice training fund		221,200
Narcotics investigation revenue.....		2,700
Nuclear plant emergency planning reimbursement.....		4,900
Precision driving track fees.....		300
Secondary road patrol and training fund		86,800
Sex offender registration fund.....		208,500
State forensic laboratory fund		347,500
State police service fees.....		7,500
Truck driver safety fund.....		2,400
Reimbursed services		8,100
Motor carrier fees		628,600
State general fund/general purpose		\$ 17,871,100

PART 2
PROVISIONS CONCERNING APPROPRIATIONS

GENERAL SECTIONS

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for fiscal year 2007-2008 is \$385,148,100.00 and state spending from state resources to be paid to local units of government for fiscal year 2007-2008 is \$20,594,700.00. The itemized statement below identifies appropriations from which spending to units of local government will occur:

DEPARTMENT OF STATE POLICE

OFFICE OF HIGHWAY SAFETY PLANNING

Secondary road patrol program	\$	13,889,600
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MICHIGAN COMMISSION ON LAW ENFORCEMENT STANDARDS

Training only to local units	\$	650,200
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Justice training grants		5,528,100
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SPECIAL INVESTIGATIONS

Fire investigation training for locals		50,000
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SUPPORT SERVICES

Communications	\$	476,800
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Total.....	\$	20,594,700
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Sec. 202. The appropriations authorized under this act are subject to the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

Sec. 203. As used in this act:

- (a) "AFIS" means the automated fingerprint identification system.
- (b) "Department" means the department of state police.
- (c) "DHS" means the United States department of homeland security.
- (d) "DNA" means deoxyribonucleic acid.
- (e) "DOJ" means the United States department of justice.
- (f) "DOT" means the United States department of transportation.
- (g) "FEMA" means the federal emergency management agency.
- (h) "FTE" means full-time equated.
- (i) "IDG" means interdepartmental grant.
- (j) "IDT" means intradepartmental transfer.
- (k) "LEIN" means law enforcement information network.
- (l) "MCOLES" means the Michigan commission on law enforcement standards.
- (m) "MDCH" means the Michigan department of community health.
- (n) "MDMB" means the Michigan department of management and budget.
- (o) "MDOC" means the Michigan department of corrections.
- (p) "MDOS" means the Michigan department of state.
- (q) "MDOT" means the Michigan department of transportation.
- (r) "MDTR" means the Michigan department of treasury.
- (s) "MPSCS" means the Michigan public safety communications system.

Sec. 204. The department of civil service shall bill departments and agencies at the end of the first fiscal quarter for the 1% charge authorized by section 5 of article XI of the state constitution of 1963. Payments shall be made for the total amount of the billing by the end of the second fiscal quarter.

Sec. 205. (1) A hiring freeze is imposed on the state classified civil service. State departments and agencies are prohibited from hiring any new full-time state classified civil service employees and prohibited from filling any vacant state classified civil service positions. This hiring freeze does not apply to internal transfers of classified employees from 1 position to another within a department.

(2) The state budget director may grant exceptions to this hiring freeze when the state budget director believes that the hiring freeze will result in rendering a state department or agency unable to deliver basic services, causes loss of revenue to the state, would result in the inability of the state to receive federal funds, or would necessitate additional expenditures that exceed any savings from maintaining a vacancy. The state budget director shall report quarterly to the chairpersons of the senate and house of representatives standing committees on appropriations the number of exceptions to the hiring freeze approved during the previous quarter and the reasons to justify the exception.

Sec. 207. At least 60 days before beginning any effort to privatize, the department shall submit a complete project plan to the appropriate senate and house of representatives appropriations subcommittees and the senate and house fiscal agencies. The plan shall include the criteria under which the privatization initiative will be evaluated. The evaluation shall be completed and submitted to the appropriate senate and house of representatives appropriations subcommittees and the senate and house fiscal agencies within 30 months.

Sec. 208. Unless otherwise specified, the department shall use the Internet to fulfill the reporting requirements of this act. 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. 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 should 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. 210. 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, for the department. The director shall strongly encourage firms with which the department contracts to subcontract with certified businesses in depressed and deprived communities for services or supplies, or both.

Sec. 211. It is the intent of the legislature that personnel of the department who request and are eligible for reimbursement of expenses related to the operation of the department be reimbursed from the appropriations provided in this act within 30 days after submitting a request, or the eligible personnel shall be paid an additional amount equal to 0.75% of the payment due. The department shall pay an additional amount equal to 0.75% of the payment due for the first month and each succeeding month or portion of a month the payment remains past due.

Sec. 213. (1) It is the intent of the legislature that the department shall not provide any subsidy for contractual services it provides.

(2) 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.

(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 state agencies.

Sec. 214. The departments and agencies receiving appropriations in part 1 shall receive and retain copies of all reports funded from appropriations in part 1. The department shall follow all federal guidelines and state laws regarding short-term and long-term retention of records.

Sec. 215. Not later than January 1, 2008, the department shall report to the state police appropriations subcommittees of the house and senate and the house and senate fiscal agencies. The report shall contain the following information regarding the department's activities related to casino gaming oversight during fiscal year 2006-2007:

- (a) The amount of money received and expended.
- (b) The nature and structure of the casino gaming oversight unit.
- (c) The positions and classifications of employees assigned.
- (d) The number of full-time and part-time employees and the aggregate number of FTEs.
- (e) The number of enlisted and civilian positions.
- (f) The duties and responsibilities of the assigned employees.
- (g) The immediate past position of the enlisted employees assigned.

Sec. 216. The department shall collect and computerize the vehicle identification number (VIN) of all vehicles that are entered into the state accident data collection system and make this and other vehicle information available to the public at cost. For bulk access to the accident records in which the VIN 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.

Sec. 217. From the funds appropriated in part 1, the department shall maintain a toll-free hotline in collaboration with the department of education. The toll-free hotline shall be operated 24 hours per day, 7 days per week, and shall provide students, school officials, and other individuals an opportunity to report specific threats of imminent school violence or other suspicious or criminal conduct by juveniles to the appropriate local law enforcement entities for investigation. The department may expend funds for the promotion of the hotline.

Sec. 218. (1) Funds appropriated in part 1 for at-post troopers shall only be expended for trooper salaries, wages, benefits, retirement, equipment, supplies, and other expenses directly related to state troopers assigned to general law enforcement duties at a department post, detachment, satellite office, or a resident trooper function.

(2) It is the intent of the legislature that every effort be made to identify funding sufficient to conduct a trooper school for the purpose of working toward the goal of establishing a minimum at-post trooper strength of 1,075 in this state.

(3) The department shall submit quarterly written reports to the senate and house appropriations subcommittees on state police and military and veterans affairs no later than December 1, 2007, March 1, 2008, June 1, 2008, and September 1, 2008 which shall include a trooper strength report and the status of the department's plan for accomplishing the goal of subsection (2). If the department determines that insufficient appropriations exist under part 1 to accomplish the goal of subsection (2), the department shall submit a proposal outlining a plan to accomplish the goal, including an accounting of any additional funding necessary to that end.

Sec. 219. The department of state police shall notify the house and senate appropriations subcommittees on state police and military and veterans affairs and the house and senate fiscal agencies not less than 180 days before recommending to close or consolidate any state police posts. The notification shall include a local and state impact study of the proposed post closure or consolidation.

Sec. 220. (1) The department of state police, in keeping with its role as the general law enforcement agency of the state and as the law enforcement agency of last resort for communities that are either without local law enforcement resources or are seriously underserved by local law enforcement resources, shall provide general law enforcement assistance to those communities until adequate law enforcement services can be provided to those communities by other means.

(2) Not later than May 1, 2008, the department shall deliver to the house and senate appropriations subcommittees on state police and military and veterans affairs and the house and senate fiscal agencies a report on the additional costs incurred by the department in each locality for providing the services described in subsection (1) during the first 6 months of the fiscal year 2007-2008.

Sec. 221. The department of state police may pursue entering into an agreement with Calhoun County to build a new facility in Marshall which would serve as a new state police post to replace the current state police post in Battle Creek.

Sec. 223. (1) Due to the current budgetary problems in this state, out-of-state travel for the fiscal year ending September 30, 2008 shall be limited to situations in which 1 or more of the following conditions apply:

(a) The travel is required by legal mandate or court order or for law enforcement purposes.

(b) The travel is necessary to protect the health or safety of Michigan citizens or visitors or to assist other states in similar circumstances.

(c) The travel is necessary to produce budgetary savings or to increase state revenues, including protecting existing federal funds or securing additional federal funds.

(d) The travel is necessary to comply with federal requirements.

(e) The travel is necessary to secure specialized training for staff that is not available within this state.

(f) The travel is financed entirely by federal or nonstate funds.

(2) If out-of-state travel is necessary but does not meet 1 or more of the conditions in subsection (1), the state budget director may grant an exception to allow the travel. Any exceptions granted by the state budget director shall be reported on a monthly basis to the senate and house of representatives standing committees on appropriations.

(3) Not later than January 1 of each year, each department shall prepare a travel report listing 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 chairs and members of the senate and house of representatives standing committees on appropriations, the fiscal agencies, and the state budget director. The report shall include the following information:

(a) The name of each person receiving reimbursement for travel outside this state or whose travel costs were paid by this state.

(b) The destination of each travel occurrence.

(c) The dates of each travel occurrence.

(d) A brief statement of the reason for each travel occurrence.

(e) 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.

(f) A total of all out-of-state travel funded for the immediately preceding fiscal year.

Sec. 224. The department shall not take disciplinary action against an employee for communicating with a member of the legislature or his or her staff.

Sec. 225. It is the intent of the legislature that the administration, working with the MCOLES, continue the long-held practice that all revenue made available to the department from the Michigan justice training fund be used solely for costs directly related to the delivery of Michigan justice training fund grants, so that in the future, eligible entities as provided under 1982 PA 302, MCL 18.421 to 18.429, will have a stable and accurate source of training funds.

Sec. 226. The department of state police, in cooperation with the department of information technology and others, shall take steps to encourage the development of state, local, and regional tactical interoperable communication plans with the ultimate goal being to ensure that effective and efficient communication interoperability between radio communication systems of local, regional, state, and federal agencies is established in every area of the state. The department shall provide a written report to the senate and house appropriations subcommittees on state police and military and veterans affairs no later than April 1, 2008 on the current status of reaching this objective. The report shall include an accounting of exactly where within the state desired interoperability has been achieved and what cooperative measures and use of technology were used to achieve this interoperability, and which areas of the state have not yet achieved such status. The report shall also include a description of what strategies need to be employed to ensure that the remaining areas of the state, and the state as a whole, will have a communication system with efficient and effective interoperability, particularly on occasions when a multijurisdictional response to an emergency is warranted.

Sec. 227. (1) From the funds appropriated in part 1, the department of state police is prohibited from transporting employees of institutions of higher education on state-owned aircraft.

(2) 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, or both.

(3) From the funds appropriated in part 1, the department is prohibited from transporting local government employees on state-owned aircraft.

(4) It is the intent of the legislature that state elected officials use commercial or other private air service, unless air travel on state-owned aircraft is part of official state business.

(5) This section shall not apply to transportation that is related to law enforcement or homeland security activities.

Sec. 230. The unexpended and unencumbered balance of the appropriation for the department contained in 2006 PA 345 shall be used toward the payment of \$400,000.00 to the Michigan state police troopers association. The funds shall be available for appropriation in the fiscal year ending September 30, 2008.

Sec. 232. The department shall place emphasis on recruiting MCOLES certified police officers for the trooper recruit school. Emphasis shall be given in the hiring process to those officers who are on layoff and possess valid MCOLES certification. Any emphasis given in the recruiting and selection process shall be consistent with the department's hiring standards and in accordance with civil service rules. The department shall report to the chairpersons of the senate and house of representatives standing committees on appropriations the results of its recruitment and selection process, including the actual number of certified officers selected for any recruit school that is held by September 30, 2008.

Sec. 233. The appropriation in part 1 for a law enforcement resource study shall be used to contract with a nationally recognized law enforcement research entity to prepare a study that examines the law enforcement needs of each state police district of this state. The study shall provide information concerning the police patrol and response needs within each state police district of this state, baseline coverage recommendations, and information concerning what would be required in terms of personnel and resources to meet the recommendations. The study shall include an inventory of all levels of existing police resources for a given area and how those resources could most efficiently be allocated to achieve the recommendations, along with the amount of any additional resources that may be needed.

Sec. 234. 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. 235. (1) If a spending plan for the funds appropriated in part 1 for special operations and events, or sources of financing related to the spending plan, do not provide the level of program service provided for in the current fiscal year, the funds appropriated in part 1 for post uniform services or forensic sciences shall not be used to fund the shortfall.

(2) If a spending plan for the funds appropriated in part 1 for special operations and events, or sources of financing related to the spending plan, are in excess of that necessary to provide the level of program service provided for in the current fiscal year, the department shall take steps to transfer whatever excess funding may exist to the funds appropriated in part 1 for post uniform services and forensic sciences.

Sec. 236. (1) The department shall report no later than April 1, 2008 on each specific policy change made to implement a public act affecting the department that took effect during the prior calendar year to the house and senate appropriations subcommittees on the budget for the department, the joint committee on administrative rules, and the senate and house fiscal agencies.

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

(3) As used in this section:

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

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

Sec. 237. From the funds appropriated in part 1, the department shall maintain, for the full 2007-08 fiscal year, either the operation of each Michigan state police post which was in operation as of April 2, 2007, or an alternative work station in the vicinity of a current Michigan state police post.

Sec. 238. The department of management and budget shall work with the department of state police to reduce building operations and leasing costs for all Michigan state police facilities and to identify efficiencies and savings.

Sec. 239. It is the intent of the legislature that, should funding become available, funds may be appropriated to the department for traffic control purposes at the Michigan international speedway.

Sec. 240. (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 act 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 act 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 act 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 act under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

INFORMATION TECHNOLOGY

Sec. 301. The money appropriated in part 1 for computer services shall be funded by LEIN user fees sufficient to pay 1/3 of the service and contract maintenance costs of the LEIN system.

Sec. 302. From the funds appropriated in part 1 for information technology, departments and agencies shall pay user fees to the department of information technology for technology-related services and projects. These user fees shall be subject to provisions of an interagency agreement between the department and the department of information technology.

Sec. 303. Amounts appropriated in part 1 for information technology may be designated as work projects and carried forward to support technology projects under the direction of the department of information technology. Funds designated in this manner are not available for expenditure until approved as work projects under section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a.

Sec. 304. A portion of the funds appropriated in part 1 shall be used by the department to produce a written report detailing departmental policies regarding access to and use of information from the LEIN system. The report shall include a description of departmental measures to protect the security of information in the LEIN system including safeguards that would prevent unauthorized persons from obtaining information from the LEIN system. The department shall submit a copy of this report to the senate and house appropriations committees not later than April 1, 2008.

Sec. 305. The criminal justice information systems policy council shall encourage members of the law enforcement agencies in the state to be sensitive to, and note when necessary, activities or circumstances that may suggest the unauthorized access or misuse of information from the LEIN system. The criminal justice information systems policy council shall advise LEIN auditors, as a part of their audit of law enforcement agencies, to investigate in depth all suspected incidents of improper access or improper use of information from the LEIN system and determine whether or not those incidents were illegal. In those incidents that may be determined to be illegal, the executive secretary for the council shall determine whether those incidents were of a negligent or criminal nature. If an incident is determined to be an illegal act, the council shall inform the chairs of both the senate and house appropriations committees.

Sec. 306. (1) The department of state police, working with the criminal justice information systems policy council, shall implement procedures by which all probation information is placed on the LEIN system. The LEIN system shall include information on each probationer, including any probation conditions placed on a probationer and the name of the probation officer assigned to a probationer. The LEIN system shall also include any nonstandard probation terms.

(2) If the department determines that amendments to the code of criminal procedure, 1927 PA 175, MCL 760.1 to 777.69, are required to include all probation information on the LEIN system, the department shall deliver to members of the senate and house appropriations subcommittees on state police and military affairs amendments to the code of criminal procedure, 1927 PA 175, MCL 760.1 to 777.69, that, in the department's view, are necessary to accomplish this goal. These proposed amendments shall be delivered to subcommittee members not later than December 1, 2007.

Sec. 307. The department of state police shall serve as an active liaison between the department of information technology and local public safety agencies to facilitate the use of the Michigan public safety communications system towers by those local public safety agencies that have an interest in using the towers as a part of their own communications system. The department of state police shall deliver a written report to the senate and house appropriations subcommittees on state police and military and veterans affairs by April 1, 2008, which shall include an assessment of the progress toward establishing local public safety agency use of the Michigan public safety communications system towers, an accounting of problems that may be preventing local use of the towers, and any recommendations the department has that may foster this utilization.

Sec. 308. The department of state police shall report any LEIN fee increase to the senate and house appropriations subcommittees on state police and military and veterans affairs 60 days prior to the effective date of that increase. The report shall contain the following information: the current fee structure and the total revenue earned each year; the new fee structure and the total revenue it is expected to earn annually; the total annual cost of the LEIN system; and the total amount of LEIN fees paid by the department under both the old and the new structure.

Sec. 309. From the funds appropriated in part 1 for information technology, the department may develop and issue a request for proposal for the development, implementation, and maintenance of an electronic system, authorized by

the national law enforcement telecommunications system, for real-time enforcement of section 3101 of the insurance code of 1956, 1956 PA 218, MCL 500.3101.

Sec. 310. The appropriation in part 1 for information technology includes efficiencies taken totaling a minimum of \$609,000 in general funds from the governor's original fiscal year 2007-2008 executive recommendation without resulting in a reduction in the quality or amount of information technology applications performed for the department of state police. It is the intent of the legislature that the department of information technology continue to work toward finding ways to reduce costs and identify additional efficiencies for the department while still providing the department with the level of information technology services it needs.

HIGHWAY SAFETY PLANNING

Sec. 401. On a quarterly basis, the department shall report to the senate and house appropriations subcommittees on state police and military affairs on the status of assessments collected and authorized under section 629e of the Michigan vehicle code, 1949 PA 300, MCL 257.629e, for the purposes of supporting the secondary road patrol grant program. Each quarterly report shall contain updated information on collection levels, revised projected grant allotments to counties for the year, a comparison of projected collections and grant distribution levels with the funds appropriated in part 1 for the secondary road patrol program, and the extent collection levels have exceeded or failed to meet appropriated levels for the current fiscal year or expenditure levels from the previous fiscal year.

FORENSIC SCIENCES

Sec. 501. (1) The department shall distribute a copy of the department's protocol for retaining and purging DNA analysis samples and records to each police agency in this state.

(2) The department shall report to the house and senate appropriations subcommittees on state police and military and veterans affairs and the house and senate fiscal agencies when any changes to the department's DNA protocol are made.

Sec. 502. The department shall work with the department of community health, the Michigan health and hospital association, the Michigan state medical society, and the Michigan nurses association to ensure that the recommendations included in the "Standard Recommended Procedures for the Emergency Treatment of Sexual Assault Victims" are followed in the collection of evidence.

MICHIGAN COMMISSION ON LAW ENFORCEMENT STANDARDS

Sec. 601. The money appropriated to the MCOLES for maintenance and delivery of training to locals is provided in accordance with a state reimbursement policy in which 100% of the determined state reimbursement rate shall be distributed upon certification by the MCOLES.

Sec. 602. From the appropriations in part 1 for the training of new state troopers and other new police officers in the state and for the continuing education of all law enforcement officers in the state, sufficient funds shall be used to include curricula on the content and application of federal firearms laws, including the procedures necessary for law enforcement to turn appropriate cases over to the federal bureau of alcohol, tobacco, and firearms or any other applicable federal criminal justice agency.

Sec. 603. The appropriation in part 1 for mental health awareness training shall be made available as grants to local law enforcement agencies for training law enforcement officers in effective and safe ways of assisting people with mental illness and directing people with mental illness to treatment programs.

Sec. 604. From the funds appropriated in part 1 to the Michigan commission on law enforcement standards funds may be used to provide training for motor carrier officers and capitol security officers for the purpose of qualifying them for MCOLES certification.

EMERGENCY MANAGEMENT

Sec. 801. (1) The state director of emergency management may expend money appropriated under this act 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.

(2) In addition to the money appropriated in this act, 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 house and senate appropriations subcommittees on state police and military and veterans affairs and the house and senate fiscal agencies within 10 days after the approval. The notification shall include the amount and source of the additional authorization, the date of its approval, and the projected use of funds to be expended under the authorization.

Sec. 803. The department's emergency management division shall make every effort to ensure both of the following:
 (a) That homeland security grants offered by the federal government and channeled through the department are allocated to first responder entities in the highest percentage possible.

(b) That homeland security grants awarded to the city of Detroit shall not be used to supplant city general funds designated to support first responder operations.

POST UNIFORM SERVICES

Sec. 901. State police 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 protecting every citizen of this state from harm.

STATEWIDE FIELD OPERATIONS

Sec. 1002. Money privately donated to the department is appropriated under part 1 to be used for the purposes designated by the donor of the money. Money privately donated to the department's canine unit shall be used to purchase equipment and other items to enhance the operation of the canine unit. It is the intent of the legislature that money from private donations not supplant general fund appropriations.

SPECIAL INVESTIGATIONS

Sec. 1101. (1) There is sufficient money appropriated in part 1 to special investigations to ensure that the citizens in a service area of any state police post in the vicinity of a state prison do not experience a downgrading of state police services in their area. Special investigations shall be available by temporary or permanent assignment of a detective when either a temporary or permanent prison facility is opened.

(2) If the department is unable to comply with subsection (1) and there is a prison scheduled to open, the department shall provide troopers to serve as investigators on an interim basis.

Sec. 1102. From the funds appropriated in part 1 for special investigations, the department shall provide a report to the chairpersons of the senate and house of representatives standing committees on appropriations no later than April 1, 2008 concerning methamphetamine-related criminal activities.

MOTOR CARRIER ENFORCEMENT

Sec. 1201. (1) The department shall report to the house and senate appropriations subcommittees on state police and the house and senate fiscal agencies by March 1, 2008 regarding the inspection of school buses and other motor vehicles under section 715a of the Michigan vehicle code, 1949 PA 300, MCL 257.715a, and section 39 of the pupil transportation act, 1990 PA 187, MCL 257.1839. The report shall include the following information regarding inspections conducted in calendar year 2007:

- (a) The number of buses and vehicles inspected by the department.
- (b) The number of buses and vehicles passing and failing inspection.
- (c) The estimated number of buses and vehicles not inspected.

(2) If each school bus within a school system receives a 100% successful state inspection on its first inspection in a given year, the department shall award a certificate to that school system.

Third: That the Senate and House agree to the title of the bill to read as follows:

A bill to make appropriations for the department of state police and certain other state purposes for the fiscal year ending September 30, 2008; to provide for the expenditure of those appropriations; to provide for certain reports and the consideration of those reports; to provide for the disposition of other income received by the various state agencies; to provide for certain emergency powers; and to provide for the powers and duties of certain committees, certain state agencies, and certain employees.

Valde Garcia
 Tony Stamas
 Jim Barcia
 Conferees for the Senate

Richard LeBlanc
 John Espinoza
 Mike Nofs
 Conferees for the House

The question being on the adoption of the conference report,

The first conference report was adopted, a majority of the members serving voting therefor, as follows:

Roll Call No. 440

Yeas—36

Allen
 Anderson

Clark-Coleman
 Clarke

Jacobs
 Jansen

Richardville
 Sanborn

Barcia	Cropsey	Jelinek	Schauer
Basham	Garcia	Kahn	Scott
Birkholz	George	Kuipers	Stamas
Bishop	Gilbert	McManus	Switalski
Brater	Gleason	Olshove	Thomas
Brown	Hardiman	Pappageorge	Van Woerkom
Cherry	Hunter	Patterson	Whitmer

Nays—2

Cassis	Prusi
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Excused—0**Not Voting—0**

In The Chair: Richardville

The question being on concurring in the committee recommendation to give the bill immediate effect, The recommendation was concurred in, 2/3 of the members serving voting therefor.

Committee Reports

The Committee on Agriculture reported

Senate Bill No. 682, entitled

A bill to amend 1994 PA 451, entitled “Natural resources and environmental protection act,” by amending sections 1301, 8302, 8303, 8310, 8317, 8325, and 8715 (MCL 324.1301, 324.8302, 324.8303, 324.8310, 324.8317, 324.8325, and 324.8715), section 1301 as amended by 2004 PA 381, section 8302 as amended by 2002 PA 418, section 8303 as amended by 2004 PA 24, section 8310 as amended by 2004 PA 325, section 8317 as amended by 2003 PA 82, and section 8715 as amended by 2000 PA 100, and by adding section 8310a.

With the recommendation that the substitute (S-1) be adopted and that the bill then pass.

The committee further recommends that the bill be given immediate effect.

Gerald Van Woerkom
Chairperson

To Report Out:

Yeas: Senators Van Woerkom, Gilbert, Birkholz, Gleason and Whitmer

Nays: None

The bill and the substitute recommended by the committee were referred to the Committee of the Whole.

COMMITTEE ATTENDANCE REPORT

The Committee on Agriculture submitted the following:

Meeting held on Thursday, October 25, 2007, at 9:00 a.m., Room 110, Farnum Building

Present: Senators Van Woerkom (C), Gilbert, Birkholz, Gleason and Whitmer

COMMITTEE ATTENDANCE REPORT

The Senate Fiscal Agency Board of Governors submitted the following:

Meeting held on Wednesday, October 24, 2007, at 9:15 a.m., Room S-101, Capitol Building

Present: Senators Bishop (C), Jelinek, Pappageorge and Switalski

Excused: Senator Schauer

COMMITTEE ATTENDANCE REPORT

The Conference Committee on History, Arts, and Libraries (SB 231) submitted the following:
 Meeting held on Thursday, October 25, 2007, at 9:30 a.m., Room 405, Capitol Building
 Present: Senators George (C) and Clark-Coleman
 Excused: Senator McManus

COMMITTEE ATTENDANCE REPORT

The Conference Committee on Corrections (HB 4348) submitted the following:
 Meeting held on Thursday, October 25, 2007, at 11:30 a.m., Room 426, Capitol Building
 Present: Senators Kahn and Brater
 Excused: Senator Cropsy

COMMITTEE ATTENDANCE REPORT

The Conference Committee on Agriculture (SB 222) submitted the following:
 Meeting held on Monday, October 29, 2007, at 11:30 a.m., Room 110, Farnum Building
 Present: Senators Brown (C), Jelinek and Scott

COMMITTEE ATTENDANCE REPORT

The Conference Committee on Corrections (HB 4348) submitted the following:
 Meeting held on Monday, October 29, 2007, at 12:30 p.m., Room 426, Capitol Building
 Present: Senators Cropsy, Kahn and Brater

Scheduled Meetings

Banking and Financial Institutions - Wednesday, October 31, 9:00 a.m., Room 210, Farnum Building (373-3543)

Conference Committees -

Education (HB 4346) - Monday, October 29, 8:00 p.m., Room 426, Capitol Building (373-8080)

General Government (SB 229) - Tuesday, October 30, 9:30 a.m., Senate Appropriations Room, 3rd Floor, Capitol Building (373-2768)

Human Services (SB 232) - Tuesday, October 30, 9:00 a.m., Room 405, Capitol Building (373-2768)

School Aid (K12) (HB 4359) - Monday, October 29, 8:30 p.m., Room 426, Capitol Building (373-8080)

Transportation (SB 240) - Tuesday, October 30, 9:30 a.m., Room 405, Capitol Building (373-2768)

Economic Development and Regulatory Reform - Wednesday, October 31, 1:00 p.m., Rooms 402 and 403, Capitol Building (373-7670)

Natural Resources and Environmental Affairs - Wednesday, October 31, 1:00 p.m., Room 110, Farnum Building (373-3447)

Senator Cropsy moved that the Senate adjourn.
 The motion prevailed, the time being 2:48 p.m.

The President pro tempore, Senator Richardville, declared the Senate adjourned until Tuesday, October 30, 2007, at 10:00 a.m.

CAROL MOREY VIVENTI
 Secretary of the Senate