

No. 79
STATE OF MICHIGAN
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95th Legislature
REGULAR SESSION OF 2009

Senate Chamber, Lansing, Wednesday, September 30, 2009.

9:00 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 not 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
Scott—present
Stamas—present
Switalski—present
Thomas—present
Van Woerkom—present
Whitmer—present

Senator Tupac A. Hunter of the 5th District offered the following invocation:

Most High God, thank You for this day; yet another opportunity to praise Your holy name. Thank You, Lord, for Your Son Jesus Christ who died on Calvary for our sins and iniquities; who was buried and who rose the third day according to the scripture.

I praise You this morning for all that You are doing, all that You will do, and all the things that You have done. Lord, we know that Your will will be done. It is up to us to be obedient, Lord. So I ask that You search us this morning. Lord, You give us wisdom, understanding, and, most of all, courage to do what is right for right's sake.

Lord, I ask that every leader in this Capitol fear You, fear Your judgment, and do what is right for the people of this great state to discharge our duties in a way that is pleasing to You.

Lord, as I close, I praise You for Your Son who is the truth, the way, and the life so that we may live full lives—in Jesus' precious name. When Your kingdom come, we will have everlasting life in Your kingdom. But we know that it is Your will for us to be obedient to You, to follow Your word, and to do what we are here to do.

Let it be so. In Jesus' name, I pray. Amen.

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

Senators Cassis and Jansen entered the Senate Chamber.

A quorum of the Senate was present.

Motions and Communications

Senator Jacobs moved that Senators Prusi, Anderson, Thomas, Barcia, Scott, Gleason, Clarke and Whitmer be temporarily excused from today's session.

The motion prevailed.

Recess

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

The motion prevailed, the time being 9:05 a.m.

9:29 a.m.

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

During the recess, Senators Cropsey, Barcia, Anderson, Clarke, Basham, Stamas, Hardiman, Bishop, Pappageorge, George, Whitmer, Prusi, Gleason, Sanborn, Allen and Thomas entered the Senate Chamber.

Senator Cropsey moved that rule 2.106 be suspended to allow committees to meet during Senate session.

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

Senator Cropsey moved that the rules be suspended and that the following bill, now on Committee Reports, be placed on the General Orders calendar for consideration today:

House Bill No. 5100

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

Messages from the Governor

Recess

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

The motion prevailed, the time being 9:31 a.m.

10:47 a.m.

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

During the recess, Senators Scott and Garcia entered the Senate Chamber.

Senators Bishop and Anderson asked and were granted unanimous consent to make statements and moved that the statements be printed in the Journal.

The motion prevailed.

Senator Bishop's statement is as follows:

I know we are all busy and have the budget on our minds, but we could not do this work without the able-bodied help and experience of so many great team members on Senate staff. One of those fine employees, Georgia Catt—who is joining me to my left—who has been a proud member of our team and has served with distinction for more than 14 years in the Michigan State Senate in the Office of the Secretary of the Senate, is retiring after those long 14 years.

Today, we are paying special tribute to her career and all that she has done on behalf of this team. What the employees do and the team members here do behind the scenes is far more than what we can ever know, but all we can say is that we can never possibly do it without them. Georgia has worked all this time to ensure that the Senate's finance department works smoothly and proficiently. I know some of her team members are up in the east Gallery there. We have some more here on the floor with us who are here to pay tribute to Georgia.

I just wanted to say on behalf of the State Senate that we are proud to call her a member of the family. We wish her well in her future life and career. We look forward to having her return to visit with us in the future.

So, Georgia, thank you very much and have a very great retirement.

Senator Anderson's statement is as follows:

I would ask members to join me today in welcoming a very special guest who is up in the north Gallery. My guest today is Major Joseph A. Girolamo. He is a World War II veteran from Livonia. He was honored earlier this year as Veteran of the Year by the city of Livonia.

Major Joe, as we all know him, courageously served our country as a World War II staff sergeant in General Patton's 7th Army. He put his life on the line in order to defend our nation and serve the civilians; he wished to protect our freedom. As a result of Major Joe's efforts and sacrifices, he was awarded with numerous medal honors, such as a World War II Ribbon, a Good Conduct Medal, a Victory Medal, and a European Theater of Operations Medal for his time served in the European Theatre of World War II, as well as the Army Occupation of Germany Medal for his honorable service in the countries of Germany and Austria-Hungary during the war.

After serving his country in World War II, Major Girolamo with distinction and honor continues to serve others in any way he can. Currently, he is an active member of the Livonia VFW Post 3941 as senior vice commander, in addition to Youth Activities chairman and Americanism/Loyalty chairman. In addition, Major Girolamo is a member and coach of the State VFW Honor Guard Drill Team.

In 2008, the team competed in the VFW National Convention in Orlando, Florida, where they placed second in the nation. It is because of his great distinction and dedication and skill of instruction as Guard Drill coach that his team was able to earn this award.

Outside of his work and membership in the Livonia VFW Post 3941, Major Joe is also an active member of his community. He instructs Boy Scouts and Girl Scouts, as well as Cub Scout troops, on the importance of patriotism and flag etiquette. In addition, he also instructs ROTC students and VFW Honor Guard units on marching and rifle positions. He also attends Eagle Scout ceremonies and presents a VFW award on behalf of his VFW post.

Please help join me today in welcoming someone who is a great American and a patriot and someone whom I am proud to know. We are honored to have him in our presence today. Please join me in welcoming Major Joseph A. Girolamo to the Michigan State Senate.

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 Sanborn 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 with a substitute therefor, the following bill:

House Bill No. 5126, entitled

A bill to amend 1974 PA 258, entitled "Mental health code," by amending section 226 (MCL 330.1226), as amended by 2004 PA 497.

Substitute (S-1).

The Senate agreed to the substitute recommended by the Committee of the Whole, and the bill as substituted was placed on the order of Third Reading of Bills.

The Committee of the Whole reported back to the Senate, favorably and with a substitute therefor, the following bill:

House Bill No. 5100, entitled

A bill to amend 1984 PA 270, entitled “Michigan strategic fund act,” by amending section 88b (MCL 125.2088b), as amended by 2008 PA 175.

Substitute (S-3).

The Senate agreed to the substitute recommended by the Committee of the Whole, and the bill as substituted was placed on the order of Third Reading of Bills.

By unanimous consent the Senate returned to the order of

Third Reading of Bills

Senator Cropsey moved that the rules be suspended and that the following bills, now on the order of Third Reading of Bills, be placed on their immediate passage at the head of the Third Reading of Bills calendar:

House Bill No. 5126

House Bill No. 5100

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

The following bill was read a third time:

House Bill No. 5126, entitled

A bill to amend 1974 PA 258, entitled “Mental health code,” by amending section 226 (MCL 330.1226), as amended by 2004 PA 497.

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. 484

Yeas—36

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

Nays—0

Excused—0

Not Voting—1

Jacobs

In The Chair: Richardville

Senator Cropsey moved that the bill be given immediate effect.

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

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

“An act to codify, revise, consolidate, and classify the laws relating to mental health; to prescribe the powers and duties of certain state and local agencies and officials and certain private agencies and individuals; to regulate certain agencies and facilities providing mental health services; to provide for certain charges and fees; to establish civil admission procedures for individuals with mental illness or developmental disability; to establish guardianship procedures for individuals with developmental disability; to establish procedures regarding individuals with mental illness or developmental disability who are in the criminal justice system; to provide for penalties and remedies; and to repeal acts and parts of acts.”.

The Senate agreed to the full title.

The following bill was read a third time:

House Bill No. 5100, entitled

A bill to amend 1984 PA 270, entitled “Michigan strategic fund act,” by amending section 88b (MCL 125.2088b), as amended by 2008 PA 175.

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. 485

Yeas—22

Allen	Garcia	Kahn	Richardville
Birkholz	George	Kuipers	Sanborn
Bishop	Gilbert	McManus	Stamas
Brown	Hardiman	Pappageorge	Van Woerkom
Cassis	Jansen	Patterson	Whitmer
Cropsey	Jelinek		

Nays—15

Anderson	Cherry	Hunter	Scott
Barcia	Clark-Coleman	Jacobs	Switalski
Basham	Clarke	Olshove	Thomas
Brater	Gleason	Prusi	

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.

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

“An act relating to the economic development of this state; to create the Michigan strategic fund and to prescribe its powers and duties; to transfer and provide for the acquisition and succession to the rights, properties, obligations, and duties of the job development authority and the Michigan economic development authority to the Michigan strategic fund; to provide for the expenditure of proceeds in certain funds to which the Michigan strategic fund succeeds in ownership; to provide for the issuance of, and terms and conditions for, certain notes and bonds of the Michigan strategic fund; to create certain boards and funds; to create certain permanent funds; to exempt the property, income, and operation of the fund and its bonds and notes, and the interest thereon, from certain taxes; to provide for the creation of certain centers

within and for the purposes of the Michigan strategic fund; to provide for the creation and funding of certain accounts for certain purposes; to impose certain powers and duties upon certain officials, departments, and authorities of this state; to make certain loans, grants, and investments; to provide penalties; to make an appropriation; and to repeal acts and parts of acts.”.

The Senate agreed to the full title.

By unanimous consent the Senate proceeded to the order of

Introduction and Referral of Bills

Senator Switalski introduced

Senate Bill No. 880, entitled

A bill to amend 1927 PA 175, entitled “The code of criminal procedure,” by amending sections 1, 4, 5, 6, 7, 8, 9, 10, 11, 13, 14, 15, 16, and 17 of chapter VI (MCL 766.1, 766.4, 766.5, 766.6, 766.7, 766.8, 766.9, 766.10, 766.11, 766.13, 766.14, 766.15, 766.16, and 766.17), section 4 as amended by 1994 PA 167, section 9 as amended by 1988 PA 106, and section 14 as amended by 1998 PA 520, and by adding section 2 to chapter VI.

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

Senator Switalski introduced

Senate Bill No. 881, entitled

A bill to amend 1954 PA 116, entitled “Michigan election law,” (MCL 168.1 to 168.992) by adding section 317.

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

Senator Sanborn introduced

Senate Bill No. 882, entitled

A bill to amend 1961 PA 236, entitled “Revised judicature act of 1961,” by amending section 5839 (MCL 600.5839), as amended by 1985 PA 188.

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

By unanimous consent the Senate returned to the order of

Conference Reports

Senator Hardiman submitted the following:

FIRST CONFERENCE REPORT

The Committee of Conference on the matters of difference between the two Houses concerning

Senate Bill No. 254, entitled

A bill to make appropriations for the state transportation department and certain transportation purposes for the fiscal year ending September 30, 2010; to provide for the imposition of fees; to provide for reports; to create certain funds and programs; to prescribe requirements for certain railroad and bus facilities; to prescribe certain powers and duties of certain state departments and officials and local units of government; and to provide for the expenditure of 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 state transportation department and certain transportation purposes for the fiscal year ending September 30, 2010; to provide for the imposition of fees; to provide for reports; to create certain funds and programs; to prescribe requirements for certain railroad and bus facilities; to prescribe certain powers and duties of certain state departments and officials and local units of government; and to provide for the expenditure of 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 state transportation department and certain state purposes designated in this act for the fiscal year ending September 30, 2010, from the funds indicated in this part. The following is a summary of the appropriations in this part:

STATE TRANSPORTATION DEPARTMENT

APPROPRIATION SUMMARY:

Full-time equated unclassified positions..... 6.0

Full-time equated classified positions 3,008.3

	For Fiscal Year Ending Sept. 30, 2010
GROSS APPROPRIATION	\$ 3,257,748,000
Total interdepartmental grants and intradepartmental transfers	0
ADJUSTED GROSS APPROPRIATION	\$ 3,257,748,000
Federal revenues:	
DOT, federal transit act	59,062,100
DOT-FHWA, highway research, planning, and construction.....	1,060,167,700
DOT-FRA, local rail service assistance.....	100,000
DOT-FRA, rail passenger/HSCT	3,000,000
DOT, federal aviation administration	104,874,700
Total federal revenues.....	1,227,204,500
Special revenue funds:	
Local revenues:	
Total local and private revenues	56,073,400
Blue Water Bridge fund.....	14,706,300
Comprehensive transportation fund	230,507,500
Economic development fund	43,515,000
Intercity bus equipment fund.....	2,000,000
Local bridge fund	30,223,700
Michigan transportation fund	968,927,500
Rail freight fund	2,000,000
State aeronautics fund	14,869,000
State trunkline fund	667,721,100
Total other state restricted revenues	1,974,470,100
State general fund/general purpose	\$ 0
Sec. 102. DEBT SERVICE	
State trunkline	\$ 203,625,200
Economic development.....	9,228,200
Local bridge fund	3,318,700
Blue Water Bridge fund.....	2,149,600
Airport safety and protection plan.....	3,472,400
Comprehensive transportation	29,843,200
GROSS APPROPRIATION	\$ 251,637,300
Appropriated from:	
Federal revenues:	
DOT-FHWA, highway research, planning, and construction.....	58,163,500
Special revenue funds:	
Blue Water Bridge fund.....	2,149,600
Comprehensive transportation fund	29,843,200
Economic development fund	9,228,200
Local bridge fund	3,318,700
State aeronautics fund	3,472,400
State trunkline fund	145,461,700
State general fund/general purpose	\$ 0
Sec. 103. COLLECTION, ENFORCEMENT, AND OTHER AGENCY SUPPORT SERVICES	
MTF grant to department of environmental quality	\$ 1,087,100
MTF grant to department of state for collection of revenue and fees	20,000,000
MTF grant to department of treasury	7,440,700
MTF grant to legislative auditor general.....	204,300
STF grant to department of attorney general	2,867,400
STF grant to civil service commission.....	5,697,000
STF grant to department of history, arts, and libraries	83,100
STF grant to department of management and budget	1,105,200
STF grant to department of state police.....	9,808,000
STF grant to department of treasury	179,100
STF grant to legislative auditor general	474,600

	For Fiscal Year Ending Sept. 30, 2010
SAF grant to department of attorney general.....	\$ 160,300
SAF grant to civil service commission	150,000
SAF grant to department of history, arts, and libraries.....	1,900
SAF grant to department of management and budget.....	22,800
SAF grant to department of treasury.....	74,700
SAF grant to legislative auditor general.....	19,600
CTF grant to department of attorney general.....	162,400
CTF grant to civil service commission	200,000
CTF grant to department of history, arts, and libraries.....	2,700
CTF grant to department of management and budget.....	32,100
CTF grant to department of treasury.....	4,100
CTF grant to legislative auditor general.....	25,200
GROSS APPROPRIATION	\$ 49,802,300
Appropriated from:	
Special revenue funds:	
Comprehensive transportation fund.....	426,500
Michigan transportation fund	28,732,100
State aeronautics fund	429,300
State trunkline fund	20,214,400
State general fund/general purpose	\$ 0
Sec. 104. EXECUTIVE DIRECTION	
Full-time equated unclassified positions.....	6.0
Full-time equated classified positions	31.3
Unclassified salaries	\$ 602,800
Asset management council.....	1,626,400
Commission audit—31.3 FTE positions.....	3,574,600
GROSS APPROPRIATION	\$ 5,803,800
Appropriated from:	
Special revenue funds:	
Michigan transportation fund	1,626,400
State trunkline fund	4,177,400
State general fund/general purpose	\$ 0
Sec. 105. BUSINESS SUPPORT	
Full-time equated classified positions	57.0
Business support services—48.0 FTE positions.....	\$ 6,050,900
Economic development and enhancement programs—9.0 FTE positions.....	1,175,200
Property management	8,642,100
Worker's compensation.....	1,726,700
GROSS APPROPRIATION	\$ 17,594,900
Appropriated from:	
Special revenue funds:	
Comprehensive transportation fund.....	1,102,900
Economic development fund	482,700
Michigan transportation fund	185,000
State aeronautics fund	549,600
State trunkline fund	15,274,700
State general fund/general purpose	\$ 0
Sec. 106. INFORMATION TECHNOLOGY	
Information technology services and projects.....	\$ 29,313,200
GROSS APPROPRIATION	\$ 29,313,200
Appropriated from:	
Federal revenues:	
DOT-FHWA, highway research, planning, and construction.....	510,800
Special revenue funds:	
Blue Water Bridge fund.....	48,200
Comprehensive transportation fund.....	188,800

	For Fiscal Year Ending Sept. 30, 2010
Economic development fund	\$ 37,100
Michigan transportation fund	249,400
State aeronautics fund	147,400
State trunkline fund	28,131,500
State general fund/general purpose	\$ 0
Sec. 107. FINANCE, CONTRACTS, AND SUPPORT SERVICES	
Full-time equated classified positions	243.5
Financial operations—80.0 FTE positions	\$ 8,029,600
Contract services—53.6 FTE positions	5,130,500
Department services—41.9 FTE positions	5,351,400
Performance excellence—13.0 FTE positions	1,560,300
Welcome center operations—55.0 FTE positions	4,986,500
GROSS APPROPRIATION	\$ 25,058,300
Appropriated from:	
Special revenue funds:	
Michigan transportation fund	1,625,200
State trunkline fund	23,433,100
State general fund/general purpose	\$ 0
Sec. 108. TRANSPORTATION PLANNING	
Full-time equated classified positions	176.0
Statewide planning services—124.0 FTE positions	\$ 13,536,200
Data collection services—52.0 FTE positions	5,893,400
Specialized planning services and local studies	16,698,200
Grants to regional planning councils	488,800
GROSS APPROPRIATION	\$ 36,616,600
Appropriated from:	
Federal revenues:	
DOT-FHWA, highway research, planning, and construction	22,000,000
Special revenue funds:	
Comprehensive transportation fund	960,300
Michigan transportation fund	6,304,500
State aeronautics fund	75,000
State trunkline fund	7,276,800
State general fund/general purpose	\$ 0
Sec. 109. DESIGN AND ENGINEERING SERVICES	
Full-time equated classified positions	1,494.8
Engineering services—787.1 FTE positions	\$ 62,992,700
Program services—695.7 FTE positions	40,423,400
Intelligent transportation systems operations—12.0 FTE positions	10,785,400
GROSS APPROPRIATION	\$ 114,201,500
Appropriated from:	
Federal revenues:	
DOT-FHWA, highway research, planning, and construction	23,529,800
Special revenue funds:	
Michigan transportation fund	5,835,200
State trunkline fund	84,836,500
State general fund/general purpose	\$ 0
Sec. 110. HIGHWAY MAINTENANCE	
Full-time equated classified positions	834.7
State trunkline operations—834.7 FTE positions	\$ 136,667,800
Contract operations	149,860,300
GROSS APPROPRIATION	\$ 286,528,100
Appropriated from:	
Special revenue funds:	
State trunkline fund	286,528,100
State general fund/general purpose	\$ 0

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Sec. 111. ROAD AND BRIDGE PROGRAMS

State trunkline federal aid and road and bridge construction	\$ 794,418,800
Local federal aid and road and bridge construction	248,751,000
Grants to local programs	33,000,000
Rail grade crossing	3,000,000
Local bridge program	26,905,000
County road commissions	568,937,400
Cities and villages	317,208,000
GROSS APPROPRIATION	\$ 1,992,220,200

Appropriated from:

Federal revenues:

DOT-FHWA, highway research, planning, and construction	955,963,600
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Special revenue funds:

Local funds	30,000,000
Blue Water Bridge fund	7,107,300
Local bridge fund	26,905,000
Michigan transportation fund	922,145,400
State trunkline fund	50,098,900
State general fund/general purpose	\$ 0

Sec. 112. BLUE WATER BRIDGE

Full-time equated classified positions	41.0
Blue Water Bridge operations—41.0 FTE positions	\$ 5,401,200
GROSS APPROPRIATION	\$ 5,401,200

Appropriated from:

Special revenue funds:

Blue Water Bridge fund	5,401,200
State general fund/general purpose	\$ 0

Sec. 113. TRANSPORTATION ECONOMIC DEVELOPMENT

Forest roads	\$ 5,040,000
Rural county urban system	2,500,000
Target industries/economic redevelopment	8,863,400
Urban county congestion	8,681,800
Rural county primary	8,681,800
GROSS APPROPRIATION	\$ 33,767,000

Appropriated from:

Special revenue funds:

Economic development fund	33,767,000
State general fund/general purpose	\$ 0

Sec. 114. AERONAUTICS AND FREIGHT SERVICES

Full-time equated classified positions	84.0
Airport improvement services—30.0 FTE positions	\$ 2,936,000
Aviation services—26.0 FTE positions	4,267,100
Freight and safety services—28.0 FTE positions	3,562,700
Air service program	464,600
GROSS APPROPRIATION	\$ 11,230,400

Appropriated from:

Special revenue funds:

Comprehensive transportation fund	1,541,400
Michigan transportation fund	2,021,300
State aeronautics fund	7,667,700
State general fund/general purpose	\$ 0

Sec. 115. PUBLIC TRANSPORTATION SERVICES

Full-time equated classified positions	46.0
Passenger transportation services—46.0 FTE positions	\$ 5,455,400
GROSS APPROPRIATION	\$ 5,455,400

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Appropriated from:	
Federal revenues:	
DOT, federal transit act	\$ 762,100
Special revenue funds:	
Comprehensive transportation fund	4,490,300
Michigan transportation fund	203,000
State general fund/general purpose	\$ 0
Sec. 116. BUS TRANSIT DIVISION: STATUTORY OPERATING	
Local bus operating	\$ 166,624,000
Nonurban operating/capital	21,800,000
GROSS APPROPRIATION	\$ 188,424,000
Appropriated from:	
Federal revenues:	
DOT, federal transit act	21,000,000
Special revenue funds:	
Comprehensive transportation fund	166,624,000
Local funds	800,000
State general fund/general purpose	\$ 0
Sec. 117. INTERCITY PASSENGER AND FREIGHT	
Freight property management	\$ 1,000,000
Detroit/Wayne County port authority	468,200
Intercity services	7,250,000
Rail passenger service	8,667,000
Freight preservation and development	3,364,200
Marine passenger service	400,000
Terminal development	150,000
GROSS APPROPRIATION	\$ 21,299,400
Appropriated from:	
Federal revenues:	
DOT, federal transit act	4,500,000
DOT-FRA, local rail service assistance	100,000
DOT-FRA, rail passenger/HSGT	3,000,000
Special revenue funds:	
Local funds	50,000
Comprehensive transportation fund	9,649,400
Intercity bus equipment fund	2,000,000
Rail freight fund	2,000,000
State general fund/general purpose	\$ 0
Sec. 118. PUBLIC TRANSPORTATION DEVELOPMENT	
Specialized services	\$ 7,248,100
Municipal credit program	1,873,000
Bus capital	38,178,200
Van pooling	195,000
Service initiatives	1,050,000
Transportation to work	9,136,400
GROSS APPROPRIATION	\$ 57,680,700
Appropriated from:	
Federal revenues:	
DOT, federal transit act	32,800,000
Special revenue funds:	
Local funds	9,200,000
Comprehensive transportation fund	15,680,700
State general fund/general purpose	\$ 0
Sec. 119. CAPITAL OUTLAY	
(1) BUILDINGS AND FACILITIES	
Special maintenance, remodeling, and additions	\$ 2,288,000
GROSS APPROPRIATION	\$ 2,288,000

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Appropriated from:	
Special revenue funds:	
State trunkline fund	\$ 2,288,000
State general fund/general purpose	\$ 0
(2) AIRPORT IMPROVEMENT PROGRAMS	
Airport safety, protection and improvement program	\$ 123,425,700
GROSS APPROPRIATION	\$ 123,425,700
Appropriated from:	
Federal revenues:	
DOT, federal aviation administration	104,874,700
Special revenue funds:	
Local funds	16,023,400
State aeronautics fund	2,527,600
State general fund/general purpose	\$ 0

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 2009-2010 is \$1,974,470,100.00 and state spending from state resources to be paid to local units of government for fiscal year 2009-2010 is \$1,165,761,700.00. The itemized statement below identifies appropriations from which spending to units of local government will occur:

DEPARTMENT OF TRANSPORTATION

Grants to local programs	\$ 33,000,000
Economic development fund	33,767,000
Grants to cities and villages	317,208,000
Grants to county road commissions	568,937,400
Local bridge fund	26,905,000
Grants to regional planning councils	488,800
Local bus operating	166,624,000
Bus capital	5,178,200
Marine passenger service	400,000
Detroit/Wayne County port authority	468,200
Municipal credit program	1,873,000
Specialized services	3,848,100
Transportation to work	4,536,400
Airport safety, protection, and improvement program	2,527,600
Total payments to local units of government	\$ 1,165,761,700

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) "CTF" means comprehensive transportation fund.
- (b) "Department" means the department of transportation.
- (c) "DOT" means the United States department of transportation.
- (d) "DOT-FHWA" means DOT, federal highway administration.
- (e) "DOT-FRA" means DOT, federal railroad administration.
- (f) "DOT-FRA, rail passenger/HSST" means DOT, federal railroad administration, high-speed ground transportation.
- (g) "EDF" means economic development fund.
- (h) "FTE" means full-time equated.
- (i) "MTF" means Michigan transportation fund.
- (j) "RIF" means recreation improvement fund.
- (k) "SAF" means state aeronautics fund.
- (l) "STF" means state trunkline fund.

Sec. 204. The civil service commission 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. 206. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$200,000,000.00 for federal contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this act pursuant to section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

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

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

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

Sec. 207. When beginning any effort to privatize, the department shall submit a complete project plan to the house of representatives and senate appropriations subcommittees on transportation, the state budget office, and the house and senate fiscal agencies. The plan shall include the rationale for privatization, including a cost-benefit analysis if appropriate. The evaluation shall be completed and submitted to the appropriate senate and house of representatives appropriations subcommittees and the senate and house fiscal agencies. As used in this section, "privatize" or "privatization" means the transfer of state highway maintenance or activities currently performed by department forces, or by boards of county road commissioners, county boards of commissioners, or local units of government under contract with the department, to private contractors.

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 shall be given to goods or services, or both, manufactured or provided by Michigan businesses, if they are competitively priced and of comparable quality. In addition, preference shall 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. The director shall encourage firms with which the department contracts to subcontract with certified businesses in deprived and depressed communities for services, supplies, or both.

Sec. 211. The departments and state agencies receiving appropriations under this act shall receive and retain copies of all reports funded from appropriations in part 1. These departments and state agencies shall follow federal and state guidelines for short-term and long-term retention of these reports and records.

Sec. 258. 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. 259. 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. 260. (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. 261. A department or state agency shall not take disciplinary action against an employee for communicating with a member of the legislature or their staff.

Sec. 262. 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. 263. (1) The department shall report no later than April 1, 2010 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. 264. The department shall continue its efforts to implement continuous process improvement programs. On or before March 1, 2010, the department shall report to the state budget director, the house and senate appropriations subcommittees on transportation, and the house and senate fiscal agencies on department activities to increase efficiency in the delivery of core programs. The report shall include a description of activities of the performance excellence section in identifying and implementing business process improvements.

Sec. 265. The department shall not approve the travel of more than 1 departmental employee to a specific professional development conference or training seminar that is located outside of this state unless a professional development conference or training seminar that is funded by a federal or private funding source and requires more than 1 person from a department to attend or the conference or training seminar includes more than 1 issue in which 1 employee from the department does not have expertise.

Sec. 266. From the funds appropriated in part 1, the department shall use an amount not to exceed \$10,000.00 to develop, post, and maintain, on a publicly accessible Internet site, all expenditures made by the agency within a fiscal year. The posting must include the purpose for which each expenditure is made. The department shall not be required to hire additional employees to comply with this section.

DEPARTMENTAL SECTIONS

Sec. 301. (1) The department may establish a fee schedule and collect fees sufficient to cover the costs to issue the permits that the department is authorized by law to issue upon request, unless otherwise stipulated by law. All permit fees are nonrefundable application fees and shall be credited to the appropriate fund to recover the direct and indirect costs of receiving, reviewing, and processing the requests.

(2) A bridge authority shall hold 3 public hearings on an increase in any toll charged by the authority at least 30 days before the toll change will become effective. Two of the hearings shall be held within 5 miles of the bridge over which the bridge authority has jurisdiction. One hearing shall be held in Lansing. Public hearings held under this section shall be conducted in accordance with the open meetings act, 1976 PA 267, MCL 15.261 to 15.275, and shall be conducted so as to provide a reasonable opportunity for public comment, including both spoken and written comments.

Sec. 303. On request, the department shall provide to a legislator, in writing, a report on the amount of money to be received by each city and village and the county road commission of each county, that is included in whole or in part within the legislator's legislative district.

Sec. 304. If, as a requirement of bidding on a highway project, the department requires a contractor to submit financial or proprietary documentation as to how the bid was calculated, that bid documentation shall be kept confidential and shall not be disclosed other than to a department representative without the contractor's written consent. The department may disclose the bid documentation if necessary to address or defend a claim by a contractor.

Sec. 305. The department shall permit space on public passenger transportation properties to be occupied by public or private tenants on a competitive market rate basis. The department shall require that revenue from the tenants be placed in an account to be used to pay the costs to maintain the property.

Sec. 306. (1) The amounts appropriated in section 103 to support tax and fee collection, law enforcement, and other program services provided to the department and to transportation funds by other state departments shall be expended from transportation funds pursuant to annual contracts between the department and those other state departments. The contracts shall be executed prior to the expenditure or obligation of those funds. The contracts shall provide, but are not limited to, the following data applicable to each state department:

(a) Estimated costs to be recovered from transportation funds.

(b) Description of services provided to the department and/or transportation funds and financed with transportation funds.

(c) Detailed cost allocation methods appropriate to the type of services being provided and the activities financed with transportation funds.

(2) Not later than 2 months after publication of the state of Michigan comprehensive annual financial report, each state department receiving funding pursuant to an interdepartment contract with the department shall submit a written report to the department, the state budget director, and the house and senate fiscal agencies stating by spending authorization account the amount of estimated funds contracted with the department, the amount of funds expended, the amount of funds returned to the transportation funds, and any unreimbursed transportation-related costs incurred but not billed to transportation funds. A copy of the report shall be submitted to the auditor general, and the report shall be subject to audit by the auditor general as provided in subsection (4).

(3) In addition to the requirements of subsection (2), the state treasurer shall develop a cost allocation plan to identify the actual costs of work based on time and effort performed by the Michigan department of treasury for state-restricted transportation funds. The cost allocation plan shall specifically identify the costs of collecting constitutionally restricted motor fuel taxes. The cost allocation plan shall be submitted to the senate and house of representatives standing committees on appropriations subcommittees on general government, the senate and house fiscal agencies, the auditor general, and the state budget director by November 1. The cost allocation plan shall be subject to audit by the auditor general.

(4) Biennially, in each even-numbered fiscal year, the auditor general shall conduct an audit of charges to transportation funds by state departments for the 2 preceding fiscal years. The audit shall include both charges governed by interdepartmental contracts as well as miscellaneous charges from other state departments not governed by contracts. The auditor general shall prepare a detailed report, with recommendations and conclusions, including a summary of charges and related services to transportation funds by department, the appropriateness of those charges, the cost allocation methodologies used in determining the level of funding, and any unreimbursed transportation-related costs, if any. The report shall be provided to the senate and house of representatives committees on appropriations, the senate and house fiscal agencies, and the state budget director 9 months after publication of the state of Michigan comprehensive annual financial report.

Sec. 307. Before March 1 of each year, the department will provide to the legislature, the state budget office, and the house and senate fiscal agencies its rolling 5-year plan listing by county or by county road commission all highway construction projects for the fiscal year and all expected projects for the ensuing fiscal years.

Sec. 308. The department and local road agencies that receive appropriations under this act shall pursue compliance with contract specifications for construction and maintenance of state highways and local roads and streets. Work shall not be accepted and paid for until it complies with contract requirements. Contractors with unsatisfactory performance ratings shall be restricted from future bidding through the prequalification process established by the department or a local road agency. The department, county road commissions, and cities and villages shall report to the house of representatives and senate appropriations subcommittees on transportation, the senate and house fiscal agencies, and the state budget director on their respective activities under this section.

Sec. 309. The department shall continue its efforts to reduce administrative costs and provide the maximum funding possible for construction projects.

Sec. 310. The department shall provide in a timely manner copies of the agenda and approved minutes of monthly transportation commission meetings to the members of the house and senate appropriations subcommittees on transportation, the house and senate fiscal agencies, and the state budget director.

Sec. 312. At the close of the fiscal year, any unencumbered and unexpended balance in the state trunkline fund shall remain in the state trunkline fund and shall carry forward and is appropriated for federal aid road and bridge programs for projects contained in the annual state transportation program.

Sec. 313. (1) From funds appropriated in part 1, the department may increase a state infrastructure bank program and grant or loan funds in accordance with regulations of the state infrastructure bank program of the United States department of transportation. The state infrastructure bank is to be administered by the department for the purpose of providing a revolving, self-sustaining resource for financing transportation infrastructure projects.

(2) In addition to funds provided in subsection (1), money received by the state as federal grants, repayment of state infrastructure bank loans, or other reimbursement or revenue received by the state as a result of projects funded by the program and interest earned on that money shall be deposited in the revolving state infrastructure bank fund and shall be available for transportation infrastructure projects. At the close of the fiscal year, any unencumbered funds remaining in the state infrastructure bank fund shall remain in the fund and be carried forward into the succeeding fiscal year.

Sec. 314. The department shall provide a report prepared by the department's internal auditor on the activities of the internal auditor for the previous fiscal year. The report shall be due on February 1 of each year and shall be submitted to the senate and house of representatives appropriations committees, the senate and house fiscal agencies, the director of the state budget office, and the auditor general. This report shall include a list of all of the following:

- (a) All work activities conducted by the internal auditor, including a listing of all audits, reviews, and investigations.
- (b) The time charged to each work activity, including time charged to each audit, review, or investigation.
- (c) A listing of which audits, reviews, and investigations have been completed and which audits, reviews, and investigations have had reports of the results issued.

Sec. 319. The department shall post signs at each rest area to identify the agency or contractor responsible for maintenance of the rest area. The signs shall include a department telephone number and shall indicate that unsafe or unclean conditions at the rest area may be reported to that telephone number.

Sec. 324. From the funds appropriated in part 1, \$500,000.00 from the state trunkline fund shall be used for enhanced construction zone traffic law enforcement and the "give 'em a brake" campaign. The funding shall be used to reimburse law enforcement agencies for costs associated with construction zone traffic enforcement. The funding shall be provided based on approved memoranda of understanding between the department and participating law enforcement agencies.

Sec. 334. The department shall continue its program to increase the use of women- and minority-owned businesses in state and local road construction projects. This program shall comprise, at a minimum, outreach and education efforts to inform women- and minority-owned firms of department competitive bidding processes and requirements, and an assessment of the availability of surety for women- and minority-owned businesses. The department shall report by September 30 of each year to the house and senate appropriations subcommittees on transportation and the house and senate fiscal agencies of its progress in complying with this section.

Sec. 353. The department shall review its contractor payment process and ensure that all prime contractors are paid promptly. The department shall ensure that prime contractors are in compliance with special provision 109.10 regarding the prompt payment of subcontractors.

Sec. 357. When presented with complete local federal aid project submittals, the department shall complete all necessary reviews and inspections required to let local federal aid projects within 120 days of receipt. The department shall implement a system for monitoring the local federal aid project review process.

Sec. 358. On a bimonthly basis, the department shall report on the number of FTEs in pay status by civil service classification to the house and senate appropriations subcommittees on transportation and the house and senate fiscal agencies.

Sec. 374. The department shall produce and distribute all employee newsletters electronically.

Sec. 375. The department is prohibited from reimbursing contractors or consultants for costs associated with ground-breaking ceremonies, receptions, open houses, or press conferences related to transportation projects funded, in whole or in part, by revenue appropriated in part 1.

Sec. 376. No later than March 1 of each year, the department shall report to the senate and house appropriations subcommittees on transportation on the status of the 17 projects that were initially deferred in the department's 5-year plan in 2003 and subsequently restored.

Sec. 383. (1) The department shall prepare a quarterly report on all travel by executive branch employees, and others including local public officials, university employees, and other public employees on department-owned aircraft. The report shall include, by department, the name of the traveler, the travel origination location, the travel destination location, type of aircraft, and the total estimated costs associated with the air travel.

(2) The report shall be submitted to the senate and house appropriations subcommittees on transportation and the house and senate fiscal agencies.

(3) From the funds appropriated in part 1, the department is prohibited from transporting legislators or legislative staff on state-owned aircraft without prior approval from the senate majority leader or the speaker of the house of representatives and only when the aircraft is already scheduled by state employees on related official state business.

(4) The department shall maintain a system for recovering the cost of operating department-owned aircraft through charges to aircraft users.

Sec. 384. (1) The department may continue with preliminary legal, financial, traffic and revenue study, permitting, engineering, and other ancillary work for the Detroit River International Crossing (DRIC) so that it can solicit from the private sector requests for proposals for public-private partnerships to construct the bridge, plaza, and related infrastructure. The department shall submit proposals to the legislature by May 1, 2010. Those activities associated with the DRIC project shall not bind the state in any way to construction.

(2) The department shall submit an investment grade traffic study to the legislature by May 1, 2010 from a reputable traffic company with appropriate experience intended to provide a detailed traffic projection for the ensuing 10 years, taking into account projected infrastructure modifications, expansions, and improvements announced.

(3) The department shall not expend more than \$2,500,000.00 from state transportation revenue sources for activities enumerated in this section.

(4) It is the intent of the legislature to fully adopt or reject authorizing legislation by the full legislative bodies by June 1, 2010 to do all of the following:

(a) Construct a new international crossing jointly and in agreement with Canada.

(b) Create an authorized tolling authority.

(c) Create a public-private partnership.

Sec. 393. The department shall promote best practices for public transportation services in this state, including, but not limited to, the following:

(a) Transit vehicle rehabilitation to reduce life-cycle cost of public transportation through mid-life rehabilitation of transit buses.

(b) Coordination with the Michigan economic development corporation to promote transition of bus fleets hybrid transit vehicles with a view to promotion of fuel economy.

(c) Cooperation between entities using transit, including school districts, cities, townships, and counties with a view to promoting cost savings through joint purchasing of fuel and other procurements.

(d) Coordination of transportation dollars among state departments which provide transit-related services, including the department of human services and the department of community health. Priority should be given to use of public transportation services where available.

(e) Promotion of intelligent transportation services for buses that incorporate computer and navigation technology to make transit systems more efficient, including stoplight coordinating, vehicle tracking, data tracking, and computerized scheduling.

Sec. 394. (1) From the funds appropriated in part 1, the department shall conduct a study of the current statutory formulae for the distribution of state and federal revenue for surface transportation programs. The study shall include an analysis of alternative distribution strategies and a discussion of the extent to which current and alternative distribution formulae contribute to statewide transportation goals. The study shall include all of the following:

(a) A discussion of alternative distribution strategies for state and local road and street programs, including distribution methods based on vehicle miles traveled as compared to lane miles. The study shall include a comparison of vehicle miles traveled to lane miles for the sampled geographical areas as well as comparisons to other states and an evaluation of best practices.

(b) A discussion of alternative methods of distributing state operating assistance for local bus transit programs, including an analysis of incentives for those agencies which demonstrate efficient use of resources and increasing ridership levels.

(c) An analysis of the fiscal impact of alternative strategies to individual transit and road agencies.

(2) The department shall deliver a report on the findings of the study by March 1, 2010 to the house and senate appropriations subcommittees on transportation, the house and senate transportation committees, the house and senate fiscal agencies, and the state budget director.

Sec. 395. It is the intent of the legislature that the department assume jurisdiction of county road C-56 between US-31 at Charlevoix and M-75 at Boyne City in Charlevoix County.

Sec. 398. For the fiscal year ending September 30, 2010, the appropriation to a street railway pursuant to section 10e(22) of 1951 PA 51, MCL 247.660e, is \$0.

Sec. 399. It is the intent of the legislature that the department and local road agencies that receive appropriations under this act work to develop and adopt complete street policies. In planning, design, construction, maintenance, and operation of streets and highways, the department and local road agencies shall adhere to the adopted complete street policy. The department shall provide assistance to and coordinate with local road agencies and metropolitan planning organizations in developing complete street policies, including the development of model complete street policies. As used in this section:

(a) "Complete street" means a roadway that accommodates all travelers, particularly public transit users, bicyclists, pedestrians (including individuals of all ages and individuals with mobility, sensory, neurological, or hidden disabilities), and motorists, to enable all travelers to use the roadway safely and efficiently.

(b) "Complete street policy" means a state or local law, ordinance, or policy that ensures the adequate accommodation, in all phases of project planning and development, of all users of the transportation system, including pedestrians, bicyclists, public transit users, children, older individuals, motorists, and individuals with disabilities, and the consideration of the safety and convenience of all users in all phases of project planning and development.

FEDERAL

Sec. 401. Within 30 days of receiving the applicable fiscal year authorization from the federal government to commit transportation funds, the department shall notify local agency representatives, the senate and house of representatives appropriation transportation subcommittees, the senate and house fiscal agencies, and the state budget director regarding the amount of federal aid for categorical allocations to state and local agency programs not specifically allocated in either federal or state law.

Sec. 402. A portion of the federal DOT-FHWA highway research, planning, and construction funds made available to the state shall be allocated to transportation programs administered by local jurisdictions in accordance with section 100 of 1951 PA 51, MCL 247.660o. A local road agency, with respect to a project approved for federal aid funding in a state transportation improvement program, may enter into a voluntary buyout agreement with the department or with another local road agency to exchange the federal aid with state restricted transportation funds as agreed to by the respective parties. The state-restricted transportation funds received in exchange for federal aid funds shall be used for the same purpose as the federal aid funds were originally intended.

MICHIGAN TRANSPORTATION FUND

Sec. 501. The money received under the motor carrier act, 1933 PA 254, MCL 475.1 to 479.43, and not appropriated to the department of energy, labor, and economic growth or the department of state police is deposited in the Michigan transportation fund.

Sec. 502. The department of treasury shall perform audits and make investigations of the disposition of all state funds received by county road commissions or county boards of commissioners, as applicable, and cities and villages for transportation purposes to determine compliance with the terms and conditions of 1951 PA 51, MCL 247.651 to 247.675. County road commissions or county boards of commissioners, as applicable, and cities and villages shall make available to the department of treasury the pertinent records for the audit.

Sec. 503. (1) The funds appropriated in part 1 for the economic development and local bridge programs shall not lapse at the end of the fiscal year but shall carry forward each fiscal year for the purposes for which appropriated in accordance with 1987 PA 231, MCL 247.901 to 247.913, and section 10(5) of 1951 PA 51, MCL 247.660.

(2) Interest earned in the department of transportation economic development fund and local bridge fund shall remain in the respective funds and shall be allocated to the respective programs based on actual interest earned at the end of each fiscal year.

(3) The department of transportation economic development fund and local bridge fund may receive and expend federal, local, or private funds or restricted source funds such as interest earnings for projects that are consistent with the programmatic mission of the respective funds in addition to funds appropriated in part 1.

(4) None of the funds statutorily dedicated to the transportation economic development fund and local bridge fund shall be diverted to other projects.

Sec. 504. Funds from the Michigan transportation fund (MTF) shall be distributed to the comprehensive transportation fund (CTF), the economic development fund (EDF), the recreation improvement fund (RIF), and the state trunkline fund (STF), in accordance with this act and part 711 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.71101 to 324.71108, and may only be used as specified in this act, 1951 PA 51, MCL 247.651 to 247.675, and part 711 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.71101 to 324.71108.

STATE TRUNKLINE FUND

Sec. 601. The department shall work with the road construction industry and engineering consulting community to develop performance and road construction warranties for construction contracts. The development of warranties shall include warranties on materials, workmanship, performance criteria, and design/build projects. The department will report by September 30 of each calendar year to the house of representatives and senate appropriations subcommittees on transportation, the state budget director, and the house and senate fiscal agencies on the status of efforts to develop performance and road construction warranties.

Sec. 602. If the department uses manufactured pipe for road construction drainage, the department shall require that pipe used under certain load-bearing conditions beneath the roadway meets the standards established by the American society for testing and materials (ASTM) or American association of state highway and transportation officials (AASHTO). The department may also use the mandrel test for manufactured pipe 60 days after installation and provide a summary of the results of these inspections to the house of representatives and senate appropriations subcommittees on transportation and house and senate fiscal agencies.

Sec. 603. The department shall use traffic congestion as 1 of the criteria in determining the priorities for designating which roads shall be remediated in its 5-year road plan, which must be submitted on or before March 1 of each year. Criteria for evaluating traffic congestion shall include, but not be limited to, coordination with local, county, and regional planning, improvement in traffic operations, improvement in physical roadway conditions, accident reduction, and coordination with area public transportation planning.

Sec. 607. It is the intent of the legislature that the Michigan department of transportation work to add a southbound entrance ramp at the interchange of I-75 at Corunna Road in the charter township of Flint.

Sec. 608. From the amounts appropriated in part 1 for forest roads from the transportation economic development fund, \$40,000.00 shall be used for the purpose of establishing 2 additional truck inspection stations. The department shall work directly with representatives of the timber industry to educate truck drivers on the use of the stations. The department shall report on the status of this program.

Sec. 610. It is the intent of the legislature that the department have as a priority the removal of dead deer and other large animal remains from the traveled portion and shoulder of state highways. The department, and counties that perform state highway maintenance under contract, shall remove animal remains, wherever practicable, away from the traveled portion and shoulder of state highways.

Sec. 612. The department shall establish guidelines governing incentives and disincentives provided under contracts for state trunkline projects. The guidelines shall include specific financial information concerning incentives and disincentives. On or before January 1 of each year, the department shall prepare a report for the immediately preceding fiscal year regarding contract incentives and disincentives. This report shall include a list, by project, of the contractors that received contract incentives and/or disincentives, the amount of the incentives and/or disincentives, and the number of days that each project was completed either ahead or past the contracted completion date. This report shall be provided to the senate and house appropriations subcommittees on transportation, the senate and house standing committees on transportation, and the senate and house fiscal agencies.

Sec. 615. It is the intent of the legislature that the department shall proceed with the construction of a full interchange at the intersection of M-48 and I-75 in Chippewa County. It is the intent of the legislature that the department develop design plans and award the construction contract for this project during the fiscal year ending September 30, 2010.

Sec. 654. It is the intent of the legislature that the Mackinac Bridge Authority work to protect the long-term viability of the Mackinac Bridge.

Sec. 655. It is the intent of the legislature that the department expend not less than \$32,000.00 for a safe routes to schools project in Eaton Rapids, Michigan, involving extension of and improvements to sidewalks along North State Street from Gould to beyond Greyhound Drive, as well as connecting streets in neighborhoods near Eaton Rapids High School, Eaton Rapids Middle School, Greyhound Intermediate School, and Lockwood Elementary School.

Sec. 656. It is the intent of the legislature that the department upgrade that section of M-49 from M-99 to US-12 to standards necessary for designation as a designated highway as provided under sections 717 and 718 of the Michigan vehicle code, 1949 PA 300, MCL 257.717 and 257.718, and for inclusion as a "green" special designated highway on the department's truck operator's map.

Sec. 658. It is the intent of the legislature that the department proceed with the reconstruction of the interchange at I-196 and Phoenix Road in South Haven.

Sec. 659. For pavement projects for which there are no Michigan actual historic project maintenance, repair, and resurfacing schedules and costs as recorded by the pavement management system, the department may use actual historical and comparable data for equivalent designs from states with similar climates, soil structures, and vehicle traffic.

Sec. 660. The legislature encourages the department to examine the use of alternative road surface materials, including recycled materials, and to develop criteria and specifications for its use in both department-managed and contracted projects.

Sec. 661. It is the intent of the legislature that the department complete engineering design work and right-of-way acquisitions for the proposed expressway project along US-127 from St. Johns in Clinton County to Ithaca in Gratiot County.

COMPREHENSIVE TRANSPORTATION FUND

Sec. 701. Money that is received by the state as a lease payment for state-owned intercity bus equipment is not money to be deposited in the comprehensive transportation fund under section 10b of 1951 PA 51, MCL 247.660b, but is money that is deposited in an intercity bus equipment fund for appropriation for the purchase and repair of intercity bus equipment. Proceeds received by the state from the sale of intercity bus equipment are deposited in an intercity bus equipment fund for appropriation for the purchase and repair of intercity bus equipment. Security deposits from the lease of state-owned intercity bus equipment not returned to the lessee of the equipment under terms of the lease agreement are deposited in an intercity bus equipment fund for appropriation for the repair of intercity bus equipment. At the close of the fiscal year, any funds remaining in the intercity bus equipment fund shall remain in the fund and be carried forward into the succeeding fiscal year.

Sec. 702. Money that is received by the state as repayment for loans made for rail or water freight capital projects, and as a result of the sale of property or equipment used or projected to be used for rail or water freight projects shall be deposited in the fund created by section 17 of the state transportation preservation act of 1976, 1976 PA 295, MCL 474.67. At the close of the fiscal year, any funds remaining in the rail freight fund shall remain in the fund and be carried forward into the succeeding fiscal year.

Sec. 703. After receiving notification from a railroad company pursuant to section 8 of the state transportation preservation act of 1976, 1976 PA 295, MCL 474.58, the department shall immediately notify the house of representatives and senate appropriations subcommittees on transportation and the state budget office that the railroad company has filed with the appropriate governmental agencies for abandonment of a line.

Sec. 706. The Detroit/Wayne County port authority shall issue a complete operations assessment and a financial disclosure statement. The operations assessment shall include operational goals for the next 5 years and recommendations to improve land acquisition and development efficiency. The report shall be completed and submitted to the house of representatives and senate appropriations subcommittees on transportation, the state budget director, and the house and senate fiscal agencies by February 15 of each fiscal year for the prior fiscal year.

Sec. 708. If funds appropriated in part 1 are used to provide state-owned or state-leased buses to private intercity bus carriers, the department shall charge not less than \$1,000.00 per bus per year for their use.

Sec. 709. (1) The following bus routes are designated as an essential corridor in Michigan:

Between St. Ignace and Escanaba	US-2
Between Escanaba and Duluth	US-2 through Ironwood to the state line
Between Calumet and Escanaba	US-41
Between Escanaba and Milwaukee	US-41 through Menominee to the state line
Between St. Ignace and Sault Ste. Marie	I-75
Between Detroit and Chicago	I-94 from Detroit to the state line
Between Detroit and Muskegon	I-96
Between Grand Rapids, Holland, and Benton Harbor	I-196 to I-94
Between Muskegon and Grand Rapids	US-31, I-96
Between Detroit and Bay City	I-75
Between Bay City and Mount Pleasant	US-10, M-20
Between Jackson and Traverse City	US-127, US-27, I-75, Grayling, Gaylord, M-72 to Traverse City
Between Jackson and Indianapolis	I-69, I-94 to the state line through Albion, Marshall, and Coldwater
Between Houghton Lake and Cadillac	M-55 and M-66
Between Detroit and Toledo	I-75 to the state line
Between the Indiana state line and Traverse City	US-31 and I-196
Between Detroit and Port Huron	I-375 and I-94
Between Toledo and Bay City	US-23, I-75, and I-675, I-75
Between Bay City and Chicago	I-75, Flint, I-69, I-94, Battle Creek, I-94 to the state line
Between Flint and Lansing	I-69, M-21, Owosso, M-52, I-69
Between Bay City and St. Ignace	I-75, US-23
Between Grand Rapids and St. Ignace	US-131, Cadillac, M-115, Mesick, M-37 to Traverse City, US-31, Acme, M-72, Kalkaska, US-131, Boyne Falls, M-75, Walloon Lake, US-131, Petoskey, US-31, I-75, St. Ignace
Between Kalamazoo and Grand Rapids	US-131

(2) Any changes to the essential corridor list in subsection (1) shall be approved by the house and senate appropriations subcommittees on transportation.

(3) No entity shall receive operating assistance for a scheduled regular route service which is competing with another private or public carrier over the same route.

Sec. 711. (1) From the funds appropriated in part 1 from the comprehensive transportation fund for rail passenger service, the department shall negotiate with a rail carrier to provide rail service between Grand Rapids and Chicago and between Port Huron and Chicago, consistent with the other provisions of this section.

(2) The rail carrier shall, as a condition to receiving a state operating subsidy, maintain a system to monitor, collect, and resolve customer complaints and shall make the information available to the department, the house and senate appropriations subcommittees on transportation, and the house and senate fiscal agencies.

(3) Future state support for the service between Grand Rapids and Chicago and Port Huron and Chicago is dependent on the department's ability to provide a plan and a contract for services that increase ridership and revenue, reduce operating costs, and improve on-time performance.

(4) No state subsidy shall be provided from the funds appropriated in part 1 if the chosen rail carrier is Amtrak and Amtrak discontinued service or any portion of the service between Port Huron and Chicago or Grand Rapids and Chicago during the preceding fiscal year, unless the discontinuance of service was for track maintenance or was caused by acts of God.

Sec. 714. The department, in cooperation with local transit agencies, shall work to ensure that demand-response services are provided throughout Michigan. The department shall continue to work with local units of government to address the unmet transit needs in Michigan.

Sec. 721. For federal transit administration bus acquisition capital grants matched with CTF funds appropriated in part 1, transit agencies shall have 4 years from the federal approval date to carry out their projects. Contract line items unobligated 4 years after the federal approval date may be matched with CTF funds only up to 15% in the fifth and

subsequent years. "Unobligated" means any line item in the contract that is not committed to a third party or purchase order. A waiver shall be granted by the department for an additional year with documented justification from the transit agency accompanied by a resolution from the board or authority seeking a waiver. If a transit agency does not carry out a line item activity in a specific authorization and the transit agency requests funds in a new authorization for that same activity, the line item shall be matched at up to 15%. This section applies only to bus acquisition capital grants. Lapsed funds under this section shall remain in the CTF. This section does not take effect if failure to comply with the provisions of this section by a transit agency occurs due to the inability of the state to provide sufficient matching funds for available federal funding earmarked to that transit agency for the purpose of bus capital acquisition. The department shall report to the appropriation subcommittees on transportation of the senate and house of representatives if the state is unable to provide sufficient matching funds for this section to take effect.

Sec. 722. From the funds appropriated in part 1 for transportation to work from the CTF, sufficient funds shall be used as a match for job access reverse commute grants for local transit agencies.

Sec. 729. From the funds appropriated in part 1 for intercity services, \$100,000.00 shall be used for lost ridership support and/or marketing efforts to increase awareness of intercity bus service, increase ridership on intercity bus carriers, and improve coordination of intercity bus service in Michigan.

Sec. 731. The department shall charge public transit agencies and intercity bus carriers equal rates per square foot for leasing space in state-owned intermodal facilities.

Sec. 734. (1) The department shall ensure that all public transit agencies provide the highest quality public transit service by moving people in a cost-effective, safe, and user-friendly manner that maintains and attracts residents and businesses.

(2) Public transit agencies receiving funds under part 1 shall do all of the following:

(a) Provide efficient, cost-effective, safe, well-maintained, reliable, customer-driven transportation services.

(b) Provide a quality work environment that has and fulfills employee performance, productivity, and development standards.

(c) Identify and capture all available funding or create cost-effective programs to eliminate debt and have a balanced budget.

(d) Maintain sufficient local and community funding.

(e) Support business development by providing transportation to areas of employment and commerce, emerging or established businesses, and health care facilities.

Sec. 737. It is the intent of the legislature that the department proceed with the construction of a Birmingham/Troy intermodal passenger facility.

Sec. 740. The department shall report by March 1 of each year to the house of representatives and senate appropriations subcommittees on transportation, the house and senate fiscal agencies, and the state budget director the encumbered and unencumbered balances of the comprehensive transportation fund.

Sec. 741. The department shall report by March 1, 2010 to the house of representatives and senate appropriations subcommittees on transportation, the house and senate fiscal agencies, and the state budget director on progress made to improve the Ann Arbor and NW Michigan railroad's track infrastructure for the purpose of supporting passenger train speed of 59 miles per hour.

Sec. 743. The legislature encourages the department to include a hybrid-electric vehicle (HEV) option in all requests for proposal for vehicles up to and including Class 5 purchased by or through the department.

Sec. 744. The legislature encourages local transit agencies to hire or consult with a mobility manager to coordinate transportation services with the needs of the local workforce and low-income or special needs populations. This position should work with economic development agencies, human service professionals, and other stakeholders to ensure that the appropriate transportation resources are available to the community.

AERONAUTICS FUND

Sec. 801. Except as otherwise provided in section 903 for capital outlay, at the close of the fiscal year, any unobligated and unexpended balance in the state aeronautics fund created in the aeronautics code of the state of Michigan, 1945 PA 327, MCL 259.1 to 259.208, shall lapse to the state aeronautics fund and be appropriated by the legislature in the immediately succeeding fiscal year.

CAPITAL OUTLAY

Sec. 901. (1) From federal-state-local project appropriations contained in part 1 for the purpose of assisting political entities and subdivisions of this state in the construction and improvement of publicly used airports and landing fields within this state, the state transportation department may permit the award of contracts on behalf of units of local government for the authorized locations not to exceed the indicated amounts, of which the state allocated portion shall not exceed the amount appropriated in part 1.

(2) Political entities and subdivisions shall provide not less than 2.5% of the cost of any project under this section, unless a total nonfederal share greater than 5% is otherwise specified in federal law. State money shall not be allocated until local money is allocated. State money for any 1 project shall not exceed 1/3 of the total appropriation in part 1 from state funds for airport improvement programs.

(3) The Michigan aeronautics commission may take those steps necessary to match federal money available for airport construction and improvement within this state and to meet the matching requirements of the federal government. Whether acting alone or jointly with another political subdivision or public agency or with this state, a political subdivision or public agency of this state shall not submit to any agency of the federal government a project application for airport planning or development unless it is authorized in this act and the project application is approved by the governing body of each political subdivision or public agency making the application and by the Michigan aeronautics commission.

Sec. 902. Before the end of each fiscal year, the state transportation department shall report to the house and senate appropriations subcommittees on transportation the status of airport improvement projects funded in part 1 with the estimated dollars allocated for each project. If there has to be a delay in reporting, the state transportation department shall notify the house and senate appropriations subcommittees on transportation in writing of the date the report will be received.

Sec. 903. The appropriations in part 1 for capital outlay shall be carried forward at the end of the fiscal year consistent with the provisions of section 248 of the management and budget act, 1984 PA 431, MCL 18.1248.

Sec. 904. (1) The director shall allocate lump-sum appropriations made in this bill consistent with statutory provisions and the purposes for which funds were appropriated. Lump-sum allocations shall address priority program or facility needs and may include, but are not limited to, design, construction, remodeling and addition, special maintenance, major special maintenance, energy conservation, and demolition.

(2) The state budget director may authorize that funds appropriated for lump-sum appropriations and designated as work project appropriations shall be available for no more than 3 fiscal years following the fiscal year in which the original appropriation was made. Any remaining balance from allocations made in this section shall lapse to the fund from which it was appropriated pursuant to the lapsing of funds as provided in the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

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

A bill to make appropriations for the state transportation department and certain transportation purposes for the fiscal year ending September 30, 2010; to provide for the imposition of fees; to provide for reports; to create certain funds and programs; to prescribe requirements for certain railroad and bus facilities; to prescribe certain powers and duties of certain state departments and officials and local units of government; and to provide for the expenditure of the appropriations.

Bill Hardiman
Alan L. Cropsey
Glenn Anderson
Conferees for the Senate

Lee Gonzales
Richard LeBlanc
David Agema
Conferees for the House

Pending the order that, under joint rule 9, the conference report be laid over one day,

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 conference report,

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

Roll Call No. 486

Yeas—28

Allen	Cassis	Jacobs	Pappageorge
Anderson	Cherry	Jansen	Richardville
Barcia	Cropsey	Jelinek	Sanborn
Basham	Garcia	Kahn	Stamas
Birkholz	George	Kuipers	Switalski
Bishop	Gilbert	McManus	Van Woerkom
Brown	Hardiman	Olshove	Whitmer

Nays—9

Brater	Gleason	Patterson	Scott
Clark-Coleman	Hunter	Prusi	Thomas
Clarke			

Excused—0

Not Voting—0

In The Chair: Richardville

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. 253, entitled

A bill to make appropriations for the department of state police and certain other state purposes for the fiscal year ending September 30, 2010; 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, 2010; 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; to provide for the powers and duties of certain committees, certain state agencies, and certain employees; and to provide for the acquisition and disposition of certain real and personal property.

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, 2010, 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..... 2.0

Full-time equated classified positions 2,866.0

GROSS APPROPRIATION \$ 527,312,700

Interdepartmental grant revenues:

Total interdepartmental grants and intradepartmental transfers 26,108,400

ADJUSTED GROSS APPROPRIATION \$ 501,204,300

Federal revenues:

Total federal revenues..... 93,839,000

Special revenue funds:

Total local revenues 8,545,500

Total private revenues 273,300

Total state restricted revenues 131,287,300

State general fund/general purpose \$ 267,259,200

Sec. 102. EXECUTIVE DIRECTION

Full-time equated unclassified positions..... 2.0

Full-time equated classified positions 43.5

Unclassified positions..... \$ 260,400

Executive direction—22.0 FTE positions 2,623,600

Special operations and events—17.5 FTE positions 2,106,200

Auto theft prevention program—4.0 FTE positions 8,022,800

GROSS APPROPRIATION \$ 13,013,000

For Fiscal Year
Ending Sept. 30,
2010

Appropriated from:	
Interdepartmental grant revenues:	
IDT, truck safety fund	\$ 22,700
Special revenue funds:	
Auto theft prevention fund	8,022,800
Motor carrier fees	32,000
Criminal justice information center fees	47,600
Forensic science reimbursement fees	24,700
Highway safety fund	32,900
Traffic law enforcement and safety fund	128,100
State general fund/general purpose	\$ 4,702,200

Sec. 103. DEPARTMENTWIDE APPROPRIATIONS

Special maintenance and utilities	\$ 447,600
Rent and building occupancy charges	9,633,100
Worker's compensation	3,151,300
Fleet leasing	14,037,500
In-service training - law enforcement distribution	450,000
In-service training - competitive	1,000,000
Narcotics investigation funds	265,100
GROSS APPROPRIATION	\$ 28,984,600

Appropriated from:

Interdepartmental grant revenues:	
IDG, training academy charges	277,500
IDT, Michigan justice training fund	1,450,000
Federal revenues:	
Federal narcotics investigation revenues	95,000
DOT	24,700
DHS	173,700

Special revenue funds:

Forensic science reimbursement fee	98,500
Narcotics investigation revenues	170,100
State forensic laboratory fund	98,500
Criminal justice information center service fees	195,200
Secondary road patrol and training fund	17,500
Hazardous materials training center fees	102,900
Michigan justice training fund	29,200
Motor carrier fees	7,300
Highway safety fund	7,800
Traffic law enforcement and safety fund	15,400
State general fund/general purpose	\$ 26,221,300

Sec. 104. SUPPORT SERVICES

Full-time equated classified positions	192.5
Management services—136.0 FTE positions	\$ 11,846,600
Training administration—33.0 FTE positions	6,708,000
Budget and financial services—23.5 FTE positions	2,269,000
GROSS APPROPRIATION	\$ 20,823,600

Appropriated from:

Interdepartmental grant revenues:	
IDT, auto theft funds	3,800
IDG, training academy charges	3,272,400
IDG-MDOT, state trunkline fund	4,200
IDG-MDTR, casino gaming fees	63,400
IDG-MDTR, emergency telephone fund coordinator	520,400
IDG-MDTR, emergency telephone fund operations	477,800
IDG-MDOS	2,000
IDG-MDOC, contract	1,100,000

	For Fiscal Year Ending Sept. 30, 2010
Federal revenues:	
DOT.....	\$ 473,200
Special revenues funds:	
Local - LEIN fees.....	2,800
Local - MPSCS subscriber fees.....	27,100
Local - school bus revenue.....	1,700
Highway safety fund.....	202,400
Nuclear plant emergency planning reimbursement.....	20,800
Precision driving track fees.....	287,200
Criminal justice information center service fees.....	681,600
Traffic law enforcement and safety fund.....	414,000
Reimbursed services.....	1,253,200
Forensic science reimbursement fees.....	7,800
Hazardous materials training center fees.....	5,100
Michigan justice training fund.....	1,600
Narcotics investigation revenues.....	33,800
Motor carrier fees.....	19,200
State general fund/general purpose.....	\$ 11,948,100
Sec. 105. HIGHWAY SAFETY PLANNING	
Full-time equated classified positions..... 30.0	
State program planning and administration—8.0 FTE positions.....	\$ 1,236,200
Secondary road patrol program—2.0 FTE positions.....	14,034,500
Truck safety program—1.0 FTE position.....	3,005,700
Federal highway traffic safety coordination—19.0 FTE positions.....	10,568,000
GROSS APPROPRIATION.....	\$ 28,844,400
Appropriated from:	
Interdepartmental grant revenues:	
Federal revenues:	
DOT.....	10,716,300
DOJ.....	576,900
Special revenue funds:	
Truck driver safety fund.....	3,005,700
Secondary road patrol and training fund.....	14,034,500
State general fund/general purpose.....	\$ 511,000
Sec. 106. CRIMINAL JUSTICE INFORMATION CENTER	
Full-time equated classified positions..... 136.0	
Criminal justice information center division—116.0 FTE positions.....	\$ 10,745,700
Criminal records improvement—1.0 FTE position.....	2,244,000
Traffic safety—19.0 FTE positions.....	1,879,100
GROSS APPROPRIATION.....	\$ 14,868,800
Appropriated from:	
Interdepartmental grant revenues:	
IDG-MDOS.....	329,500
IDG-MDCH, crime victim's rights fund.....	483,600
IDG-MDOT, state trunkline fund.....	854,500
Federal revenues:	
DOJ.....	2,244,000
DOT.....	507,000
Special revenue funds:	
Traffic crash revenue.....	78,200
Motor carrier fees.....	109,900
Sex offender registration fund.....	61,400
Criminal justice information center service fees.....	9,414,900
State general fund/general purpose.....	\$ 785,800
Sec. 107. FORENSIC SCIENCES	
Full-time equated classified positions..... 239.5	
Laboratory operations—182.0 FTE positions.....	\$ 29,745,000

	For Fiscal Year Ending Sept. 30, 2010
DNA analysis program—57.5 FTE positions.....	\$ 7,970,600
Marquette laboratory	100
Detroit laboratory	100
GROSS APPROPRIATION	\$ 37,715,800
Appropriated from:	
Interdepartmental grant revenues:	
IDG-MDCH, crime victim's rights fund	443,300
Federal revenues:	
DOJ.....	4,117,700
DOT	634,000
Federal narcotics investigation revenues	493,200
Special revenue funds:	
Forensic science reimbursement fees	1,455,000
State forensic laboratory fund	1,733,000
Narcotic investigation revenues.....	1,648,000
Criminal justice information center service fees	319,400
State services fee fund.....	9,283,100
State general fund/general purpose	\$ 17,589,100
Sec. 108. MICHIGAN COMMISSION ON LAW ENFORCEMENT STANDARDS	
Full-time equated classified positions	26.0
Standards and training/justice training grants—24.0 FTE positions	\$ 9,175,500
Concealed weapons enforcement training	240,000
Training only to local units—2.0 FTE positions	618,900
Mental health awareness training	100,000
Officer's survivor tuition program	48,500
Public safety officers benefit program	150,000
GROSS APPROPRIATION	\$ 10,332,900
Appropriated from:	
Interdepartmental grant revenues:	
IDG-MDOC.....	100,000
Federal revenues:	
DOJ.....	175,000
Special revenue funds:	
Secondary road patrol and training fund.....	618,900
Michigan justice training fund	7,948,600
Licensing fees.....	9,100
Concealed weapons enforcement fee	240,000
State general fund/general purpose	\$ 1,241,300
Sec. 109. EMERGENCY MANAGEMENT	
Full-time equated classified positions	87.5
Emergency management planning and administration—56.0 FTE positions	\$ 4,976,900
Grants to local government	2,482,100
FEMA program assistance—6.0 FTE positions	1,936,100
Nuclear power plant emergency planning—6.0 FTE positions	1,529,300
Hazardous materials programs—19.5 FTE positions	51,079,100
GROSS APPROPRIATION	\$ 62,003,500
Appropriated from:	
Federal revenues:	
DOT	583,800
DHS	56,161,600
Special revenue funds:	
Nuclear plant emergency planning reimbursement	1,529,300
Hazardous materials training center fees.....	1,507,600
State general fund/general purpose	\$ 2,221,200

For Fiscal Year
Ending Sept. 30,
2010

Sec. 110. POST UNIFORM SERVICES

Full-time equated classified positions	1,492.0	
Uniform services—385.0 FTE positions		\$ 46,361,300
Capitol security guards—7.0 FTE positions		518,000
Reimbursed services—11.0 FTE positions		1,812,700
At-post troopers—1,089.0 FTE positions		143,803,900
GROSS APPROPRIATION		\$ 192,495,900

Appropriated from:

Interdepartmental grant revenues:

Special revenue funds:

Criminal justice information center service fees	760,300	
Narcotics investigation revenues	1,000,000	
Highway safety fund	15,421,800	
Traffic law enforcement and safety fund	29,097,100	
Trooper school recruitment fund	1,000	
State police service fees	1,812,700	
State general fund/general purpose		\$ 144,403,000

Sec. 111. STATEWIDE FIELD OPERATIONS

Full-time equated classified positions	61.0	
Operational support—54.0 FTE positions		\$ 6,258,100
Aviation program—7.0 FTE positions		1,478,100
GROSS APPROPRIATION		\$ 7,736,200

Appropriated from:

Interdepartmental grant revenues:

IDG-MDCH, crime victim's rights fund	126,400	
IDG-MDOC, contract	101,600	

Federal revenues:

Special revenue funds:

Private donations	273,300	
Rental of department aircraft	51,800	
State general fund/general purpose		\$ 7,183,100

Sec. 112. SPECIAL INVESTIGATIONS

Full-time equated classified positions	329.0	
Criminal investigations—217.0 FTE positions		\$ 30,677,900
Federal antidrug initiatives—49.5 FTE positions		6,650,100
Reimbursed services, materials, and equipment—3.5 FTE positions		2,669,200
Auto theft prevention—13.0 FTE positions		1,794,800
Casino gaming oversight—32.0 FTE positions		4,564,900
Fire investigation—14.0 FTE positions		1,662,900
Fire investigation training to locals		50,000
Parole absconder sweeps		10,500
GROSS APPROPRIATION		\$ 48,080,300

Appropriated from:

Interdepartmental grant revenues:

IDT, auto theft funds	1,409,000	
IDG-MDTR, casino gaming fees	4,564,900	

Federal revenues:

Federal investigations - reimbursed services	758,400	
DOJ	3,611,700	
Federal narcotics investigation revenues	483,000	

Special revenue funds:

Local - reimbursed services	1,910,800	
Narcotics investigation revenues	694,500	
Michigan merit award trust fund	610,000	
Forfeiture funds	557,600	
State general fund/general purpose		\$ 33,480,400

For Fiscal Year
Ending Sept. 30,
2010

Sec. 113. TRAFFIC SAFETY

Full-time equated classified positions	229.0	
Motor carrier enforcement—106.0 FTE positions		\$ 10,568,100
Truck safety enforcement team operations—10.0 FTE positions		1,345,900
Safety inspections—63.0 FTE positions.....		8,283,200
School bus inspections—15.0 FTE positions		1,432,900
Safety projects—18.0 FTE positions.....		2,165,000
Traffic services—17.0 FTE positions.....		5,233,900
GROSS APPROPRIATION		\$ 29,029,000

Appropriated from:

Interdepartmental grant revenues:

IDT, truck safety fund	1,345,900
IDG-MDOT, state trunkline fund	8,706,900

Federal revenues:

DOT	10,748,100
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Special revenue funds:

Local school bus revenue	1,432,900
Drunk driving prevention and training fund.....	1,344,800
Motor carrier fees.....	3,911,100
State general fund/general purpose	\$ 1,539,300

Sec. 114. INFORMATION TECHNOLOGY

Information technology services and projects	20,627,200
Michigan public safety communications system	12,757,500
GROSS APPROPRIATION	\$ 33,384,700

Appropriated from:

Interdepartmental grant revenues:

IDG-MDTR, casino gaming fees.....	88,800
IDG-MDOT, state trunkline fund	242,400
IDG, training academy charges	31,300
IDG-MDOS	4,500
IDG-MDTR, emergency telephone fund coordinator.....	1,800
IDG-MDTR, emergency telephone fund operations.....	64,100
IDG-auto theft funds	8,300
IDT-truck safety fund	7,400

Federal revenues:

DOJ.....	518,400
DHS	570,100
DOT	173,200

Special revenue funds:

Local - LEIN fees.....	3,565,800
Local - AFIS fees.....	39,200
Local - MPSCS subscriber fees.....	1,563,300
Local - school bus revenue.....	1,900
Criminal justice information center service fees.....	4,095,300
Forensic science reimbursement fees	84,800
Michigan justice training fund	38,800
Narcotics investigation revenue.....	900
Nuclear plant emergency planning reimbursement	4,900
Precision driving track fees	300
Secondary road patrol and training fund.....	387,400
Sex offender registration fund	210,900
State forensic laboratory fund	162,700
Reimbursed services	156,000
Motor carrier fees.....	583,600
Commercial mobile radio service fees	5,000,000
Traffic law enforcement and safety fund.....	77,000

		For Fiscal Year Ending Sept. 30, 2010
Highway safety fund	\$	42,700
Traffic crash revenue		225,500
State general fund/general purpose	\$	15,433,400

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 2009-2010 is \$398,546,500.00 and state spending from state resources to be paid to local units of government for fiscal year 2009-2010 is \$20,366,500.00. 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	\$	13,894,200
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MICHIGAN COMMISSION ON LAW ENFORCEMENT STANDARDS

Training only to local units	\$	410,800
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Justice training grants	\$	5,533,700
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SPECIAL INVESTIGATIONS

Fire investigation training for locals	\$	50,000
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SUPPORT SERVICES

Management services	\$	477,800
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Total	\$	20,366,500
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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, 2010, 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 2008-2009:

- (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, 2009, March 1, 2010, June 1, 2010, and September 1,

2010 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. 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.

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, 2010 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, 2010, 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. 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, 2010 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. 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, 2010.

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. 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 \$10,000,000.00 for federal contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this 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 \$3,500,000.00 for state restricted contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this 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 \$1,000,000.00 for local contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this 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 \$200,000.00 for private contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this act under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

Sec. 242. Not later than September 30, 2010, the department shall prepare and transmit a report that provides for estimates of the total general fund/general purpose appropriation lapses at the close of the fiscal year. This report shall summarize the projected year-end general fund/general purpose appropriation lapses by major departmental program or program areas. The report shall be transmitted to the office of the state budget, the chairpersons of the senate and house appropriations committees, and the senate and house fiscal agencies.

Sec. 245. The department shall work cooperatively with the department of human services to coordinate the functions of the state police LEIN system and the department of human services bridges case management system to provide obtainable data that will allow authorized users of the bridges case management system to identify those persons who may be ineligible to receive certain assistance services due to their law enforcement status. The department shall deliver a report on this effort to the senate and house appropriations subcommittees on state police and military and veterans affairs not later than May 1, 2010.

Sec. 253. From the funds appropriated in part 1, the department, working with MDMB, shall use an amount not to exceed \$10,000.00 to develop and maintain a publicly accessible Internet site to post all expenditures made by the department for the fiscal year. The posting of expenditures shall include the purpose for which each expenditure was made. The department is not required to hire additional employees to comply with this section.

Sec. 254. On a bimonthly basis, the department shall report on the number of FTEs in pay status by civil service classification to the house and senate appropriations subcommittees on state police and military and veterans affairs and the house and senate fiscal agencies.

Sec. 255. It is the intent of the legislature that the state honor its lease contracts to avoid the depreciation of the state's credit ratings and to uphold credibility with the state's current and future business relationships.

Sec. 256. (1) This state is authorized to acquire title to property for the purpose of providing office space for state agencies by exercising the purchase option in state lease number 11319, and to transfer title to the state building authority, with the approval of the state administrative board, for an amount necessary to pay off any debt instruments that financed the property, in an aggregate cost not to exceed \$52,000,000.00. This state is also authorized to pay any ancillary costs including estimated real estate taxes.

(2) All documents regarding the acquisition of the property described in subsection (1) shall be approved by the attorney general.

(3) The acquisition by the state and subsequent conveyance to the state building authority shall conform to the provisions of 1964 PA 183, MCL 830.411 to 830.425.

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 state's service and contract maintenance costs of the LEIN.

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, 2010.

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, 2009.

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, 2010, 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 for real-time enforcement of section 3101 of the insurance code of 1956, 1956 PA 218, MCL 500.3101.

Sec. 310. It is the intent of the legislature that the Michigan public safety communications system (MPSCS) begin the necessary expansion and upgrade of the system to allow for more local users to utilize the system. The MPSCS shall use restricted fund dollars, federal funds, and other non-general fund/general purpose funds for this purpose.

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. 603. The appropriation in part 1 for mental health awareness training and coordination shall be expended for training law enforcement officers, mental health practitioners, and other criminal justice personnel in effective and safe ways of assisting people with mental illness and directing people with mental disorders 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.

Sec. 902. From the funds appropriated in part 1 for capitol security guards, the department shall only use these funds for security services at the state capitol building.

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, 2010 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, 2010 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 2009:

- (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, 2010; 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; to provide for the powers and duties of certain committees, certain state agencies, and certain employees; and to provide for the acquisition and disposition of certain real and personal property.

Valde Garcia
Alan L. Cropsey
Jim Barcia
Conferees for the Senate

Richard LeBlanc
John Espinoza
Conferees for the House

Pending the order that, under joint rule 9, the conference report be laid over one day,

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 conference report,

The first conference report was not adopted, a majority of the members serving not voting therefor, as follows:

Roll Call No. 487

Yeas—17

Allen	Cropsey	Jacobs	McManus
Barcia	Garcia	Jansen	Stamas
Birkholz	Gilbert	Jelinek	Van Woerkom
Bishop	Hardiman	Kuipers	Whitmer
Cherry			

Nays—17

Anderson	Clarke	Olshove	Richardville
Brater	George	Pappageorge	Sanborn
Brown	Hunter	Patterson	Scott
Cassis	Kahn	Prusi	Thomas
Clark-Coleman			

Excused—0

Not Voting—3

Basham

Gleason

Switalski

In The Chair: Richardville

Senator Cropsey moved to reconsider the vote by which the conference report was not adopted.
The question being on the motion to reconsider,
Senator Cropsey moved that further consideration of the bill be postponed temporarily.
The motion prevailed.

Protest

Senator Brown, under his constitutional right of protest (Art. 4, Sec. 18), protested against the adoption of the first conference report on Senate Bill No. 253 and moved that the statement he made during the discussion of the conference report be printed as his reasons for voting “no.”

The motion prevailed.

Senator Brown’s statement is as follows:

Before us is the Department of State Police budget that would make some significant gains, most notably allowing for 55 laid-off troopers to be rehired. I applaud the conference committee for its efforts in this regard.

However, there is one glaring issue with this conference report that cannot be overlooked. Within this conference report is a provision allowing the Department of Management and Budget to purchase the proposed State Police Headquarters nearing completion here in downtown Lansing. This comes only weeks after this chamber, in a bipartisan vote, correctly removed funding for this ill-advised and ill-equipped project that has become known as Michigan’s version of the “Bridge to Nowhere.” Now, instead of leasing the building for 25 years, Michigan residents will be asked to foot the bill to purchase the building over the course of 17 years.

Mr. President, the reason this particular project has resonated so strongly with Michigan residents is because it so brazenly flies in the face of reason. We stand on the brink of shutting down state government because we don’t have the money to fund vital programs like health care, revenue sharing, the Promise scholarship, and K-12 education. Yet here we are on the verge of committing taxpayers to \$70 million in payments for the purchase of a building the State Police do not need and do not want.

Now some may stand before you today and argue that a deal is a deal and that the state must adhere to its contracts. Let me say that I completely agree. The state should keep its word and adhere to the contracts that we sign. In this case, the state and developers signed a contract that reads, and I quote:

“This lease may be canceled by the Lessee...if there is a specific prohibition arising out of the appropriation process against using funds for this lease, or if the Legislature fails to appropriate funds for the purpose of paying rent under this Lease.”

What this chamber did several weeks ago when we correctly voted to withhold funding for this project was exercising our contractual right. No promise was broken, and nothing occurred that the developers should have been unaware of when they signed the contract.

Some in this chamber and out in the lobby may further argue that canceling this lease or purchase sets a troubling precedent in our dealings with the business community. Yet currently before the Joint Capital Outlay Subcommittee is a request from the Department of Management and Budget to exercise a similar contractual option to cancel a signed lease. The Senate Fiscal Agency indicates that at least four other contract cancellations have occurred in recent years. To my knowledge, these cancellations have not permanently scarred the relationship between the state and the business community.

This chamber does not have any contractual obligation to uphold what was a poorly-conceived project that is not in the best interest of taxpayers or our troopers. To the contrary, we have an obligation to protect the taxpayers and the troopers by exercising our contractual right. We cannot and should not put Michigan taxpayers on the hook for a \$70 million palace at a time when we can’t seem to cobble enough money to properly fund schools or fulfill a promise to college students.

Please join my in voting “no” on this conference committee report and ending this boondoggle once and for all.

By unanimous consent the Senate proceeded to the order of
Statements

The President, Lieutenant Governor Cherry, assumed the Chair.

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:

Today is a great day on the Capitol lawn. I would like for all of my colleagues to go out and talk with those who have traveled from around this state asking for affordable home and car insurance. So I would hope that you would go out and talk with the constituents from around this state who have taken the time to come up here today and rally for affordable home and car insurance.

Recess

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

The motion prevailed, the time being 11:32 a.m.

11:55 a.m.

The Senate was called to order by the President, Lieutenant Governor Cherry.

By unanimous consent the Senate returned to the order of
Conference Reports

House Bill No. 4435, entitled

A bill to make appropriations for community colleges and certain state purposes related to education for the fiscal year ending September 30, 2010; to provide for the expenditure of those appropriations; to establish or continue certain funds, programs, and categories; and to prescribe the powers and duties of certain state departments, institutions, agencies, employees, and officers.

The House of Representatives has adopted the report of the Committee of Conference.

The Conference Report was read as follows:

FIRST CONFERENCE REPORT

The Committee of Conference on the matters of difference between the two Houses concerning

House Bill No. 4435, entitled

A bill to make appropriations for community colleges and certain state purposes related to education for the fiscal year ending September 30, 2010; to provide for the expenditure of those appropriations; to establish or continue certain funds, programs, and categories; and to prescribe the powers and duties of certain state departments, institutions, agencies, employees, and officers.

Recommends:

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

A bill to make appropriations for community colleges and certain state purposes related to education for the fiscal year ending September 30, 2010; to provide for the expenditure of those appropriations; to establish or continue certain funds, programs, and categories; and to prescribe the powers and duties of certain state departments, institutions, agencies, employees, 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 community colleges and certain other state purposes relating to education for the fiscal year ending September 30, 2010, from the funds indicated in this part. The following is a summary of the appropriations in this part:

COMMUNITY COLLEGES

APPROPRIATION SUMMARY

GROSS APPROPRIATION	\$	299,360,500
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	For Fiscal Year Ending Sept. 30, 2010
Interdepartmental grant revenues:	
Total interdepartmental grants and intradepartmental transfers	\$ 0
ADJUSTED GROSS APPROPRIATION	\$ 299,360,500
Federal revenues:	
Total federal revenues.....	0
Special revenue funds:	
Total local revenues	0
Total private revenues	0
Total other state restricted revenues	0
State general fund/general purpose	\$ 299,360,500
Sec. 102. OPERATIONS	
Alpena Community College	\$ 5,126,100
Bay de Noc Community College.....	5,178,400
Delta College.....	13,751,600
Glen Oaks Community College.....	2,304,800
Gogebic Community College	4,275,200
Grand Rapids Community College.....	17,219,800
Henry Ford Community College	20,898,900
Jackson Community College	11,542,300
Kalamazoo Valley Community College.....	11,888,600
Kellogg Community College	9,311,800
Kirtland Community College	2,842,800
Lake Michigan College	5,012,100
Lansing Community College.....	29,762,500
Macomb Community College.....	31,773,900
Mid Michigan Community College.....	4,289,200
Monroe County Community College	4,142,800
Montcalm Community College	2,981,600
C.S. Mott Community College.....	15,016,400
Muskegon Community College	8,518,600
North Central Michigan College	2,893,600
Northwestern Michigan College.....	8,682,000
Oakland Community College	20,133,700
St. Clair County Community College	6,729,800
Schoolcraft College	11,767,000
Southwestern Michigan College.....	6,276,900
Washtenaw Community College.....	12,149,000
Wayne County Community College.....	15,889,900
West Shore Community College	2,198,500
GROSS APPROPRIATION	\$ 292,557,800
Appropriated from:	
State general fund/general purpose	\$ 292,557,800
Sec. 103. GRANTS	
At-risk student success program.....	\$ 3,322,700
Renaissance zone tax reimbursement funding.....	3,480,000
GROSS APPROPRIATION	\$ 6,802,700
Appropriated from:	
State general fund/general purpose	\$ 6,802,700

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 2009-2010 is \$299,360,500.00 and state spending from state resources to be paid to local units of government for fiscal year 2009-2010 is \$299,360,500.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

Operations.....	\$ 292,557,800
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At-risk student success program.....	\$	3,322,700
Renaissance zone tax reimbursement program.....		3,480,000
TOTAL.....	\$	<u>299,360,500</u>

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. Unless otherwise specified, a community college receiving appropriations in part 1 and the department of energy, labor, and economic growth 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 principal executive officer of each community college 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 principal executive officer shall strongly encourage firms with which the community college contracts to subcontract with certified businesses in depressed and deprived communities for services or supplies, or both.

Sec. 211. (1) The money appropriated in this act is appropriated for community colleges with fiscal years ending June 30, 2010 and shall be paid out of the state treasury and distributed by the state treasurer to the respective community colleges in 11 monthly installments on the sixteenth of each month, or the next succeeding business day, beginning with October 16, 2009. Each community college shall accrue its July and August 2010 payments to its institutional fiscal year ending June 30, 2010. However, if a community college fails to submit all verified Michigan community colleges activities classification structure data for school year 2008-2009 to the department of energy, labor, and economic growth by November 1, 2009, the monthly installments shall be withheld from that community college until those data are submitted. The amount from the money appropriated in part 1 that is allocated to address the special needs of at-risk students shall be paid in full by the state treasurer by November 1, 2009. The amount distributed to a community college or department shall not exceed the net state allocation authorized by this act.

(2) Except as otherwise provided by law, each of the amounts appropriated shall be used solely for the respective purposes stated in this act. The money appropriated in this act may be used to match the cost of any available programs under the Carl D. Perkins vocational and applied technology education act of 1998, 20 USC 2301 to 2414, including local administration.

Sec. 216. (1) A community college shall pay the employer's contributions to the Michigan public school employees' retirement system created by the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1301 to 38.1408, as a condition of receiving money appropriated under this act.

(2) A community college shall not pay an employer's contribution to more than 1 retirement fund providing benefits for an employee.

Sec. 217. Money appropriated in part 1 shall not be used to pay for the construction or maintenance of a self-liquidating project. A community college shall comply with the current use and finance requirements of the joint capital outlay subcommittee (JCOS) for any construction, renovation, or other capital outlay projects pursuant to JCOS policy.

Sec. 224. (1) Recognizing the critical importance of education in strengthening Michigan's workforce, the legislature encourages the state's public community colleges to explore ways of increasing collaboration and cooperation with 4-year universities, particularly in the areas related to training, instruction, and program articulation.

(2) Recognizing the central role of community colleges in responding to local employment needs and challenges, community colleges shall develop and continue efforts to collaborate with local employers and students to identify local employment needs and strategies to meet them.

(3) Community colleges are encouraged to collaborate with each other on innovations to identify and meet local employment needs.

(4) Community colleges are encouraged to organize and participate in a legislative summit on a strategy for meeting the employment needs of the entire state. The community colleges shall report the results of the summit to the senate and house appropriations subcommittees on community colleges.

Sec. 234. Community colleges shall do the following:

(a) Undertake active measures to promote equal opportunities, eliminate discrimination, and foster a diverse student body and administration among all people including, but not limited to, women, minorities, seniors, veterans, and people with disabilities.

(b) Review, analyze, and eradicate activities that may tend to discriminate.

Sec. 241. (1) It is the intent of the legislature that community colleges expand their current nursing education programs and increase nursing education program enrollments. This expansion may include, but is not limited to, creating partnerships with hospitals and other health care providers, encouraging programs that assist in placing students at all levels of nursing, recruiting and hiring a larger number of individuals with masters degrees in nursing as instructors, expanding the focus and utilization of the nursing scholarship program, and redirecting existing institutional resources toward nursing education programs.

(2) Community college nursing programs are part of a comprehensive solution to Michigan's nursing shortage. Community college students are eligible to apply for financial assistance through the Michigan nursing scholarship program established in the Michigan nursing scholarship act, 2002 PA 591, MCL 390.1181 to 390.1189. The Michigan nursing corps grants described in section 431 of 2007 PA 118 and administered by the department of energy, labor, and economic growth provide funding to address the shortage of qualified nursing faculty. Community colleges are encouraged to coordinate with the chief nurse executive in the department of community health and with 4-year universities to improve access to nursing programs and to assist students to successfully enter the nursing workforce.

Sec. 242. It is the intent of the legislature that the Michigan community college association, the legislature, and other interested parties continue the discussion regarding payments in lieu of taxes, especially for those community college districts that contain significant portions of nontaxable land.

Sec. 247. Funds appropriated in part 1 shall not be used to enter into a lease for, or to purchase, a vehicle assembled or manufactured outside of the United States if competitively priced and comparable quality vehicles made in the state of Michigan or elsewhere in the United States of America are available.

Sec. 248. It is the intent of the legislature to acknowledge the community colleges' success at providing an affordable quality education during these tough economic times and to encourage each community college to continue to make every effort possible not to raise in-district tuition and fees charged to Michigan residents in the 2009-2010 academic year by more than the annual average percentage increase in the United States consumer price index in the immediately preceding academic year, plus 0.5%.

Sec. 249. It is the intent of the legislature to encourage community college districts to evaluate and pursue efficiency and cost-containment measures that maximize state funding. Community colleges shall identify practices that increase efficiencies, including, but not limited to, establishing joint ventures, consolidating services, utilizing program collaborations, maximizing educational benefits through optimal class sizes and frequency of course offerings, increasing web-based instruction, eliminating low-enrollment and high-cost instructional programs, using self-insurance, practicing energy conservation, and utilizing group purchasing. Efficiency efforts shall also include reviewing proposed capital outlay projects to increase coordination and utilization of new facilities, renovation projects, and technology improvements. The Michigan community college association shall prepare a written report detailing these efficiency practices and submit the report to the house and senate appropriation subcommittees on community colleges and the house and senate fiscal agencies no later than December 1, 2009.

STATE AID - OPERATIONS

Sec. 301. Unless otherwise stated, all data items used in determining state aid in this act are as defined in the 2001 Manual for Uniform Financial Reporting, Michigan Public Community Colleges, which shall be the basis for reporting data, and the Activities Classification Structure Manual for Michigan Community Colleges, as amended, which shall be used to document financial needs of the community colleges.

Sec. 302. A community college shall not include in the enrollment data reported for determining state aid under this act any student credit hours or student contact hours for a student incarcerated in a Michigan penal institution. Exclusion of these students is intended to avoid the payment of state aid under this act for the same individuals for whom reimbursement is provided by the state correctional system.

Sec. 304. It is the intent of the legislature that the recommendations and performance measures developed by the performance indicators task force formed pursuant to section 242 of 2005 PA 154 be reviewed and more fully implemented for distribution of state funding to community colleges in future years. Specifically, it is the intent of the legislature that the performance indicators task force review and implement 1 or more measurable data items for the local strategic value indicator and review and implement 1 or more measurable data items for an administrative cost formula component.

GRANTS

Sec. 401. (1) The community college at-risk student success program is continued. The funding shall be prorated among community colleges based on the number of student contact hours for developmental and preparatory instruction reported by each community college to the department of energy, labor, and economic growth pursuant to the Activities Classification Structure Manual for Michigan Community Colleges, as amended. Of the amount appropriated in part 1 for the at-risk student success program, \$1,120,000.00 is allocated for base grants of \$40,000.00 each, to address the special needs of at-risk students at community colleges.

(2) Of the amount appropriated in part 1 for the at-risk student success program, the balance of the appropriated money shall be distributed on a proration utilizing the sum of the most recent 3 years developmental/preparatory contact hours divided by the sum of the 3-year total contact hours at each college. Each community college's percentage shall be divided by the sum of all the percentages systemwide to obtain each community college's prorated grant amount.

(3) For the fiscal year ending September 30, 2010, the at-risk student success program money is allocated as follows:

Alpena Community College	\$ 83,000
Bay de Noc Community College.....	69,100
Delta College.....	106,400
Glen Oaks Community College.....	111,300
Gogebic Community College	56,300
Grand Rapids Community College.....	133,300
Henry Ford Community College	163,300
Jackson Community College	132,800
Kalamazoo Valley Community College.....	92,000
Kellogg Community College	152,600
Kirtland Community College	128,400
Lake Michigan College	147,000
Lansing Community College.....	157,000
Macomb Community College.....	84,200
Mid Michigan Community College.....	133,600
Monroe County Community College	104,100
Montcalm Community College	75,600
C.S. Mott Community College.....	113,300
Muskegon Community College	81,100
North Central Michigan College	109,800
Northwestern Michigan College.....	122,500
Oakland Community College	146,900
St. Clair County Community College	123,100
Schoolcraft College	123,500
Southwestern Michigan College.....	152,300
Washtenaw Community College.....	127,300
Wayne County Community College.....	146,200
West Shore Community College	146,700

(4) As used in this act, “at-risk students” means students who meet 1 or more of the following criteria:

(a) Are initially placed in 1 or more developmental courses as a result of standardized testing or as a result of failure to make satisfactory academic progress.

(b) Are diagnosed as learning disabled.

(c) Require English as a second language (ESL) assistance.

(5) Grant funding under this section shall be utilized to address the special needs of at-risk students. Activities related to services provided to at-risk students include, but are not limited to, pretesting for academic ability, counseling contacts, and special programs. Equipment or information technology hardware or software purchased under this section must be associated with the operation of a program designed to address the needs of at-risk students.

(6) Grant funding under this section shall not be used for indirect costs including, but not limited to, rent, utilities, or, except as provided in this section, college administration.

(7) Each community college shall report to the department of energy, labor, and economic growth a summary of all accomplishments under, expenditures for, and compliance with the intent of this program, including the number of at-risk students served. The report is subject to audit as provided for in section 502(1). The report shall be submitted not later than 90 days after the end of the state’s fiscal year.

Sec. 404. The appropriation in part 1 for renaissance zone reimbursements shall be made to each eligible recipient no later than 60 days after the department of treasury certifies to the state budget director that it has received all necessary information to properly determine the amounts due each eligible recipient under section 12 of the Michigan renaissance zone act, 1996 PA 376, MCL 125.2692.

Sec. 405. A community college receiving funds under this act shall cooperate with the state to comply with the provisions of the American recovery and reinvestment act of 2009, Public Law 111-5, requiring the establishment of a statewide P-20 longitudinal data system.

REPORTS AND AUDITS

Sec. 501. The department of energy, labor, and economic growth shall publish the activities classification structure data book for Michigan community colleges on or before March 1, 2010.

Sec. 502. (1) The auditor general or a certified public accountant appointed by the auditor general may conduct performance audits of community colleges as the auditor general considers necessary.

(2) Not more than 60 days after an audit report is released by the office of the auditor general, the principal executive officer of the community college that was audited shall submit to the house and senate appropriations committees, the house and senate fiscal agencies, the department of energy, labor, and economic growth, the auditor general, and the

state budget director a plan to comply with audit recommendations. The plan shall contain projected dates and resources required, if any, to achieve compliance with the audit recommendations, or a documented explanation of the college's noncompliance with the audit recommendations concerning the matters on which the audited community college and office of the auditor general disagree.

Sec. 504. (1) A community college shall retain certified class summaries, class lists, registration documents, and student transcripts that are consistent with the taxonomy of courses. For each enrollment period during the fiscal year, these certified documents shall identify clearly by course the number of in-district and out-of-district student credit and contact hours. The class summaries and class lists shall be consistent with each other and shall include the course prefix and numbers, course title, course credit and contact hours, credit and contact hours generated by each student, and activity classifications consistent with the taxonomy. An auditable process shall be used by the community college to determine the unduplicated head count for in-district students, out-of-district students, and prisoners for each enrollment period during the fiscal year.

(2) Contracts between the community college and agencies that reimburse the community college for the costs of instruction shall be retained for audit purposes.

Sec. 505. Each community college shall have an annual audit of all income and expenditures performed by an independent auditor and shall furnish the independent auditor's management letter and an annual audited accounting of all general and current funds income and expenditures including audits of college foundations to the members of the senate and house appropriations subcommittees on community colleges, the senate and house fiscal agencies, the auditor general, the department of energy, labor, and economic growth, and the state budget director before November 15, 2009. If a community college fails to furnish the audit materials, the monthly state aid installments shall be withheld from that college until the information is submitted. All reporting shall conform to the requirements set forth in the 2001 Manual for Uniform Financial Reporting, Michigan Public Community Colleges.

Sec. 506. (1) Each community college shall report the following to the department of energy, labor, and economic growth no later than November 1, 2009:

(a) The number of North American Indian students enrolled each term for the previous fiscal year, using guidelines and procedures developed by the department of energy, labor, and economic growth and the Michigan commission on Indian affairs.

(b) The number of North American Indian tuition waivers granted each term, and the monetary value of the waivers for the previous fiscal year.

(c) Colleges shall use the criteria cited in 1976 PA 174, MCL 390.1251 to 390.1253, to determine eligibility for tuition waivers, and shall grant those waivers to individuals who meet the criteria and request tuition waivers.

(3) The department of energy, labor, and economic growth shall compile the information received under subsection (1) and shall submit this compilation to the house and senate appropriations subcommittees on community colleges, the senate and house fiscal agencies, and the state budget director by January 7, 2010.

Sec. 507. Upon request, a community college shall inform interested Michigan high schools of the aggregate academic status of its students for the prior academic year, in a manner prescribed by the Michigan community college association and in cooperation with the Michigan association of secondary school principals.

Sec. 508. (1) Each community college shall report to the house and senate fiscal agencies, the state budget director, and the department of energy, labor, and economic growth by August 31, 2009, the tuition and mandatory fees paid by a full-time in-district student and a full-time out-of-district student as established by the college governing board for the 2009-2010 academic year. This report should also include the annual cost of attendance based on a full-time course load of 30 credits. Each community college shall also report any revisions to the reported 2009-2010 academic year tuition and mandatory fees adopted by the college governing board to the house and senate fiscal agencies, the state budget director, and the department of energy, labor, and economic growth within 15 days of being adopted.

(2) The department of energy, labor, and economic growth shall prepare and provide to community colleges a standard format for reporting tuition and fees pursuant to subsection (1).

Sec. 509. (1) Each community college shall report to the department of energy, labor, and economic growth the numbers and type of associate degrees and other certificates awarded during the previous fiscal year. The report shall be made not later than November 15, 2009.

(2) The department of energy, labor, and economic growth shall compile the information received under subsection (1) and shall submit this compilation to the house and senate appropriations subcommittees on community colleges, the senate and house fiscal agencies, and the state budget director by January 7, 2010.

Sec. 510. A community college receiving funding under this act and also subject to the student right-to-know and campus security act, Public Law 101-542, 104 Stat. 2381, shall make a copy of all material prepared in accordance with the public information reporting requirements under the crime awareness and campus security act of 1990, title II of the student right-to-know and campus security act, Public Law 101-542, 104 Stat. 2384, available in hard copy and electronic format accessible through the Internet for school districts, parents, and students.

Sec. 511. (1) At least 30 days before submission of a new state plan to the United States department of education for approval under the Perkins act, the department of energy, labor, and economic growth shall provide copies of the proposed

plan to the members of the senate and house appropriations subcommittees on community colleges for their review and comment. Copies of the proposed plan shall be provided to the senate and house fiscal agencies and the state budget director at the same time that they are provided to the senate and house subcommittees.

(2) The Perkins grant application process and content shall be streamlined to the extent possible.

(3) As used in this section, "Perkins act" means the Carl D. Perkins vocational and applied technology education act of 1998, 20 USC 2301 to 2414.

Sec. 513. The department of treasury shall annually collect and compile data on the tax revenue losses to community colleges resulting from tax increment financing authorities (TIFA) and tax abatements. The department of treasury shall produce a report detailing the data. The report shall be completed and presented to the house and senate appropriations subcommittees on community colleges, the department of energy, labor, and economic growth, and the department of management and budget not later than March 1, 2010. The report shall include, but is not limited to, the following:

(a) Estimated revenue losses for each community college for the calendar year 2009.

(b) Confirmed revenue losses for each community college for the calendar years 2007 and 2008.

(c) Other requirements requested by the house and senate appropriations subcommittees on community colleges.

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

A bill to make appropriations for community colleges and certain state purposes related to education for the fiscal year ending September 30, 2010; to provide for the expenditure of those appropriations; to establish or continue certain funds, programs, and categories; and to prescribe the powers and duties of certain state departments, institutions, agencies, employees, and officers.

Fred Miller
Joan Bauer
Darwin Booher
Conferees for the House

Bill Hardiman
Valde Garcia
Irma Clark-Coleman
Conferees for the Senate

Pending the order that, under joint rule 9, the conference report be laid over one day,

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 conference report,

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

Roll Call No. 488

Yeas—37

Allen	Clark-Coleman	Jacobs	Prusi
Anderson	Clarke	Jansen	Richardville
Barcia	Cropsey	Jelinek	Sanborn
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—0

Excused—0

Not Voting—0

Senator Cropsey moved to reconsider the vote by which the conference report was adopted.
 The question being on the motion to reconsider,
 Senator Cropsey moved that further consideration of the bill be postponed temporarily.
 The motion prevailed.

House Bill No. 4438, entitled

A bill to make appropriations for the department of education and certain other purposes relating to education for the fiscal year ending September 30, 2010; to provide for the expenditure of the appropriations; and to provide for the disposition of fees and other income received by the state agency.

The House of Representatives has adopted the report of the Committee of Conference.

The Conference Report was read as follows:

FIRST CONFERENCE REPORT

The Committee of Conference on the matters of difference between the two Houses concerning

House Bill No. 4438, entitled

A bill to make appropriations for the department of education and certain other purposes relating to education for the fiscal year ending September 30, 2010; to provide for the expenditure of the appropriations; and to provide for the disposition of fees and other income received by the state agency.

Recommends:

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

Second: That the House and Senate 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 education and certain other purposes relating to education for the fiscal year ending September 30, 2010; to provide for the expenditure of the appropriations; and to provide for the disposition of fees and other income received by the state agency.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. There is appropriated for the department of education and certain state purposes related to education as set forth in this act for the fiscal year ending September 30, 2010, from the following funds:

DEPARTMENT OF EDUCATION

APPROPRIATION SUMMARY:

Full-time equated unclassified positions.....	6.0	
Full-time equated classified positions	538.5	
GROSS APPROPRIATION		\$ 112,871,600
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers		0
ADJUSTED GROSS APPROPRIATION		\$ 112,871,600
Federal revenues:		
Federal revenues		68,190,000
Federal indirect funds		2,550,500
IMLS, library services and technology act		5,557,400
Total federal revenues.....		76,297,900
Special revenue funds:		
Local cost sharing (schools for deaf/blind).....		6,698,500
Local school district service fees		310,200
Total local revenues		7,008,700
Gifts, bequests, and donations.....		650,600
Private foundations		2,445,900
Total private revenues.....		3,096,500
Total local and private revenues		10,105,200
Certification fees		5,755,700
Commodity distribution fees		71,700
Student insurance revenues		218,600
Teacher college review fees.....		54,000
Teacher testing fees		527,900
Tenant rent.....		261,000

	For Fiscal Year Ending Sept. 30, 2010
Training and orientation workshop fees	\$ 150,000
Total other state restricted revenues	7,038,900
State general fund/general purpose	\$ 19,429,600
Sec. 102. STATE BOARD OF EDUCATION/OFFICE OF THE SUPERINTENDENT	
Full-time equated unclassified positions..... 6.0	
Full-time equated classified positions 12.0	
State board of education, per diem payments	\$ 24,400
Unclassified positions—6.0 FTE positions	515,600
State board/superintendent operations—12.0 FTE positions.....	2,338,800
GROSS APPROPRIATION	\$ 2,878,800
Appropriated from:	
Federal revenues:	
Federal revenues	610,600
Special revenue funds:	
Private foundations	27,000
Certification fees	611,400
State general fund/general purpose	\$ 1,629,800
Sec. 103. CENTRAL SUPPORT	
Full-time equated classified positions 21.6	
Central support—21.6 FTE positions.....	\$ 3,880,000
Worker's compensation.....	43,900
Building occupancy charges - property management services	2,661,700
Tenant rent.....	261,000
Training and orientation workshops	150,000
Terminal leave payments	554,700
GROSS APPROPRIATION	\$ 7,551,300
Appropriated from:	
Federal revenues:	
Federal revenues	2,493,400
Federal indirect funds.....	1,956,200
Special revenue funds:	
Local cost sharing (schools for deaf/blind).....	68,400
Certification fees	398,900
Teacher testing fees	13,200
Tenant rent.....	261,000
Training and orientation workshop fees	150,000
State general fund/general purpose	\$ 2,210,200
Sec. 104. INFORMATION TECHNOLOGY SERVICES	
Information technology operations.....	\$ 3,516,900
GROSS APPROPRIATION	\$ 3,516,900
Appropriated from:	
Federal revenues:	
Federal revenues	1,696,500
Federal indirect funds.....	223,300
Special revenue funds:	
Local cost sharing (schools for deaf/blind).....	146,600
Certification fees	226,900
State general fund/general purpose	\$ 1,223,600
Sec. 105. SPECIAL EDUCATION SERVICES	
Full-time equated classified positions 47.0	
Special education operations—47.0 FTE positions.....	\$ 11,528,900
GROSS APPROPRIATION	\$ 11,528,900
Appropriated from:	
Federal revenues:	
Federal revenues	11,097,400

	For Fiscal Year Ending Sept. 30, 2010
Special revenue funds:	
Private foundations	\$ 105,700
Certification fees	38,700
State general fund/general purpose	\$ 287,100
Sec. 106. MICHIGAN SCHOOLS FOR THE DEAF AND BLIND	
Full-time equated classified positions 109.0	
Michigan schools for the deaf and blind operations—108.0 FTE positions	\$ 13,081,100
Camp Tuhsmeheeta—1.0 FTE position	295,100
Private gifts - blind.....	90,000
Private gifts - deaf	250,000
GROSS APPROPRIATION	\$ 13,716,200
Appropriated from:	
Federal revenues:	
Federal revenues	6,064,400
Special revenue funds:	
Local cost sharing (schools for deaf/blind)	6,483,500
Local school district service fees	299,100
Gifts, bequests, and donations	650,600
Student insurance revenue	218,600
State general fund/general purpose	\$ 0
Sec. 107. PROFESSIONAL PREPARATION SERVICES	
Full-time equated classified positions 30.5	
Professional preparation operations—30.5 FTE positions	\$ 6,708,800
Department of attorney general	50,000
GROSS APPROPRIATION	\$ 6,758,800
Appropriated from:	
Federal revenues:	
Federal revenues	2,797,800
Special revenue funds:	
Certification fees	3,392,300
Teacher college review fees.....	54,000
Teacher testing fees	514,700
State general fund/general purpose	\$ 0
Sec. 108. EARLY CHILDHOOD EDUCATION AND FAMILY SERVICES	
Full-time equated classified positions 26.0	
Early childhood education and family services operations—26.0 FTE positions	\$ 4,378,700
GROSS APPROPRIATION	\$ 4,378,700
Appropriated from:	
Federal revenues:	
Federal revenues	3,288,100
Special revenue funds:	
Private foundations	193,600
Certification fees	59,200
State general fund/general purpose	\$ 837,800
Sec. 109. SCHOOL IMPROVEMENT SERVICES	
Full-time equated classified positions 81.0	
School improvement operations—81.0 FTE positions	\$ 18,169,000
GROSS APPROPRIATION	\$ 18,169,000
Appropriated from:	
Federal revenues:	
Federal revenues	16,077,400
Special revenue funds:	
Private foundations	1,119,600
Certification fees	536,900
State general fund/general purpose	\$ 435,100

For Fiscal Year
Ending Sept. 30,
2010

Sec. 110. SCHOOL FINANCE AND SCHOOL LAW SERVICES

Full-time equated classified positions	16.5	
School finance and school law operations—16.5 FTE positions		\$ 2,835,200
GROSS APPROPRIATION		\$ 2,835,200
Appropriated from:		
Federal revenues:		
Federal revenues		938,900
Federal indirect funds		371,000
Special revenue funds:		
Certification fees		491,400
State general fund/general purpose		\$ 1,033,900

Sec. 111. EDUCATION ASSESSMENT AND ACCOUNTABILITY

Full-time equated classified positions	45.6	
Educational assessment operations—45.6 FTE positions		\$ 9,452,400
GROSS APPROPRIATION		\$ 9,452,400
Appropriated from:		
Federal revenues:		
Federal revenues		9,452,400
State general fund/general purpose		\$ 0

Sec. 112. GRANTS ADMINISTRATION AND SCHOOL SUPPORT SERVICES

Full-time equated classified positions	63.3	
Grants administration and school support services operations—63.3 FTE positions		\$ 8,810,800
Federal and private grants		3,000,000
GROSS APPROPRIATION		\$ 11,810,800
Appropriated from:		
Federal revenues:		
Federal revenues		10,404,800
Special revenue funds:		
Local school district service fees		11,100
Private foundations		1,000,000
Commodity distribution fees		71,700
State general fund/general purpose		\$ 323,200

Sec. 113. CAREER AND TECHNICAL EDUCATION

Full-time equated classified positions	25.0	
Career and technical education operations—25.0 FTE positions		\$ 3,915,800
GROSS APPROPRIATION		\$ 3,915,800
Appropriated from:		
Federal revenues:		
Federal revenues		3,268,300
State general fund/general purpose		\$ 647,500

Sec. 114. LIBRARY OF MICHIGAN

Full-time equated classified positions	61.0	
Library of Michigan operations—59.0 FTE positions		\$ 4,601,400
Library services and technology program—2.0 FTE positions		5,557,400
State aid to libraries		6,000,000
Book distribution centers		200,000
GROSS APPROPRIATION		\$ 16,358,800
Appropriated from:		
Federal revenues:		
IMLS, library services and technology act		5,557,400
State general fund/general purpose		\$ 10,801,400

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 the fiscal year ending September 30, 2010 is \$26,468,500.00 and state spending from state resources to be

paid to local units of government for the fiscal year ending September 30, 2010 is \$6,000,000.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF EDUCATION

State aid to libraries	\$ 6,000,000
Total department of education	\$ 6,000,000

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 Michigan department of education.
- (b) "District" means a local school district as defined in section 6 of the revised school code, 1976 PA 451, MCL 380.6, or a public school academy as defined in section 5 of the revised school code, 1976 PA 451, MCL 380.5.
- (c) "FTE" means full-time equated.
- (d) "IMLS" means institute of museum and library services.

Sec. 204. The civil service commission shall bill departments and agencies at the end of the first fiscal quarter for the charges 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. 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. 206. The department shall provide through the Internet the state board of education agenda and all supporting documents, and shall notify the state budget director and the senate and house fiscal agencies that the agenda and supporting documents are available on the Internet, at the time the agenda and supporting documents are provided to state board of education members.

Sec. 207. (1) Upon receipt of the federal drug-free grant, the department shall allocate \$225,000.00 of the grant to the safe school program within the department. The safe school program shall work with local school boards, parents of enrolled students, law enforcement agencies, community leaders, and the office of drug control policy for the prevention of school violence. The safe school program shall develop and implement, and serve as coordinator of, a statewide clearinghouse for information, program development, model programs and policies, and technical assistance on school violence prevention.

(2) To accomplish its functions under this section, the safe school program shall do all of the following:

- (a) Coordinate with the office of drug control policy in the department of community health to ensure that there is a meaningful linkage between the efforts under this act to provide safe schools and the initiatives undertaken through that office, including, but not limited to, school districts' safe and drug-free school plans, and to facilitate timely applications for and distribution of available grant money.
- (b) Provide through the Internet the availability to access, and provide through the Internet information regarding, the state model policy on locker searches, the state model policy on firearm safety and awareness, and any other state or local safety policies that the office considers exemplary.
- (c) Advance, promote, and encourage the awareness and use of the state police anti-violence hotline.

Sec. 208. The department shall require all public school districts to maintain complete records within the personnel file of a teacher or school employee of any disciplinary actions taken by the local school board against the teacher or employee for sexual misconduct. The records shall not be destroyed or removed from the teacher's or employee's personnel file except as required by a court order.

Sec. 209. 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. Such user fees shall be subject to provisions of an interagency agreement between the departments and agencies and the department of information technology.

Sec. 210. 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. 211. Before publishing a list of schools or districts determined to have failed to make adequate yearly progress as required by the no child left behind act of 2001, Public Law 107-110, the department shall allow a school or district to appeal that determination. The department shall consider and act upon the appeal within 30 days after it is submitted and shall not publish the list until after all appeals have been considered and decided.

Sec. 212. Funds appropriated in part 1 shall not be used for the purchase of foreign goods or services, or both, if competitively priced and comparable quality American goods or services, or both, are available. Preference shall be given to goods or services, or both, manufactured or provided by Michigan businesses if they are competitively priced and of comparable quality. In addition, preference should be given to goods or services, or both, manufactured or provided by Michigan businesses owned and operated by veterans if they are competitively priced and of comparable quality.

Sec. 213. (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 loss of revenue to the state, result in the inability of the state to receive federal funds, or 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. 214. (1) Due to the current budgetary problems in this state, out-of-state travel for the fiscal year ending September 30, 2010 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) 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 house and senate standing committees on appropriations, the house and senate 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. 215. The department shall not approve the travel of more than 1 departmental employee to a specific professional development conference or training seminar that is located outside of this state unless the professional development conference or training seminar is funded by a federal or private funding source and requires more than 1 person from a department to attend, or the conference or training seminar includes multiple issues in which 1 employee from the department does not have expertise.

Sec. 216. The department shall not take disciplinary action against an employee who communicates truthfully and factually with a member of the legislature or his or her staff.

Sec. 217. 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. 219. (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 \$700,000.00 for state restricted contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this 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 \$250,000.00 for local contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this 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 \$3,000,000.00 for private contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this act under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

Sec. 220. The department shall provide data requested by a member of the legislature, his or her staff, or the house and senate fiscal agencies in a timely manner.

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. (1) The department shall report no later than April 1, 2010 on each specific policy change made by the department to implement a public act affecting that department that took effect during the preceding calendar year. The department shall report 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. 223. Beginning November 1, 2009 and continuing quarterly thereafter, the department shall report on the number of FTEs in pay status by civil service classification to the house and senate appropriations subcommittees responsible for the department budget and the house and senate fiscal agencies.

Sec. 225. It is the intent of the legislature that not later than 60 days after the state receives audited membership counts from intermediate school districts, the state superintendent of public instruction shall investigate and report to the legislature on the scope of and proposed solutions to pupil membership fraud and the incidence of students counted in membership in a district and not remaining in that district for the balance of the school year.

Sec. 226. Not later than October 15, 2010, the department shall prepare and transmit a report that provides for estimates of the total general fund/general purpose appropriation lapses at the close of the fiscal year. This report shall summarize the projected year-end general fund/general purpose appropriation lapses by major departmental program or program areas. The report shall be transmitted to the office of the state budget, the chairpersons of the senate and house appropriations committees, and the senate and house fiscal agencies.

STATE BOARD/OFFICE OF THE SUPERINTENDENT

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

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

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

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

(3) The state board executive shall report to the public, the senate and house fiscal agencies, and the state budget director the previous quarter's expenses by fund source for members of the state board of education.

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

MICHIGAN SCHOOLS FOR THE DEAF AND BLIND

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

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

Sec. 404. (1) The department may assess rent or lease excess property located on the campus of the Michigan schools for the deaf and blind in Flint to private or publicly funded organizations.

(2) In addition to those funds appropriated in part 1, the department may receive and expend additional funds from lease agreements at the Michigan schools for the deaf and blind Flint campus that have been negotiated with the approval of the department of management and budget. These funds are appropriated to the department for the operation, maintenance, and renovation expenses associated with the leased space.

(3) From the unexpended balances of appropriations for the schools for the deaf and blind operations, up to \$250,000.00 of any unexpended and unencumbered funds remaining on September 30, 2010 may be carried forward as a work project and expended for special maintenance and repairs of facilities at the campus of the Michigan schools for the deaf and blind in Flint. The work shall be carried out by state employees, or by contract as necessary, at an estimated cost of \$250,000.00. The estimated completion date of the work is September 30, 2011.

(4) From the tenant rent appropriation for Fay hall, up to \$100,000.00 of any unexpended and unencumbered funds remaining on September 30, 2010 may be carried forward as a work project or as restricted revenue and expended for special maintenance and repairs of facilities at Fay hall. The work project may be performed by state employees, or by contract when necessary, at an estimated cost of \$100,000.00. The estimated completion date of the work project is September 30, 2011.

Sec. 405. The department may assist the department of community health, other departments, and local school districts to secure reimbursement for eligible services provided in Michigan schools from the federal Medicaid program.

The department may submit reports of direct expenses related to this effort to the department of community health for reimbursement.

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

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

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

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

PROFESSIONAL PREPARATION SERVICES

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

Sec. 502. The department shall authorize teacher preparation institutions to provide an alternative program by which up to 1/2 of the required student internship or student teaching credits may be earned through substitute teaching. The department shall require that teacher preparation institutions collaborate with school districts to ensure that the quality of instruction provided to student teachers is comparable to that required in a traditional student teaching program.

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

OFFICE OF SCHOOL IMPROVEMENT

Sec. 601. From the amount appropriated in part 1 for the office of school improvement, there is allocated \$350,000.00 and 3.5 FTE positions to operate a charter school office to administer charter school legislation and associated regulations, and to coordinate the activities of the department relating to charter schools.

INFORMATION TECHNOLOGY

Sec. 701. The department shall work in collaboration with the center for educational performance and information to support the comprehensive educational information system and all data collection and reporting efforts of the department.

LIBRARY OF MICHIGAN

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

Sec. 802. 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.

Sec. 803. It is the intent of the legislature that the library of Michigan and the component programs currently within the library of Michigan shall be kept together in a state department.

GRANTS ADMINISTRATION AND SCHOOL SUPPORT SERVICES

Sec. 901. Within 10 days of the receipt of a grant appropriated in the federal and private grants line item in part 1, the department shall notify the house and senate chairpersons of the appropriations subcommittees responsible for the department budget, the house and senate fiscal agencies, and the state budget director of the receipt of the grant, including the funding source, purpose, and amount of the grant.

Sec. 903. The department shall work with the legislature to examine the feasibility of removing the barriers to operation of cyber schools that focus on special student populations such as dropouts or expelled students. Not later than December 31, 2009, the department shall prepare and submit to the appropriations subcommittees on education and K-12 school aid a report on these matters.

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

A bill to make appropriations for the department of education and certain other purposes relating to education for the fiscal year ending September 30, 2010; to provide for the expenditure of the appropriations; and to provide for the disposition of fees and other income received by the state agency.

George Cushingberry, Jr.
Chuck Moss
Conferees for the House

Ron Jelinek
Cameron Brown
Michael Switalski
Conferees for the Senate

Pending the order that, under joint rule 9, the conference report be laid over one day,
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 conference report,

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

Roll Call No. 489**Yeas—22**

Allen	Garcia	Kahn	Richardville
Birkholz	George	Kuipers	Sanborn
Bishop	Gilbert	McManus	Stamas
Brown	Hardiman	Pappageorge	Switalski
Cassis	Jansen	Patterson	Van Woerkom
Cropsey	Jelinek		

Nays—15

Anderson	Cherry	Hunter	Scott
Barcia	Clark-Coleman	Jacobs	Thomas
Basham	Clarke	Olshove	Whitmer
Brater	Gleason	Prusi	

Excused—0**Not Voting—0**

In The Chair: President

Senator Cropsey moved to reconsider the vote by which the conference report was adopted.

The question being on the motion to reconsider,

Senator Cropsey moved that further consideration of the bill be postponed temporarily.

The motion prevailed.

House Bill No. 4446, entitled

A bill to make appropriations for the departments of environmental quality and natural resources for the fiscal year ending September 30, 2010; to provide for the expenditure of those appropriations; to create funds and accounts; to require reports; to prescribe certain powers and duties of certain state agencies and officials; to authorize certain transfers by certain state agencies; and to provide for the disposition of fees and other income received by the various state agencies.

The House of Representatives has adopted the report of the Committee of Conference.

The Conference Report was read as follows:

FIRST CONFERENCE REPORT

The Committee of Conference on the matters of difference between the two Houses concerning

House Bill No. 4446, entitled

A bill to make appropriations for the departments of environmental quality and natural resources for the fiscal year ending September 30, 2010; to provide for the expenditure of those appropriations; to create funds and accounts; to require reports; to prescribe certain powers and duties of certain state agencies and officials; to authorize certain transfers by certain state agencies; and to provide for the disposition of fees and other income received by the various state agencies.

Recommends:

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

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

A bill to make appropriations for the departments of environmental quality and natural resources for the fiscal year ending September 30, 2010; to provide for the expenditure of those appropriations; to create funds and accounts; to require reports; to prescribe certain powers and duties of certain state agencies and officials; to authorize certain transfers by certain state agencies; and to provide for the disposition of fees and other income received by the various state agencies.

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 departments of environmental quality and natural resources for the fiscal year ending September 30, 2010, from the funds indicated in this part. The following is a summary of the appropriations in this part:

TOTAL NATURAL RESOURCE MANAGEMENT AND ENVIRONMENTAL PROTECTION

APPROPRIATION SUMMARY

Full-time equated unclassified positions.....	11.0	
Full-time equated classified positions	3,701.0	
GROSS APPROPRIATION		\$ 704,288,100
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers		12,322,900
ADJUSTED GROSS APPROPRIATION		\$ 691,965,200
Federal revenues:		
Total federal revenues.....		253,070,700
Special revenue funds:		
Total local revenues		0
Total private revenues		6,040,000
Total other state restricted revenues		389,180,100
State general fund/general purpose		\$ 43,674,400

Sec. 102. DEPARTMENT OF ENVIRONMENTAL QUALITY

(1) APPROPRIATION SUMMARY:

Full-time equated unclassified positions.....	5.0	
Full-time equated classified positions	1,491.1	
GROSS APPROPRIATION		\$ 388,989,600
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers		8,520,700
ADJUSTED GROSS APPROPRIATION		\$ 380,468,900
Federal revenues:		
Total federal revenues.....		180,218,200
Special revenue funds:		
Total local revenues		0
Total private revenues		658,900
Total other state restricted revenues		172,641,300
State general fund/general purpose		\$ 26,950,500

FUND SOURCE SUMMARY:

Full-time equated unclassified positions.....	5.0	
Full-time equated classified positions	1,491.1	
GROSS APPROPRIATION		\$ 388,989,600
Interdepartmental grant revenues:		
IDG-MDOT - Michigan transportation fund		1,087,100
IDG-MSP		898,600
IDT, interdivisional charges.....		2,053,400
IDT, laboratory services		4,481,600
Total interdepartmental grants and intradepartmental transfers		8,520,700
ADJUSTED GROSS APPROPRIATION		\$ 380,468,900
Federal revenues:		
Federal funds		180,218,200
Total federal revenues.....		180,218,200

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2010

Special revenue funds:	
Total local revenues	\$ 0
Private funds	658,900
Total private revenues	658,900
Total local and private revenues	658,900
Aboveground storage tank fees	371,200
Air emissions fees	9,661,700
Campground fund	242,900
Clean Michigan initiative fund - clean water fund	3,770,800
Cleanup and redevelopment fund	6,550,800
Community pollution prevention fund	250,000
Electronic waste recycling fund	245,000
Environmental education fund	251,500
Environmental pollution prevention fund	1,284,200
Environmental protection fund	6,103,300
Environmental response fund	11,584,700
Fees and collections	404,100
Financial instruments	5,000,000
Great Lakes protection fund	1,615,700
Groundwater discharge permit fees	1,260,300
Hazardous material transportation permit fund	224,400
Infrastructure construction fund	404,300
Land and water permit fees	1,695,300
Landfill maintenance trust fund	57,300
Medical waste emergency response fund	246,200
Metallic mining surveillance fee revenue	34,300
Mineral well regulatory fee revenue	175,300
Nonferrous metallic mineral surveillance	22,400
NPDES fees	3,548,600
Oil and gas regulatory fund	8,426,800
Orphan well fund	2,060,200
Public swimming pool fund	553,300
Public utility assessments	791,900
Public water supply fees	4,005,000
Publication revenue	76,900
Refined petroleum fund	32,315,600
Restricted funds	18,366,000
Revitalization revolving loan fund	85,800
Revolving loan revenue bonds	11,400,000
Sand extraction fee revenue	74,100
Scrap tire regulatory fund	4,789,400
Septage waste contingency fund	38,600
Septage waste program fund	778,100
Settlement funds	1,884,600
Sewage sludge land application fees	870,300
Soil erosion and sedimentation control training fund	117,300
Solid waste management fund - staff account	4,606,800
Small business pollution prevention revolving loan fund	110,600
Stormwater permit fees	2,861,200
Strategic water quality initiatives fund	10,000,000
Underground storage tank fees	2,170,200
Waste reduction fee revenue	3,988,600
Wastewater operator training fees	175,000
Water analysis fees	3,311,200
Water pollution control revolving fund	3,128,300
Water quality protection fund	100,000

	For Fiscal Year Ending Sept. 30, 2010
Water use reporting fees	\$ 551,200
Total other state restricted revenues	172,641,300
State general fund/general purpose	\$ 26,950,500
(2) EXECUTIVE OPERATIONS AND DEPARTMENT SUPPORT	
Full-time equated unclassified positions..... 5.0	
Full-time equated classified positions 81.0	
Unclassified salaries—5.0 FTE positions.....	\$ 487,600
Administrative hearings.....	457,000
Executive direction—17.0 FTE positions.....	2,100,500
Central operations—57.0 FTE positions	5,276,500
Office of the Great Lakes—7.0 FTE positions.....	1,028,400
Great lakes restoration initiative.....	50,000,000
Automated data processing.....	2,053,400
Environmental support projects.....	5,000,000
Building occupancy charges.....	6,669,000
Rent - privately owned property.....	2,145,900
GROSS APPROPRIATION	\$ 75,218,300
Appropriated from:	
Interdepartmental grant revenues:	
IDG-MSP.....	113,500
IDT, interdivisional charges.....	2,053,400
IDT, laboratory services	530,400
Federal revenues:	
Federal funds.....	50,384,000
Special revenue funds:	
Environmental education fund.....	251,500
Financial instruments.....	5,000,000
Great Lakes protection fund.....	615,700
Restricted funds.....	11,625,100
Settlement funds.....	106,700
State general fund/general purpose	\$ 4,538,000
(3) AIR QUALITY	
Full-time equated classified positions 229.0	
Air quality programs—229.0 FTE positions	\$ 24,555,800
GROSS APPROPRIATION	\$ 24,555,800
Appropriated from:	
Federal revenues:	
Federal funds.....	6,473,500
Special revenue funds:	
Air emissions fees	9,262,000
Environmental response fund	108,900
Fees and collections	307,600
Oil and gas regulatory fund.....	110,400
Refined petroleum fund.....	2,921,300
State general fund/general purpose	\$ 5,372,100
(4) OFFICE OF POLLUTION PREVENTION AND COMPLIANCE ASSISTANCE	
Full-time equated classified positions 47.0	
Pollution prevention and technical assistance—47.0 FTE positions	\$ 5,968,000
GROSS APPROPRIATION	\$ 5,968,000
Appropriated from:	
Interdepartmental grant revenues:	
Federal revenues:	
Federal funds.....	818,400
Special revenue funds:	
Private funds.....	500,000
Air emissions fees	399,700

	For Fiscal Year Ending Sept. 30, 2010
Settlement funds.....	\$ 227,200
Small business pollution prevention revolving loan fund	110,600
Waste reduction fee revenue.....	3,912,100
State general fund/general purpose	\$ 0
(5) OFFICE OF GEOLOGICAL SURVEY	
Full-time equated classified positions	60.0
Coal and sand dune management—1.0 FTE position	\$ 132,800
Metallic mining reclamation program—1.0 FTE position	34,300
Mineral wells management—2.0 FTE positions	175,300
Nonferrous metallic mining—1.0 FTE position.....	22,400
Services to oil and gas programs—53.0 FTE positions	8,393,300
Well plugging-orphan wells—2.0 FTE positions	2,060,200
GROSS APPROPRIATION	\$ 10,818,300
Appropriated from:	
Federal revenues:	
Federal funds	58,700
Special revenue funds:	
Metallic mining surveillance fee revenue.....	34,300
Mineral well regulatory fee revenue.....	175,300
Nonferrous metallic mineral surveillance.....	22,400
Oil and gas regulatory fund.....	8,316,400
Orphan well fund.....	2,060,200
Publication revenue	76,900
Sand extraction fee revenue.....	74,100
State general fund/general purpose	\$ 0
(6) LAND AND WATER MANAGEMENT	
Full-time equated classified positions	139.1
Land and water interface programs—71.0 FTE positions.....	\$ 7,880,500
Program direction and project assistance—38.1 FTE positions	2,677,300
Wetlands protection—30.0 FTE positions.....	1,845,400
GROSS APPROPRIATION	\$ 12,403,200
Appropriated from:	
Interdepartmental grant revenues:	
IDG from MDOT - Michigan transportation fund	1,032,500
Federal revenues:	
Federal funds	3,690,300
Special revenue funds:	
Land and water permit fees	1,140,100
State general fund/general purpose	\$ 6,540,300
(7) REMEDIATION AND REDEVELOPMENT	
Full-time equated classified positions	349.0
Federal cleanup project management—60.0 FTE positions	\$ 8,517,200
Superfund cleanup	3,000,000
Contaminated site investigations, cleanup and revitalization—230.0 FTE positions	24,007,500
Emergency cleanup action.....	4,000,000
Refined petroleum product cleanup program	20,000,000
Environmental cleanup support	1,840,000
Laboratory services—59.0 FTE positions	7,368,700
GROSS APPROPRIATION	\$ 68,733,400
Appropriated from:	
Interdepartmental grant revenues:	
IDT, laboratory services	3,800,300
Federal revenues:	
Federal funds	8,620,200
Special revenue funds:	
Private funds.....	158,900
Cleanup and redevelopment fund	6,550,800

	For Fiscal Year Ending Sept. 30, 2010
Environmental protection fund	\$ 6,103,300
Environmental response fund	11,305,000
Landfill maintenance trust fund	57,300
Public water supply fees	257,200
Refined petroleum fund	26,932,700
Revitalization revolving loan fund	85,800
Settlement funds	1,550,700
Water analysis fees	3,311,200
State general fund/general purpose	\$ 0
(8) WASTE AND HAZARDOUS MATERIALS DIVISION	
Full-time equated classified positions	170.0
Hazardous waste management program—57.0 FTE positions	\$ 5,987,700
Low-level radioactive waste authority—2.0 FTE positions	791,900
Medical waste program—2.0 FTE positions	246,200
Radiological protection program—12.0 FTE positions	1,036,800
Scrap tire regulatory program—11.0 FTE positions	1,089,400
Solid waste management program—45.0 FTE positions	4,928,300
Underground storage tank program—33.0 FTE positions	3,588,100
Aboveground storage tank program—8.0 FTE positions	774,600
GROSS APPROPRIATION	\$ 18,443,000
Appropriated from:	
Interdepartmental grant revenues:	
IDG-MDSP	757,100
Federal revenues:	
Federal funds	4,039,600
Special revenue funds:	
Aboveground storage tank fees	371,200
Electronic waste recycling fund	245,000
Environmental pollution prevention fund	1,284,200
Hazardous materials transportation permit fund	224,400
Medical waste emergency response fund	246,200
Public utility assessments	791,900
Refined petroleum fund	1,404,500
Scrap tire regulatory fund	1,089,400
Solid waste management fund - staff account	4,606,800
Underground storage tank fees	2,170,200
Waste reduction fee revenue	76,500
State general fund/general purpose	\$ 1,136,000
(9) WATER DIVISION	
Full-time equated classified positions	396.0
Drinking water and environmental health—120.0 FTE positions	\$ 15,220,300
Surface water—106.8 FTE positions	15,331,200
NPDES nonstormwater program—98.2 FTE positions	11,253,800
Groundwater discharge—22.0 FTE positions	2,994,500
Municipal assistance—37.0 FTE positions	5,334,700
Sewage sludge land application program—6.0 FTE positions	870,300
Water withdrawal assessment program—3.0 FTE positions	603,000
Expedited water/wastewater permits—3.0 FTE positions	404,300
Fish contaminant monitoring contracts	316,100
GROSS APPROPRIATION	\$ 52,328,200
Appropriated from:	
Federal revenues:	
Federal funds	21,781,500
Special revenue funds:	
Campground fund	242,900
Clean Michigan initiative fund - clean water fund	3,770,800

	For Fiscal Year Ending Sept. 30, 2010
Environmental response fund	\$ 170,800
Fees and collections	96,500
Groundwater discharge permit fees	1,260,300
Infrastructure construction fund	404,300
Land and water permit fees	555,200
NPDES fees.....	3,548,600
Public swimming pool fund	553,300
Public water supply fees.....	2,347,800
Refined petroleum fund.....	973,400
Septage waste contingency fund	38,600
Septage waste program fund	378,100
Sewage sludge land application fees	870,300
Soil erosion and sedimentation control training fund	117,300
Stormwater permit fees	2,861,200
Strategic water quality initiatives fund.....	400,000
Wastewater operator training fees	175,000
Water pollution control revolving fund	3,128,300
Water use reporting fees	551,200
State general fund/general purpose	\$ 8,102,800
(10) CRIMINAL INVESTIGATIONS	
Full-time equated classified positions	20.0
Environmental investigations—20.0 FTE positions	\$ 2,605,100
GROSS APPROPRIATION	\$ 2,605,100
Appropriated from:	
Federal revenues:	
Federal funds	684,000
Special revenue funds:	
Restricted funds.....	1,163,000
State general fund/general purpose	\$ 758,100
(11) GRANTS	
Water pollution control and drinking water revolving funds	\$ 82,943,000
Noncommunity water grants.....	1,400,000
Grants to counties - air pollution	83,700
Coastal management grants	2,000,000
Federal - nonpoint source water pollution grants.....	6,500,000
Federal - Great Lakes remedial action plan grants	700,000
Great Lakes research and protection grants	1,000,000
Radon grants.....	90,000
Drinking water program grants	1,330,000
Pollution prevention local grants.....	250,000
Septage waste compliance grants	400,000
Scrap tire grants	3,700,000
Strategic water quality initiative loans	9,600,000
Water quality protection grants	100,000
GROSS APPROPRIATION	\$ 110,096,700
Appropriated from:	
Interdepartmental grant revenues:	
Federal revenues:	
Federal funds	82,163,000
Special revenue funds:	
Community pollution prevention fund	250,000
Great Lakes protection fund.....	1,000,000
Public water supply fees.....	1,400,000
Refined petroleum fund.....	83,700
Revolving loan revenue bonds.....	11,400,000
Scrap tire regulatory fund.....	3,700,000

	For Fiscal Year Ending Sept. 30, 2010
Septage waste program fund	\$ 400,000
Strategic water quality initiatives fund.....	9,600,000
Water quality protection fund.....	100,000
State general fund/general purpose	\$ 0
(12) INFORMATION TECHNOLOGY	
Information technology services and projects	\$ 7,819,600
GROSS APPROPRIATION	\$ 7,819,600
Appropriated from:	
Interdepartmental grant revenues:	
IDT, laboratory services	150,900
IDG from MSP	28,000
IDG from MDOT - Michigan transportation fund	54,600
Federal revenues:	
Federal funds	1,505,000
Special revenue funds:	
Restricted funds	5,577,900
State general fund/general purpose	\$ 503,200
Sec. 103. DEPARTMENT OF NATURAL RESOURCES	
(1) APPROPRIATION SUMMARY:	
Full-time equated unclassified positions.....	6.0
Full-time equated classified positions	2,209.9
GROSS APPROPRIATION	\$ 315,298,500
Interdepartmental grant revenues:	
Total interdepartmental grants and intradepartmental transfers	3,802,200
ADJUSTED GROSS APPROPRIATION	\$ 311,496,300
Federal revenues:	
Total federal revenues.....	72,852,500
Special revenue funds:	
Total private revenues.....	5,381,100
Total other state restricted revenues	216,538,800
State general fund/general purpose	\$ 16,723,900
FUND SOURCE SUMMARY	
Full-time equated unclassified positions.....	6.0
Full-time equated classified positions	2,209.9
GROSS APPROPRIATION	\$ 315,298,500
Interdepartmental grant revenues:	
IDG, engineering services to work orders.....	1,972,100
IDG, MacMullan conference center revenue.....	1,413,100
IDG, land acquisition services to work orders.....	417,000
Total interdepartmental grants and intradepartmental transfers	3,802,200
ADJUSTED GROSS APPROPRIATION	\$ 311,496,300
Federal revenues:	
DAG, federal	13,561,900
DOC, federal	71,800
DOE, federal.....	1,000
DOI, federal.....	47,271,000
DHS, federal.....	7,756,900
DOT, federal	3,900,000
EPA, federal.....	289,900
Total federal revenues.....	72,852,500
Special revenue funds:	
Private funds.....	5,268,500
Private - grants and gifts	10,000
Private - Mann house trust fund.....	102,600
Total private revenues.....	5,381,100
Aircraft fees.....	263,000

	For Fiscal Year Ending Sept. 30, 2010
Cervidae licensing and inspection fees	\$ 168,100
Clean Michigan initiative fund	25,500
Commercial forest fund	54,300
Forest recreation account	1,549,600
Forest development fund	32,361,600
Forest land user charges	569,300
Game and fish protection fund	56,749,300
Game and fish protection fund - fisheries settlement	911,500
Game and fish protection fund - deer habitat reserve	3,172,100
Game and fish protection fund - turkey permit fees	1,908,800
Game and fish protection fund - waterfowl fees	111,200
Game and fish - wildlife resource protection fund	1,689,900
Game and fish protection fund - youth hunting and fishing education and outreach	46,700
Land exchange facilitation fund	6,295,500
Mackinac Island state park operation fund	167,000
Mackinac Island state park fund	1,649,200
Marine safety fund	4,823,500
Michigan civilian conservation corps endowment fund	250,000
Michigan heritage publications fund	701,100
Michigan state parks endowment fund	16,844,100
Michigan state waterways fund	23,281,100
Michigan natural resources trust fund	2,855,200
Museum operations fund	513,400
Nongame wildlife fund	707,300
Off-road vehicle trail improvement fund	4,772,100
Off-road vehicle safety education fund	288,600
Park improvement fund	39,019,300
Permanent snowmobile trail easement fund	700,000
Recreation improvement fund	1,472,900
Shop fees	67,300
Snowmobile registration fee revenue	2,328,300
Snowmobile trail improvement fund	9,964,400
Sportsmen against hunger fund	257,600
Total other state restricted revenues	216,538,800
State general fund/general purpose	\$ 16,723,900
(2) EXECUTIVE	
Full-time equated unclassified positions	6.0
Full-time equated classified positions	85.8
Commission (including travel expense—per diem)	\$ 85,400
Unclassified salaries	319,800
Communications—62.3 FTE positions	4,873,600
Executive direction—18.0 FTE positions	2,251,100
Legal coordination—5.5 FTE positions	549,100
Great lakes restoration initiative	15,000,000
GROSS APPROPRIATION	\$ 23,079,000
Appropriated from:	
Interdepartmental grant revenues:	
Federal revenues:	
DHS, federal	45,700
DOI, federal	15,937,200
Special revenue funds:	
Private funds	75,900
Forest development fund	375,500
Forestland user charges	2,100
Forest recreation account	44,000
Game and fish protection fund	2,482,200

	For Fiscal Year Ending Sept. 30, 2010
Game and fish protection fund - deer habitat reserve	\$ 81,500
Game and fish protection fund - turkey permit fees	33,700
Game and fish protection fund - waterfowl fees	900
Game and fish - wildlife resource protection fund	35,100
Game and fish protection fund - youth hunting and fishing education and outreach	46,700
Land exchange facilitation fund	117,400
Marine safety fund	62,400
Michigan natural resources trust fund	54,200
Michigan state parks endowment fund	175,700
Michigan state waterways fund	332,200
Nongame wildlife fund	18,400
Off-road vehicle trail improvement fund	30,800
Park improvement fund	2,393,500
Recreation improvement fund	19,900
Off-road vehicle safety education fund	50,700
Snowmobile registration fee revenue	58,500
Snowmobile trail improvement fund	56,600
State general fund/general purpose	\$ 548,200
(3) ADMINISTRATIVE SERVICES	
Full-time equated classified positions	46.0
Budget and support services—10.0 FTE positions	\$ 1,172,800
Financial services—23.0 FTE positions	2,453,800
Grants administration—13.0 FTE positions	1,281,100
GROSS APPROPRIATION	\$ 4,907,700
Appropriated from:	
Interdepartmental grant revenues:	
Federal revenues:	
DOI, federal	204,600
Special revenue funds:	
Clean Michigan initiative fund	25,500
Forest development fund	806,400
Forest recreation account	33,500
Game and fish protection fund	883,800
Game and fish protection fund - deer habitat reserve	25,100
Game and fish protection fund - turkey permit fees	17,100
Game and fish protection fund - waterfowl fees	3,900
Game and fish - wildlife resource protection fund	16,400
Land exchange facilitation fund	41,200
Marine safety fund	129,000
Michigan natural resources trust fund	1,008,600
Michigan state parks endowment fund	125,400
Michigan state waterways fund	206,300
Nongame wildlife fund	12,600
Off-road vehicle trail improvement fund	13,700
Park improvement fund	588,700
Recreation improvement fund	10,800
Snowmobile registration fee revenue	31,400
Snowmobile trail improvement fund	86,900
State general fund/general purpose	\$ 636,800
(4) LAND AND FACILITIES	
Full-time equated classified positions	134
Land and facilities—134.2 FTE positions	\$ 20,239,100
GROSS APPROPRIATION	\$ 20,239,100
Appropriated from:	
Interdepartmental grant revenues:	
IDG, engineering services to work orders	1,972,100

	For Fiscal Year Ending Sept. 30, 2010
IDG, land acquisition services to work orders	\$ 417,000
IDG, MacMullan conference center revenue	1,413,100
Special revenue funds:	
Forest development fund	1,978,600
Forest land user charges	13,700
Forest recreation fund	11,100
Game and fish protection fund	6,630,700
Game and fish protection fund - deer habitat reserve	200,600
Game and fish protection fund - turkey permit fees	78,300
Game and fish - wildlife resource protection fund	6,200
Land exchange facilitation fund	5,909,600
Marine safety fund	103,900
Michigan natural resources trust fund	5,900
Michigan state parks endowment fund	134,500
Michigan state waterways fund	269,800
Off-road vehicle trail improvement fund	24,200
Park improvement fund	511,000
Snowmobile registration fee revenue	40,600
Snowmobile trail improvement fund	79,900
State general fund/general purpose	\$ 438,300
(5) DEPARTMENTAL OPERATION SUPPORT	
Building occupancy charges	\$ 3,222,100
Rent - privately owned property	490,000
Gifts and bequests	500,000
GROSS APPROPRIATION	\$ 4,212,100
Appropriated from:	
Special revenue funds:	
Private funds	500,000
Forest development fund	583,100
Forest recreation fund	14,900
Game and fish protection fund	841,700
Game and fish protection fund - deer habitat reserve	19,800
Game and fish protection fund - turkey permit fees	18,900
Game and fish - wildlife resource protection fund	7,100
Land exchange facilitation fund	70,900
Marine safety fund	32,000
Michigan natural resources trust fund	39,000
Michigan state parks endowment fund	199,900
Michigan state waterways fund	107,400
Park improvement fund	310,700
Snowmobile trail improvement fund	20,300
State general fund/general purpose	\$ 1,446,400
(6) WILDLIFE MANAGEMENT	
Full-time equated classified positions	205.0
Cormorant population mitigation program	\$ 75,000
Wildlife management—196.0 FTE positions	28,771,800
Natural resources heritage—9.0 FTE positions	1,263,000
State game and wildlife area maintenance	750,000
GROSS APPROPRIATION	\$ 30,859,800
Appropriated from:	
Federal revenues:	
DAG, federal	366,500
DOI, federal	13,812,100
EPA, federal	1,000
Special revenue funds:	
Private funds	114,600

	For Fiscal Year Ending Sept. 30, 2010
Cervidae licensing and inspection fees	\$ 103,000
Forest development fund	65,500
Game and fish protection fund	9,039,300
Game and fish protection fund - deer habitat reserve	2,768,300
Game and fish protection fund - turkey permit fees	1,693,000
Game and fish protection fund - waterfowl fees	103,600
Nongame wildlife fund	641,900
Sportsmen against hunger fund	257,600
State general fund/general purpose	\$ 1,893,400
(7) FISHERIES MANAGEMENT	
Full-time equated classified positions	232.0
Aquatic resource mitigation—2.0 FTE positions	\$ 912,500
Fisheries resource management—170.0 FTE positions	18,323,600
Fish production—60.0 FTE positions	8,300,100
GROSS APPROPRIATION	\$ 27,536,200
Appropriated from:	
Federal revenues:	
DAG, federal	134,400
DOE, federal	1,000
DOC, federal	53,400
DOI, federal	10,067,700
EPA, federal	165,500
Special revenue funds:	
Private funds	116,700
Game and fish protection fund	16,086,000
Game and fish protection fund - fisheries settlement	911,500
State general fund/general purpose	\$ 0
(8) PARKS AND RECREATION	
Full-time equated classified positions	794.9
State parks—631.4 FTE positions	\$ 46,698,700
State park improvement revenue bonds - debt service	1,147,100
Recreational boating—163.5 FTE positions	14,776,100
GROSS APPROPRIATION	\$ 62,621,900
Appropriated from:	
Federal revenues:	
EPA, federal	122,400
Special revenue funds:	
Private funds	370,300
Michigan civilian conservation corps endowment fund	250,000
Michigan state parks endowment fund	13,293,200
Michigan state waterways fund	14,776,100
Off-road vehicle trail improvement fund	247,400
Park improvement fund	33,562,500
State general fund/general purpose	\$ 0
(9) MACKINAC ISLAND STATE PARK COMMISSION	
Full-time equated classified positions	39.0
Mackinac Island park operations—24.0 FTE positions	\$ 1,588,200
Historical facilities system—15.0 FTE positions	1,789,000
GROSS APPROPRIATION	\$ 3,377,200
Appropriated from:	
Special revenue funds:	
Mackinac Island state park operation fund	167,000
Mackinac Island state park fund	1,600,500
State general fund/general purpose	\$ 1,609,700
(10) MICHIGAN HISTORICAL PROGRAM	
Full-time equated classified positions	62.0
Archives—8.0 FTE positions	\$ 732,000

	For Fiscal Year Ending Sept. 30, 2010
Freedom trail commission—1.0 FTE position	\$ 25,000
Heritage publications—5.0 FTE positions	701,200
Historical administration and services—42.0 FTE positions	3,058,200
Museum stores—4.0 FTE positions	513,400
Special programs (Mann house)—1.0 FTE position	112,600
Thunder Bay national marine sanctuary and underwater preserve—1.0 FTE position	150,100
GROSS APPROPRIATION	\$ 5,292,500
Appropriated from:	
Federal revenues:	
DOI, federal	100
Special revenue funds:	
Private - grants and gifts	10,000
Private - Mann house trust fund	102,600
Michigan heritage publications fund	701,100
Museum operations fund	513,400
State general fund/general purpose	\$ 3,965,300
(11) FOREST, MINERAL, AND FIRE MANAGEMENT	
Full-time equated classified positions	383.0
Forest management and timber market development—165.0 FTE positions	\$ 20,544,200
Adopt-a-forest program	25,000
Wildfire protection—122.0 FTE positions	11,451,500
Forest recreation—51.0 FTE positions	4,924,000
Minerals management—23.0 FTE positions	2,565,400
Cooperative resource programs—12.0 FTE positions	1,034,800
Forest management initiative—10.0 FTE positions	808,900
Forest fire equipment	500,000
GROSS APPROPRIATION	\$ 41,853,800
Appropriated from:	
Federal revenues:	
DAG, federal	2,436,000
DHS, federal	255,600
DOI, federal	2,000
EPA, federal	1,000
Special revenue funds:	
Private funds	941,000
Aircraft fees	263,000
Commercial forest fund	49,200
Forest development fund	25,730,700
Forestland user charges	536,500
Forest recreation fund	1,240,500
Game and fish protection fund	1,481,000
Michigan natural resources trust fund	1,268,100
Michigan state parks endowment fund	574,700
Michigan state waterways fund	394,200
Off-road vehicle trail improvement fund	742,500
Recreation improvement fund	330,200
Off-road vehicle safety education fund	6,200
Shop fees	67,300
Snowmobile registration fee revenue	16,900
Snowmobile trail improvement fund	1,629,600
State general fund/general purpose	\$ 3,887,600
(12) LAW ENFORCEMENT	
Full-time equated classified positions	228.0
General law enforcement—228.0 FTE positions	\$ 28,629,000
GROSS APPROPRIATION	\$ 28,629,000

For Fiscal Year
Ending Sept. 30,
2010

Appropriated from:	
Federal revenues:	
DHS, federal	\$ 4,485,600
DOC, federal	18,400
DOI, federal	563,300
Special revenue funds:	
Cervidae licensing and inspection fees	65,100
Forest recreation account	61,000
Game and fish protection fund	16,467,800
Game and fish protection fund - wildlife resource protection fund	1,566,800
Marine safety fund	1,614,100
Off-road vehicle trail improvement fund	1,251,400
Park improvement fund	61,000
Off-road vehicle safety education fund	81,700
Snowmobile registration fee revenue	991,100
State general fund/general purpose	\$ 1,401,700
(13) GRANTS	
Accessibility grants	\$ 1,000,000
Federal - clean vessel act grants	400,000
Federal - forest stewardship grants	3,125,000
Federal - land and water conservation fund payments	2,566,900
Federal - rural community fire protection	300,000
Federal - urban forestry grants	4,000,000
Game and nongame wildlife fund grants	10,000
Grant to counties - marine safety	4,275,000
Grants to communities - federal oil, gas, and timber payments	3,450,000
National recreational trails	3,950,000
Off-road vehicle safety training grants	150,000
Off-road vehicle trail improvement grants	2,454,000
Recreation improvement fund grants	1,100,000
Snowmobile law enforcement grants	1,142,000
Snowmobile local grants program	8,014,000
Trail easements	700,000
GROSS APPROPRIATION	\$ 36,636,900
Appropriated from:	
Federal revenues:	
DAG, federal	10,625,000
DHS, USCG	1,470,000
DOI, federal	3,116,900
DOT, federal	3,900,000
Special revenue funds:	
Private funds	1,150,000
Marine safety fund	2,805,000
Nongame wildlife fund	10,000
Off-road vehicle trail improvement fund	2,454,000
Permanent snowmobile trail easement fund	700,000
Recreation improvement fund	1,100,000
Off-road vehicle safety education fund	150,000
Snowmobile registration fee revenue	1,142,000
Snowmobile trail improvement fund	8,014,000
State general fund/general purpose	\$ 0
(14) INFORMATION TECHNOLOGY	
Information technology services and projects	\$ 9,412,100
GROSS APPROPRIATION	\$ 9,412,100
Appropriated from:	
Special revenue funds:	
Commercial forest fund	5,100

	For Fiscal Year Ending Sept. 30, 2010
Forest development fund	\$ 1,521,800
Forestland user charges	17,000
Forest recreation fund	44,600
Game and fish protection fund	2,836,800
Game and fish protection fund - deer habitat reserve	76,800
Game and fish protection fund - turkey permit fees	67,800
Game and fish protection fund - waterfowl fees	2,800
Game and fish - wildlife resource protection fund	58,300
Land exchange facilitation fund	156,400
Mackinac Island state park fund	48,700
Marine safety fund	77,100
Michigan natural resources trust fund	479,400
Michigan state parks endowment fund	340,700
Michigan state waterways fund	671,000
Nongame wildlife fund	24,400
Off-road vehicle trail improvement fund	8,100
Park improvement fund	1,591,900
Recreation improvement fund	12,000
Snowmobile registration fee revenue	47,800
Snowmobile trail improvement fund	77,100
State general fund/general purpose	\$ 1,246,500
(15) CAPITAL OUTLAY	
(a) STATE PARK AND FOREST AREA IMPROVEMENTS	
State parks repair and maintenance	\$ 4,000,000
Forest roads, bridges and facilities	1,400,000
GROSS APPROPRIATION	\$ 5,400,000
Appropriated from:	
Special revenue funds:	
Private funds	2,000,000
Forest development fund	1,300,000
Forest recreation account	100,000
Michigan state parks endowment fund	2,000,000
State general fund/general purpose	\$ 0
(b) WATERWAYS BOATING PROGRAM	
Infrastructure improvements - state projects	\$ 400,000
Land acquisitions	1,000,000
Boating program, state boating access sites:	
Sleepy Hollow State Park, boating access site improvements: new access road and entrance, expansion of launch ramp, new parking area, interpretive kiosk for boating safety and fishing information, universal accessibility (total authorized cost \$776,200; Federal share \$582,100; state share \$194,100)	
	776,200
Detour, Chippewa County, floating dock repair and replacement (total authorized cost is increased from \$4,000,000 to \$7,500,000; Federal share is increased from \$3,000,000 to \$5,235,000; state share is increased from \$1,000,000 to \$2,265,000)	3,500,000
Port Austin, Huron County, new floating piers, utility upgrades and breakwall improvements (total authorized cost is increased from \$500,000 to \$5,000,000; Federal share is increased from \$0 to \$1,100,000; state share is increased from \$500,000 to \$3,900,000)	4,000,000
Boating program, state harbors and docks:	
Lac La Belle, Keweenaw County, pilings and pier replacement (total authorized cost \$1,000,000; federal share \$750,000; state share \$250,000)	1,000,000
Boating program, local harbors and docks:	
Naubinway, Mackinac County, breakwater protection, dredging and engineering, phase I (total authorized cost \$210,000; state share \$210,000)	210,000
Leland, Leelanau County, dock replacements, utility upgrades, seawall protection (total authorized cost is increased from \$4,195,000 to 4,900,000; local share is increased from \$990,000 to \$1,225,000; state share is increased from \$2,970,000 to \$3,675,000)	705,000
GROSS APPROPRIATION	\$ 11,591,200

	For Fiscal Year Ending Sept. 30, 2010
Appropriated from:	
Federal revenues:	
DHS, federal.....	\$ 1,500,000
DOI, federal.....	3,567,100
Special revenue funds:	
Michigan state waterways fund.....	6,524,100
State general fund/general purpose	\$ 0
(16) CONSOLIDATION SAVINGS	
Consolidation savings.....	\$ (350,000)
GROSS APPROPRIATION	\$ (350,000)
Appropriated from:	
State general fund/general purpose	\$ (350,000)

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

GENERAL SECTIONS

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for fiscal year 2009-2010 is \$432,854,500.00 and state spending from state resources to be paid to local units of government for fiscal year 2009-2010 is \$10,722,000.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF ENVIRONMENTAL QUALITY**GRANTS**

Noncommunity water grants.....	\$ 1,400,000
Scrap tire grants	1,850,000
Septage waste compliance program	400,000
SUBTOTAL FOR DEPARTMENT OF ENVIRONMENTAL QUALITY.....	\$ 3,650,000

DEPARTMENT OF NATURAL RESOURCES**CAPITAL OUTLAY**

Waterways boating program	\$ 2,415,000
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GRANTS

Grants to counties - marine safety	2,805,000
Off-road vehicle safety training grants.....	150,000
Off-road vehicle trail improvement grants	450,000
Recreation improvement fund grants.....	110,000
Snowmobile law enforcement grants.....	1,142,000
SUBTOTAL FOR DEPARTMENT OF NATURAL RESOURCES	\$ 7,072,000
TOTAL NATURAL RESOURCES AND ENVIRONMENTAL PROTECTION.....	\$ 10,722,000

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) "Commission" means the commission of natural resources.
- (b) "DAG" means the United States department of agriculture.
- (c) "DHS" means the United States department of homeland security.
- (d) "DOC" means the United States department of commerce.
- (e) "DOE" means the United States department of energy.
- (f) "DOI" means the United States department of interior.
- (g) "DOT" means the United States department of transportation.
- (h) "EPA" means the United States environmental protection agency.
- (i) "FTE" means full-time equated.
- (j) "IDG" means interdepartmental grant.
- (k) "IDT" means intradepartmental transfer.
- (l) "MDSP" means the Michigan department of state police.
- (m) "NPDES" means national pollution discharge elimination system.

Sec. 204. The civil service commission shall bill departments of environmental quality and natural resources at the end of the first fiscal quarter for charges 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. 206. The departments of environmental quality and natural resources shall use the Internet to fulfill the reporting requirements of this act. This requirement can be met if reports are transmitted 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. 207. (1) Within 14 days after the release of the executive budget recommendation, the departments of environmental quality and natural resources shall each provide the state budget director, the senate and house appropriations subcommittees on environmental quality or natural resources, respectively, and the senate and house fiscal agencies with an annual report on estimated restricted fund balances, projected revenues, and expenditures for the fiscal years ending September 30, 2009 and September 30, 2010.

(2) Estimates of restricted fund revenues for the fiscal year ending September 30, 2010 shall be reissued on or before September 30, 2009. These revised revenue estimates shall form the basis for determinations of the number of funded positions authorized in this act.

(3) Part 1 of this act provides authorizations to fund 3,556.9 FTE classified positions during the fiscal year ending September 30, 2010. Line-item appropriations include limitations on the number of payroll hours to be funded, on the basis of 2,088 hours per each FTE position. The departments of environmental quality and natural resources shall each report the number of funded FTE positions within 15 days after the effective date of this act. The number of classified employees compensated through each line item is limited by the authorized FTE positions indicated in this act, as adjusted for the number of reported funded FTE positions. Each report shall be provided to the house and senate appropriations subcommittees on environmental quality or natural resources, respectively, and the house and senate fiscal agencies by the deadlines provided in this section.

Sec. 208. (1) From the funds appropriated under this act, the departments of environmental quality and natural resources shall each prepare a report that lists all of the following regarding grant, loan, or grant and loan programs administered by the respective department for the fiscal year ending on September 30, 2010:

- (a) The name of each program.
- (b) The goals, criteria, filing fees, nominating procedures, eligibility requirements, processes, and deadlines for each program.
- (c) The maximum and minimum grant and loan available and whether there is a match requirement for each program.
- (d) The amount of any required match, and whether in-kind contributions may be used as part or all of a required match.
- (e) Information pertaining to the application process, the timeline for each program, and the contact people within the department.
- (f) The source of funds for each program, including the citation of pertinent authorizing acts.
- (g) Information regarding plans for the next fiscal year for the phaseout, expansion, or changes for each program.
- (h) A listing of all recipients of grants or loans awarded by the department by type and amount of grant or loan during the fiscal year ending September 30, 2009.

(2) The reports required under this section shall be submitted to the state budget director, the senate and house appropriations committees, and the senate and house fiscal agencies by January 1, 2010.

Sec. 209. Appropriations of state-restricted game and fish protection funds have been made to the following departments and agencies in their respective appropriation acts. The amounts appropriated to these departments and agencies are listed below:

Civil service commission	\$	876,100
Legislative auditor general		21,900
Attorney general		482,800
Department of management and budget		391,200
Department of treasury		1,793,300

Sec. 210. Before January 31, 2010, the department of natural resources, in cooperation with the Michigan state waterways commission, shall provide to the state budget director, the senate and house appropriations subcommittees on natural resources, and the senate and house fiscal agencies a list of projects completed by the commission in fiscal year 2008-2009, including the county and municipality in which each project is located.

Sec. 211. Pursuant to section 43703(3) of the natural resources and environmental protection act, 1994 PA 451, MCL 324.43703, there is appropriated from the game and fish protection trust fund to the game and fish protection account of the Michigan conservation and recreation legacy fund, \$6,000,000.00 for the fiscal year ending September 30, 2010.

Sec. 212. From the funds appropriated in part 1 for information technology, the departments of environmental quality and natural resources 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 each respective department and the department of information technology.

Sec. 213. (1) Due to the current budgetary problems in this state, out-of-state travel for the fiscal year ending September 30, 2010 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 standing committees on appropriations.

(3) Not later than January 1 of each year, the department of environmental quality and the department of natural resources shall each 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 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. 214. Funds appropriated in part 1 shall not be used for the purchase of foreign goods or services, or both, if competitively priced and 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. 215. The directors of the departments of environmental quality and natural resources shall each 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 respective department contracts to subcontract with certified businesses in depressed and deprived communities for services, supplies, or both.

Sec. 216. Neither the department of environmental quality nor the department of natural resources shall take disciplinary action against an employee for communicating truthfully and factually with a member of the legislature or his or her staff.

Sec. 217. (1) Funds appropriated in part 1 shall not be used by the department of environmental quality or the department of natural resources 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.

(2) As used in this section:

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

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

Sec. 218. 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. 219. The departments of environmental quality and natural resources shall each develop a plan for allocating restricted funds among department administrative support and regulatory activities. Each plan shall be submitted to the house and senate appropriations subcommittees on environmental quality or natural resources, respectively, by January 30, 2010. Each plan shall include a cost allocation plan for financial services support, office space rent and building occupancy charges, and support division service for information systems and technology and a methodology to use information generated through activity reports that identifies the percentage of employee time spent on restricted fund activities.

Sec. 220. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$33,000,000.00 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 \$10,000,000.00 for state restricted contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this 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 \$200,000.00 for local contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this 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 \$1,500,000.00 for private contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this act under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

Sec. 221. Neither the department of environmental quality nor the department of natural resources shall approve the travel of more than 1 departmental employee to a specific professional development conference or training seminar that is located outside of this state unless the professional development conference or training seminar is funded by a federal or private funding source and requires more than 1 person from the department to attend, or the conference or training seminar includes multiple issues in which 1 employee from the department does not have expertise. This section does not apply to meetings or to the purchase of excess federal equipment.

Sec. 222. Beginning December 2009 and every 2 months thereafter, the department of environmental quality and the department of natural resources shall each promptly report on the number of FTEs in pay status as of the first day of that month, by civil service classification. Each department shall submit the report to the house and senate appropriations subcommittees on environmental quality or natural resources, respectively, and the house and senate fiscal agencies.

Sec. 223. The departments of environmental quality and natural resources, in collaboration with the state budget office, shall each submit to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, and the house and senate policy offices on or before March 1, 2010 a report on appropriated and supportable FTE positions within the enacted budget for the fiscal year ending September 30, 2010. The report shall contain all of the following information for each individual line item contained in the enacted budget:

(a) The number of FTEs to be funded from the line item.

(b) The amount that is proposed to be allocated to salary and wage and fringe benefit costs from the gross appropriation for the line item.

(c) The amount that is proposed to be allocated to salary and wage and fringe benefit costs from the gross appropriation for the line item on which was based the increase in the executive budget proposal from the amount appropriated for the line item in the department budget for the fiscal year ending September 30, 2010, if different from the amount in subdivision (b).

(d) The portion of the amount described in subdivision (b) that is proposed to be taken from each funding source identified in the budget.

(e) The gross salary and wage expenditures for the line item during the fiscal year ending September 30, 2009 and the estimated salary and wage expenditures for the line item during the fiscal year ending September 30, 2010.

(f) The estimated number of FTE positions supportable by the amount described in subdivision (b).

Sec. 224. (1) The department of environmental quality shall report all of the following information relative to allocations made from appropriations for the environmental cleanup and redevelopment program, state cleanup, emergency actions, superfund cleanup, the revitalization revolving loan program, the brownfield grants and loans program, the leaking underground storage tank cleanup program, the contaminated lake and river sediments cleanup program, the refined petroleum product cleanup program, and the environmental protection bond projects under section 19508(7) of the natural resources and environmental protection act, 1994 PA 451, MCL 324.19508, to the state budget director, the senate and house appropriations subcommittees on environmental quality, and the senate and house fiscal agencies:

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

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

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

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

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

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

(g) The number of sites that would qualify as brownfields that were redeveloped.

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

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

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

(c) The total amount of bonds issued for the environmental protection bond program pursuant to part 193 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.19301 to 324.19306, and bonds issued pursuant to the clean Michigan initiative act, 1998 PA 284, MCL 324.95101 to 324.95108.

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

Sec. 225. (1) The department of environmental quality is authorized to expend amounts remaining from the current and prior fiscal year appropriations to meet funding needs of legislatively approved sites for the environmental cleanup and redevelopment program, the leaking underground storage tank cleanup program, and the refined petroleum product cleanup program.

(2) Unexpended and unencumbered amounts remaining from appropriations from the environmental protection bond fund contained in 2003 PA 173 and 2006 PA 343 are appropriated for expenditure for any site listed in this act and any site listed in the public acts referenced in this section.

(3) Unexpended and unencumbered amounts remaining from appropriations from the cleanup and redevelopment fund contained in 2003 PA 173 are appropriated for expenditure for any site listed in this act and any site listed in the public acts referenced in this section.

(4) Unexpended and unencumbered amounts remaining from appropriations from the clean Michigan initiative fund - response activities contained in 2000 PA 506, 2001 PA 120, 2003 PA 173, 2003 PA 237, 2004 PA 309, 2004 PA 350, 2005 PA 11, 2006 PA 343, and 2007 PA 121 are appropriated for expenditure for any site listed in this act and any site listed in the public acts referenced in this section.

(5) Unexpended and unencumbered amounts remaining from appropriations from the environmental protection fund contained in 2001 PA 43, 2002 PA 520, and 2003 PA 171 are appropriated for expenditure for any site listed in this act and any site listed in the public acts referenced in this section.

(6) Unexpended and unencumbered amounts remaining from appropriations from the refined petroleum fund activities contained in 2005 PA 154, 2007 PA 121, and 2008 PA 247 are appropriated for expenditure for any site listed in this act and any site listed in the public acts referenced in this section.

Sec. 226. Of the money appropriated from the environmental education fund in part 1, \$5,000.00 shall be allocated to Michigan State University Extension Service - 4-H Youth Programs to fund the Michigan Youth Conservation Council.

Sec. 227. (1) The appropriation for the department of environmental quality in section 102(2) includes \$11,625,100.00 from restricted funds. This funding source shall support the restricted fund requirements, pursuant to subsection (3), for selected line items in the executive operations and administrative support appropriation unit.

(2) The appropriation for the department of environmental quality in section 102(10) includes \$1,163,000.00 from restricted funds. This funding shall support the restricted fund requirements, pursuant to subsection (4), for the criminal investigations appropriations.

(3) The appropriation in section 102(12) includes \$5,577,900.00 from restricted funds. This funding source shall support the restricted fund requirements, pursuant to subsection (3), for the information technology appropriation.

(4) The department of environmental quality shall adopt a cost allocation plan for revenue sources supporting line items listed in section 102(2), (10), and (12).

(5) The department of environmental quality shall provide a report on or before October 31, 2009 to the house and senate appropriations subcommittees on environmental quality and the house and senate fiscal agencies of the line item amounts and detailed revenue sources which support the restricted fund appropriations in section 102(2), (10), and (12).

Sec. 228. It is the intent of the legislature that the department of natural resources will be the successor agency to the department of environmental quality created by Executive Reorganization Order No. 1995-16, MCL 324.99903. In addition to the powers and duties provided by law to the department of natural resources, the department of natural resources will have the powers and duties provided to the department of environmental quality in Executive Reorganization Order No. 1995-16, MCL 324.99903, and the powers and duties otherwise provided to the department of environmental quality or the director of the department of environmental quality by law.

Sec. 229. The appropriations in this act assume the issuance and acceptance of an executive order by the governor for the purpose of consolidating the responsibilities and functions of the departments of environmental quality and natural resources. Any efficiency savings realized programs supported by general fund appropriations shall lapse and be credited to the state general fund. The amount of efficiency savings potentially to be realized through the consolidation of field offices and elimination of duplicative positions will be approximately \$2,000,000.00.

Sec. 230. Effective November 1, 2009, expenditures from section 102 shall not be allowed by the director of the department of environmental quality unless a notice of an intent to spend is provided to the speaker of the house of representatives, not later than 30 days before disbursements from allotted funds.

Sec. 231. Any permit application that has been submitted to and pending with the department of environmental quality for a period of 2 years or more shall be considered administratively complete effective January 1, 2010.

Sec. 232. (1) From the funds appropriated in part 1, the departments of environmental quality and natural resources shall each develop, post, and maintain on a user-friendly and publicly accessible Internet site, all expenditures made by the agency within a fiscal year. The posting must include the purpose for which each expenditure is made.

(2) From the funds appropriated in part 1, neither the department of environmental quality nor the department of natural resources shall spend more than \$25,000.00 to implement this section or cause essential services to be diminished.

Sec. 233. The departments of environmental quality and natural resources shall receive and retain copies of all reports funded from appropriations in part 1. These departments shall follow federal and state guidelines for short-term and long-term retention of these reports. To the extent consistent with federal and state guidelines, the requirements of this section are satisfied if the reports funded from appropriations in part 1 are retained in electronic format.

Sec. 234. Unexpended settlement revenues at the end of the fiscal year may be carried forward into the settlement fund in the succeeding fiscal year up to a maximum carryforward of \$2,500,000.00.

Sec. 235. The departments of environmental quality and natural resources shall each annually report by December 31 to the state budget director, the senate and house appropriations committees, and the senate and house fiscal agencies an accounting of all civil and criminal fine revenue collected during the previous fiscal year and post its report on its website.

Sec. 236. Not later than September 30, 2010, the departments of environmental quality and natural resources shall each prepare and transmit a report that provides for estimates of the total general fund/general purpose appropriation lapses at the close of the fiscal year. These reports shall summarize the projected year-end general fund/general purpose appropriation lapses by major departmental program or program areas. These reports shall be transmitted to the office of the state budget, the chairpersons of the senate and house appropriations committees, and the senate and house fiscal agencies.

Sec. 237. (1) When managing and regulating best available retrofit technologies ("BART") under part 55 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.5501 to 324.5542, the department of environmental quality shall use proven science and representative data based upon professional peer review standards. If the department of environmental quality requests a permit holder to implement BART review, the department shall cite the specific scientific methods and provide data-based evidence to justify using the BART measure.

(2) If the department of environmental quality requests the permit holder to undertake a feasibility study to determine whether to utilize BART, the department of environmental quality shall reimburse the permit holder all costs associated with conducting the feasibility study. Reimbursement shall be made within 30 days of submission of costs by the permit holder.

Sec. 238. By July 1, 2010, the department of environmental quality shall prepare and submit a report to the state budget director, the legislature, the chairs of the standing committees of the senate and house of representatives with primary responsibility for issues related to natural resources and the environment, and the chairs of the subcommittees of the senate and house appropriations committees with primary responsibility for appropriations for the department, outlining the implementation of the Great Lakes water quality bond provided for in part 197 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.19701 to 324.19708, including, but not limited to, the amount of bonds issued and the date they were issued, the number of applications received for loans from the state water pollution control revolving fund created in section 16a of the shared credit rating act, 1985 PA 227, MCL 141.1066a, the total amount of loans requested, a listing of the applicants receiving loans and the total amount of loans provided to those applicants, a listing of applicants whose loan applications were not approved and the reasons why those applications were not approved, the amount of the loans granted that were leveraged from bond proceeds, and the remaining bond proceeds and bond authorization.

Sec. 239. The department of environmental quality shall perform a review of its programs to determine how its programs compare to similar programs in other Great Lake states. The analysis shall include, but not be limited to, evaluation of permitting time, number of enforcement actions, stringency of the controlling law, and the cost of the relevant permits. The department of environmental quality shall report the findings of this review to the senate and house appropriations committees not later than April 1, 2010.

Sec. 240. The department of environmental quality shall engage in a process to determine efficiencies that can be made in the air permitting program, including renewable operating permits, the NPDES program, and the remediation and redevelopment program. The department of environmental quality shall report the findings of this effort to the senate and house appropriations committees not later than April 1, 2010.

Sec. 241. From the amounts appropriated in part 1, the department of environmental quality shall implement 2008 PA 389.

Sec. 242. Semiannually, the departments of environmental quality and natural resources shall each notify the senate and house appropriation subcommittees with primary responsibility for appropriations to the respective department, the senate and house fiscal agencies, and the state budget director of all requests made of the department under the freedom of information act, 1976 PA 442, MCL 15.231 to 15.246, during the previous 6 months.

DEPARTMENT OF ENVIRONMENTAL QUALITY

LAND AND WATER MANAGEMENT

Sec. 301. It is the intent of the legislature that the level of funding for the wetland protection program under part 303 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.30301 to 324.30323, for the fiscal year ending September 30, 2010, will be augmented to maintain the level of the previous fiscal year by funds from an appropriate restricted use fund through a supplemental appropriation act.

REMEDiation AND REDEVELOPMENT

Sec. 302. Revenues remaining in the interdepartmental transfers, laboratory services at the end of the fiscal year shall carry forward into the succeeding fiscal year.

Sec. 303. The unexpended funds appropriated in part 1 for emergency cleanup actions and the refined petroleum product cleanup program are considered work project appropriations and any unencumbered or unallotted funds are carried forward into the succeeding fiscal year. The following is in compliance with section 451a(1) of the management and budget act, 1984 PA 431, MCL 18.1451a:

- (a) The purpose of the projects to be carried forward is to provide contaminated site cleanup.
- (b) The projects will be accomplished by contract.
- (c) The total estimated cost of all projects is identified in each line-item appropriation.
- (d) The tentative completion date is September 30, 2014.

Sec. 304. Effective October 1, 2009, surplus funds not to exceed \$1,000,000.00 in the cleanup and redevelopment trust fund are hereby appropriated to the environmental protection fund.

Sec. 305. Effective October 1, 2009, surplus funds not to exceed \$1,000,000.00 in the community pollution prevention fund are hereby appropriated to the environmental protection fund.

Sec. 306. It is the intent of the legislature to repay the refined petroleum fund for the \$70,000,000.00 that was transferred to the environmental protection fund as part of the resolution for the fiscal year 2006-2007 budget.

Sec. 308. The department of environmental quality shall not expend funds appropriated in part 1 if using operational memoranda or other similar documents that are in draft form to impose regulations on individuals or businesses conducting environmental cleanup projects, except as provided in part 213 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.21301 to 324.21331, or when there is written consent between the department of environmental quality and the individual or business.

WASTE AND HAZARDOUS MATERIALS

Sec. 401. Effective October 1, 2009, surplus funds not to exceed \$1,500,000.00 in the solid waste management fund perpetual care account are appropriated to the solid waste management fund staff account.

Sec. 402. If a certified health department does not exist in a city, county, or district or does not fulfill its responsibilities under part 117 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.11701 to 324.11720, then the department of environmental quality may spend funds appropriated in part 1 under the septage waste compliance program in accordance with section 11716 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.11716.

WATER

Sec. 501. By February 1, 2010, the department of environmental quality shall submit a report on the department's use of the national pollutant discharge elimination system fund created in MCL 324.3121 for the previous fiscal year, to the senate and house appropriations subcommittees on environmental quality, the standing committees of the legislature with jurisdiction over issues primarily related to natural resources and the environment, and the senate and house fiscal agencies. The report shall include a summary of how the appropriations in part 1 for the NPDES nonstormwater program were used for the various permissible uses of the fund and shall include specific information on all of the following:

(a) The number of compliance and complaint inspections completed, by category, the number of on-site compliance inspections conducted, and the number of compliance inspections that were not announced in advance to the permittee or licensee.

(b) The number and percent of permit and license inspections that found the permittee or licensee to be in significant noncompliance, by category.

(c) The number of administrative enforcement actions taken for permit or license violations and the results of the enforcement actions, including the amount of fines and penalties collected.

(d) The number of judicial enforcement actions taken for permit or license violations and the results of the enforcement actions, including the amount of fines and penalties collected.

(e) A listing of the supplemental environmental projects agreed to as a result of a consent agreement including all of the following: the case name, the monetary value of the supplemental environmental project, and a description of the project.

GRANTS

Sec. 601. Of the funds appropriated in part 1 for scrap tire grants, \$100,000.00 shall be available for grants to communities to cover scrap tire fire suppression costs, provided owner liability bonds and other available funding sources have been exhausted.

DEPARTMENT OF NATURAL RESOURCES**ADMINISTRATIVE SERVICES**

Sec. 701. The department of natural resources may charge the appropriations contained in part 1, including all special maintenance and capital projects appropriated for the fiscal year ending September 30, 2010, for engineering services provided, a standard percentage fee to recover actual costs. The department of natural resources may use the revenue derived to support the engineering services charges provided for in part 1.

Sec. 702. The department of natural resources may charge land acquisition projects appropriated for the fiscal year ending September 30, 2010, and for prior fiscal years, a standard percentage fee to recover actual costs, and may use the revenue derived to support the land acquisition service charges provided for in part 1.

Sec. 703. The department of natural resources may charge both application fees and transaction fees related to the exchange or sale of state-owned land or rights in land authorized by part 21 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.2101 to 324.2162. The fees shall be set by the director of the department of natural resources at a rate which allows the department to recover its costs for providing these services.

Sec. 704. The department of natural resources shall prominently display in a prominent place in the fishing guide provided to each licensed fisher and paid for from the funds appropriated in part 1, the website address for the department of community health. In addition, the fishing guide shall include information on alternative sources where interested parties without Internet access may find information on fish advisories issued by the department of community health.

Sec. 705. Within 21 days after the end of the fiscal year ending September 30, 2010, the department of natural resources shall submit to the senate and house appropriations subcommittees on natural resources a report on all land transactions approved by the commission in the previous fiscal year. For each land transaction, the report shall include the size of the parcel, the county and municipality in which the parcel is located, the dollar amount of the transaction, the fund source affected by the transaction, and whether the transaction is by purchase, public auction, transfer, exchange, or conveyance.

WILDLIFE MANAGEMENT

Sec. 801. It is the intent of the legislature that, from the funds appropriated in part 1, the department of natural resources shall reimburse the department of agriculture for costs incurred for indemnification payments for livestock losses caused by wolves, coyotes, or cougars under the animal industry act, 1988 PA 466, MCL 287.701 to 287.745.

Sec. 802. From the funds appropriated in part 1, the department of natural resources shall submit semiannual reports to the state budget director, the senate and house appropriations subcommittees on natural resources, and the senate and house fiscal agencies that provide detail about enforcement actions taken to eradicate bovine tuberculosis, the number of infected deer found, new science it is working on to detect bovine tuberculosis, and other relevant information about the department's efforts to address the presence of bovine tuberculosis in this state.

FISHERIES MANAGEMENT

Sec. 901. As a condition of expenditure of fisheries management appropriations under part 1, the department of natural resources shall not impede the certification process for water control structures on Michigan waterways. The department of natural resources shall fund from funds appropriated in part 1 all non-water-quality studies or requirements that the department requests of either of the following:

(a) The department of environmental quality as a condition for issuance of a certification under the federal water pollution control act, 33 USC 1341.

(b) The federal energy regulatory commission as a condition of licensing under the federal power act, 16 USC 791a to 825r.

Sec. 902. (1) From the appropriation in part 1 for aquatic resource mitigation, not more than \$758,000.00 shall be allocated for grants to watershed councils, resource development councils, soil conservation districts, local governmental units, and other nonprofit organizations for stream habitat stabilization and soil erosion control.

(2) The fisheries division in the department of natural resources shall develop priority and cost estimates for all recommended projects.

PARKS AND RECREATION

Sec. 1001. Pursuant to section 1902(2) of the natural resources and environmental protection act, 1994 PA 451, MCL 324.1902, there is appropriated from the Michigan natural resources trust fund to the Michigan state parks endowment fund an amount not to exceed \$10,000,000.00 for the fiscal year ending September 30, 2010.

Sec. 1002. The department of natural resources shall notify the house and senate appropriations subcommittees on natural resources and the house and senate fiscal agencies if it intends to reduce operations or reduce recreation opportunities at any state park or recreation area.

Sec. 1003. The department of natural resources shall not alter or halt operations of the ski hill or demolish buildings related to the ski hill, the assistant manager residence, the 3-unit apartment building, or the carpenter's shop and garage in Porcupine Mountains wilderness state park. The department shall collaborate with travel Michigan for the marketing and promotion of the ski hill.

Sec. 1004. From the funds appropriated in part 1, the department shall maintain an appropriate number of defibrillators in state parks. State parks shall accept donations of defibrillators.

MACKINAC ISLAND STATE PARK

Sec. 1101. The funds collected by the Mackinac Island State Park commission for admission fees and store sales shall be deposited in the Mackinac Island State Park operation fund. Any funds remaining at the end of the fiscal year shall not lapse to the general fund, but shall carry forward and be available for appropriation in the subsequent fiscal year.

FOREST, MINERAL, AND FIRE MANAGEMENT

Sec. 1201. In addition to the funds appropriated in part 1, \$350,000.00 is appropriated to the department of natural resources to cover costs related to any declared emergency involving the collapse of any abandoned mine shaft located

on state land. This appropriation shall not be expended unless the state budget director recommends the expenditure and the department of natural resources notifies the house and senate committees on appropriations.

Sec. 1202. The department of natural resources shall spend amounts appropriated in part 1 for forest-related activities to employ or contract for additional foresters to mark timber, pursuant to section 903.

Sec. 1203. Of the funds appropriated in part 1, the department of natural resources shall, subject to the forest certification process, prescribe treatment on 63,000 acres, prepare appropriate treatment for not less than 58,000 acres at the current average rate of 12.5 to 15 cords per acre, and offer those cords for sale in 2010, provided that the department shall take into consideration the impact of timber harvesting on wildlife habitat and recreation uses. The department of natural resources shall, subject to the forest certification process, increase marking or treatment of hardwood timber for sale and harvest by 10% over 2009 levels. In addition, the department of natural resources shall take into consideration silvicultural analysis and report annually to the legislature on plans and efforts to address factors limiting management of timber. The department of natural resources shall increase the number of prepared acres if it appears that regional market demand requires increased volumes of harvested timber. The department of natural resources shall provide quarterly reports on the number of acres treated, pursuant to this section, to the senate and house appropriations subcommittees on natural resources and the standing committees of the senate and house of representatives with primary responsibility for natural resources issues. The department of natural resources shall complete and deliver these reports no later than 45 days after the end of the fiscal quarter.

Sec. 1204. From the funds appropriated in part 1, the department of natural resources shall provide for a designated snowmobile route connecting the village of Bellaire to the Jordan River Trail across state owned land with associated reasonable restrictions that mitigate negative impacts on the natural resources.

Sec. 1205. In addition to the money appropriated in this act, the department of natural resources may receive and expend money from federal sources for the purpose of providing response to wildfires as required by a compact with the federal government. If additional expenditure authorization is required, the department of natural resources shall notify the state budget office that expenditure under this section is required. The department of natural resources shall notify the house and senate appropriations subcommittees on natural resources and the house and senate fiscal agencies of the expenditures under this section by November 1, 2010.

Sec. 1206. The department of natural resources shall continue to work cooperatively with horseback riding interests to maximize riding opportunities in the state.

Sec. 1207. The department of natural resources shall work with the commission and stakeholders to review the current bidding process and implement changes as necessary to ensure that it meets state standards and promotes the purchase of state timber and shall report to the legislature on this issue by March 31, 2010.

LAW ENFORCEMENT

Sec. 1301. The appropriation in part 1 for snowmobile law enforcement grants shall be used by the department of natural resources to provide grants to county law enforcement agencies to enforce part 821 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.82101 to 324.82160, including rules promulgated under that part and ordinances enacted pursuant to that part. The department of natural resources shall consider the number of enforcement hours and the number of miles of snowmobile trails in each county in allocating these grants. Any funds not distributed to counties revert back to the snowmobile registration fee subaccount created under section 82111 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.82111. Counties shall provide semiannual reports to the department of natural resources on the use of grant money received under this section.

Sec. 1302. From the funds appropriated in part 1, not less than 6 months before expiration of a contract or adoption of amendments to an existing contract with the concessionaire at the Island Lake shooting range, the department of natural resources shall notify in the least expensive method possible all residents within 5 miles of the shooting range and the state and local elected officials representing Green Oak Township in Livingston County of the contract expiration date or adoption of amendments to an existing contract. If the department of natural resources intends to extend or amend the contract with the concessionaire, it shall hold 1 public hearing in Livingston County on the matter not less than 60 days before execution.

GRANTS

Sec. 1401. Federal pass-through funds to local institutions and governments that are received in amounts in addition to those included in part 1 for grants to communities - federal oil, gas, and timber payments and that do not require additional state matching funds are appropriated for the purposes intended. By November 30, 2009, the department of natural resources shall report to the senate and house appropriations subcommittees on natural resources, the senate and house fiscal agencies, and the state budget director on all amounts appropriated under this section during the fiscal year ending September 30, 2009.

Sec. 1402. Subject to part 811 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.81101 to 324.81150, from the funds appropriated in part 1 for off-road vehicle trail improvements grants, not less than \$980,000.00 shall be spent on the development of new trails in accordance with the off-road vehicle trail expansion plan submitted to the legislature pursuant to section 807 of article 14 of 2005 PA 154.

CAPITAL OUTLAY

Sec. 1501. The appropriation made in this act for the harbors and docks program is for the purpose of participating with the federal government and assisting political entities and subdivisions of this state in the construction and improvement of recreational boating facilities within this state. Subject to the approval of the state administrative board, this money shall be allocated by the department of natural resources to the federal government, or to the political entities or local units of government involved in the particular projects. An allocation shall not exceed the state portion as listed with each project description. The department of natural resources shall take the steps necessary to match federal money available for the construction and improvement of recreational boating facilities within the state, and to meet requirements of the federal government.

Sec. 1502. (1) The director of the department of natural resources shall allocate lump-sum appropriations to the department of natural resources made in this act consistent with statutory provisions and the purposes for which funds were appropriated. Lump-sum allocations shall address priority program or facility needs and may include, but are not limited to, design, construction, remodeling and addition, special maintenance, major special maintenance, energy conservation, and demolition.

(2) The state budget director may authorize that funds appropriated for lump-sum appropriations shall be available for no more than 3 fiscal years following the fiscal year in which the original appropriation was made. Any remaining balance from allocations made in this section shall lapse to the fund from which it was appropriated pursuant to the lapsing of funds as provided in the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

Sec. 1503. The appropriations in part 1 for capital outlay shall be carried forward at the end of the fiscal year consistent with the provisions of section 248 of the management and budget act, 1984 PA 431, MCL 18.1248.

MICHIGAN HISTORICAL PROGRAM

Sec. 1601. 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, rehabilitation, and preservation of historic resources. The method used will be to solicit applications, score applications based upon established criteria, and award subgrants. The department of natural resources shall execute a grant agreement with each recipient. The total cost is \$85,000.00, and the tentative completion date is September 30, 2010.

Sec. 1602. Funds collected by the department of natural resources under sections 6, 7, and 7a of 1913 PA 271, MCL 399.6, 399.7, and 399.7a, are appropriated to the department of natural resources for the purposes for which they were received, upon receipt.

Sec. 1603. For the purposes of administering the museum store as provided in section 7a of 1913 PA 271, MCL 399.7a, the department of natural resources is exempt from section 261 of the management and budget act, 1984 PA 431, MCL 18.1261.

Sec. 1604. 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 Michigan historical center to support commission operations.

Sec. 1605. 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 of natural resources and may be expended upon receipt for additional material for the collection. The department of natural resources shall notify the chairpersons, vice chairpersons, and minority vice chairpersons of the senate and house appropriations subcommittees on natural resources 1 week prior to any auctions or sales.

CONSOLIDATION SAVINGS

Sec. 1701. (1) The negative appropriation for department consolidation savings in part 1 shall be satisfied by savings realized through the elimination of duplicative administrative functions, state and private lease space consolidation, and other efficiency savings made possible through a reorganization of the department of environmental quality and the department of natural resources into a single state department.

(2) The negative appropriation for consolidation savings in part 1 shall be satisfied by efficiencies and other savings identified by the department director and approved by the state budget director. The director shall submit a plan to satisfy this negative appropriation 30 days after the effective date of an executive order issued for the purpose of creating a single state department from the functions and units of the departments of environmental quality and natural resources.

(3) Appropriation adjustments required due to negative appropriations for consolidation savings shall be made only after legislative approval of transfers pursuant to section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

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

A bill to make appropriations for the departments of environmental quality and natural resources for the fiscal year ending September 30, 2010; to provide for the expenditure of those appropriations; to create funds and accounts; to

require reports; to prescribe certain powers and duties of certain state agencies and officials; to authorize certain transfers by certain state agencies; and to provide for the disposition of fees and other income received by the various state agencies.

Michael Lahti
John Espinoza
Darwin Booher
Conferees for the House

Michelle McManus
Ron Jelinek
Conferees for the Senate

Pending the order that, under joint rule 9, the conference report be laid over one day,
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 conference report,

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

Roll Call No. 490

Yeas—21

Allen
Barcia
Birkholz
Bishop
Brown
Cassis

Cropsey
George
Gilbert
Hardiman
Jansen

Jelinek
Kahn
Kuipers
McManus
Pappageorge

Patterson
Richardville
Sanborn
Stamas
Van Woerkom

Nays—16

Anderson
Basham
Brater
Cherry

Clark-Coleman
Clarke
Garcia
Gleason

Hunter
Jacobs
Olshove
Prusi

Scott
Switalski
Thomas
Whitmer

Excused—0

Not Voting—0

In The Chair: President

Senator Cropsey moved to reconsider the vote by which the conference report was adopted.

The question being on the motion to reconsider,

Senator Cropsey moved that further consideration of the bill be postponed temporarily.

The motion prevailed.

Protest

Senator Brater, under her constitutional right of protest (Art. 4, Sec. 18), protested against the adoption of the first conference report on House Bill No. 4446 and moved that the statement she made during the discussion of the conference report be printed as her reasons for voting “no.”

The motion prevailed.

Senator Brater's statement is as follows:

Mr. President and colleagues, I regretfully rise in opposition to this conference report, even though I very much appreciate the opportunity to work with the Senator from the 35th District and also the Senator from the 22nd District who participated in the DEQ budget process.

The DEQ portion of this bill reflects a 30 percent cut of General Fund support for the Department of Environmental Quality programs. We have already for years underfunded our monitoring and enforcement aspects of this program. We have had enough money to issue permits but not enough to see that polluters are complying with the permits that they have been issued. I have heard complaints that the department is slow in issuing permits. Well, cutting this department by 30 percent is only going to slow it down further. I don't see the logic behind these cuts.

The DNR cuts will result in the loss of over 50 FTEs and drastic cuts to our campgrounds, fisheries management, and other areas. We tend not to talk a lot about this budget in the ongoing discussion. The DEQ and DNR functions affect some very key public policy matters that we all have as our priorities, including health care. Respiratory illness is a major cause of visits to emergency rooms in this state that is directly related to air pollution. Economic development—keeping our waters clear. We are spending millions of dollars to advertise our great state, as we should be doing, but we need to have clean water and clean beaches for all these people to come from all over the country to enjoy, including our own citizens, and to preserve for future generations.

I have heard the good chair of the conference committee state that this budget is putting together DEQ and DNR in order to affect cost savings. Well, if that is the objective, this is the wrong way to do it because in order to integrate these two departments, we have to truly integrate programs, which are doable and I support them. We need to do it in a thought-out manner, not just smash these two budgets together. That does not accomplish as much savings as we could otherwise do.

We have fee bills for both air and water hung up in both houses. We have to make up our minds. Are we going to have user fees to support these programs, or are we going to give these departments a general fund that they need. We currently rank, unbelievably, 49th among all the states in funding for our environment and natural resources. This is a state completely surrounded by four of the five Great Lakes. We are the only state that has that much impact on the Great Lakes ecosystem. We have a responsibility to our own children and to our grandchildren and to the entire country, as a matter of fact, to protect this ecosystem.

So I will vote "no" on this budget, and I urge my colleagues to oppose it.

Recess

Senator Cropsey moved that the Senate recess subject to the call of the Chair.
The motion prevailed, the time being 12:13 p.m.

1:27 p.m.

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

House Bill No. 4436, entitled

A bill to make appropriations for the department of community health and certain state purposes related to mental health, public health, and medical services for the fiscal year ending September 30, 2010; to provide for the expenditure of those appropriations; to create funds; to require and provide for reports; to prescribe the powers and duties of certain local and state agencies and departments; and to provide for disposition of fees and other income received by the various state agencies.

The House of Representatives has adopted the report of the Committee of Conference.
The Conference Report was read as follows:

FIRST CONFERENCE REPORT

The Committee of Conference on the matters of difference between the two Houses concerning

House Bill No. 4436, entitled

A bill to make appropriations for the department of community health and certain state purposes related to mental health, public health, and medical services for the fiscal year ending September 30, 2010; to provide for the expenditure of those appropriations; to create funds; to require and provide for reports; to prescribe the powers and duties of certain local and state agencies and departments; and to provide for disposition of fees and other income received by the various state agencies.

Recommends:

First: That the House and Senate 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 community health and certain state purposes related to mental health, public health, and medical services for the fiscal year ending September 30, 2010; to provide for the expenditure of those appropriations; to create funds; to require and provide for reports; to prescribe the powers and duties of certain local and state agencies and departments; and to provide for disposition of fees and other income received by the various state agencies.

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 community health for the fiscal year ending September 30, 2010, from the funds indicated in this part. The following is a summary of the appropriations in this part:

DEPARTMENT OF COMMUNITY HEALTH

APPROPRIATION SUMMARY

Full-time equated unclassified positions.....	6.0	
Full-time equated classified positions	4,375.6	
Average population	893.0	
GROSS APPROPRIATION		\$ 13,092,429,800
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers		48,946,000
ADJUSTED GROSS APPROPRIATION		\$ 13,043,483,800
Federal revenues:		
Total other federal revenues		7,869,380,800
Total federal revenues (ARRA)		1,080,092,400
Special revenue funds:		
Total local revenues		225,972,600
Total private revenues		72,308,500
Merit award trust fund.....		22,899,900
Total other state restricted revenues		1,464,163,500
State general fund/general purpose		\$ 2,308,666,100

Sec. 102. DEPARTMENTWIDE ADMINISTRATION

Full-time equated unclassified positions.....	6.0	
Full-time equated classified positions	182.2	
Director and other unclassified—6.0 FTE positions		\$ 598,600
Departmental administration and management—172.2 FTE positions		22,407,300
Worker's compensation program		8,247,100
Rent and building occupancy		10,778,100
Developmental disabilities council and projects—10.0 FTE positions		2,793,500
GROSS APPROPRIATION		\$ 44,824,600

Appropriated from:

Federal revenues:		
Total federal revenues.....		13,605,300
Special revenue funds:		
Total private revenues.....		35,200
Total other state restricted revenues		2,366,100
State general fund/general purpose		\$ 28,818,000

Sec. 103. MENTAL HEALTH/SUBSTANCE ABUSE SERVICES ADMINISTRATION AND SPECIAL PROJECTS

Full-time equated classified positions	118.5	
Mental health/substance abuse program administration—117.5 FTE positions		\$ 14,691,200
Gambling addiction—1.0 FTE position		3,000,000
Protection and advocacy services support.....		194,400
Community residential and support services.....		2,136,000
Highway safety projects		400,000
Federal and other special projects		4,247,700
Family support subsidy		18,599,200
Housing and support services.....		9,306,800

	For Fiscal Year Ending Sept. 30, 2010
Anti-drug abuse grants	\$ 8,575,000
Interdepartmental grant to judiciary for drug treatment courts	1,800,000
GROSS APPROPRIATION	\$ 62,950,300
Appropriated from:	
Federal revenues:	
Total federal revenues.....	47,800,000
Special revenue funds:	
Total private revenues.....	190,000
Total other state restricted revenues	3,000,000
State general fund/general purpose	\$ 11,960,300
Sec. 104. COMMUNITY MENTAL HEALTH/SUBSTANCE ABUSE SERVICES	
PROGRAMS	
Full-time equated classified positions	9.5
Medicaid mental health services	\$ 1,970,775,800
Community mental health non-Medicaid services	287,468,000
Medicaid adult benefits waiver.....	40,000,000
Multicultural services	6,823,800
Medicaid substance abuse services.....	41,676,500
CMHSP, purchase of state services contracts.....	120,833,400
Civil service charges	1,499,300
Federal mental health block grant—2.5 FTE positions.....	15,374,900
State disability assistance program substance abuse services	2,243,100
Community substance abuse prevention, education, and treatment programs	82,592,300
Children's waiver home care program.....	19,549,800
Nursing home PAS/ARR-OBRA—7.0 FTE positions.....	12,116,000
Children with serious emotional disturbance waiver.....	7,188,000
GROSS APPROPRIATION	\$ 2,608,140,900
Appropriated from:	
Interdepartmental grant revenues:	
Interdepartmental grant from the department of human services.....	1,769,000
Federal revenues:	
Total other federal revenues	1,411,168,100
Federal FMAP stimulus (ARRA)	203,370,900
Special revenue funds:	
Total local revenues	25,228,900
Total other state restricted revenues	10,753,200
State general fund/general purpose	\$ 955,850,800
Sec. 105. STATE PSYCHIATRIC HOSPITALS, CENTERS FOR PERSONS WITH	
DEVELOPMENTAL DISABILITIES, AND FORENSIC AND PRISON MENTAL	
HEALTH SERVICES	
Total average population.....	893.0
Full-time equated classified positions	2,590.5
Caro regional mental health center - psychiatric hospital - adult—468.3 FTE positions	\$ 52,809,300
Average population	185.0
Kalamazoo psychiatric hospital - adult—483.1 FTE positions	51,065,700
Average population	189.0
Walter P. Reuther psychiatric hospital - adult—433.3 FTE positions.....	46,659,000
Average population	234.0
Hawthorn center - psychiatric hospital - children and adolescents—230.9 FTE positions.....	24,834,000
Average population	75.0
Mount Pleasant center - developmental disabilities	2,465,000
Center for forensic psychiatry—578.6 FTE positions.....	61,286,800
Average population	210.0
Forensic mental health services provided to the department of corrections—396.3 FTE	
positions.....	45,489,700
Revenue recapture	750,000

	For Fiscal Year Ending Sept. 30, 2010
IDEA, federal special education.....	\$ 120,000
Special maintenance	332,500
Purchase of medical services for residents of hospitals and centers.....	445,600
Closed site, transition, and related costs	2,050,100
Gifts and bequests for patient living and treatment environment	1,000,000
GROSS APPROPRIATION	\$ 289,307,700
Appropriated from:	
Interdepartmental grant revenues:	
Interdepartmental grant from the department of corrections.....	45,489,700
Federal revenues:	
Total other federal revenues	30,633,400
Federal FMAP stimulus (ARRA)	3,382,200
Special revenue funds:	
CMHSP, purchase of state services contracts.....	120,833,400
Other local revenues	16,928,200
Total private revenues.....	1,000,000
Total other state restricted revenues	12,331,700
State general fund/general purpose	\$ 58,709,100
Sec. 106. PUBLIC HEALTH ADMINISTRATION	
Full-time equated classified positions	92.7
Public health administration—8.3 FTE positions.....	\$ 1,631,300
Minority health grants and contracts—3.0 FTE positions	1,100,400
Promotion of healthy behaviors.....	2,375,900
Vital records and health statistics—81.4 FTE positions	10,392,000
GROSS APPROPRIATION	\$ 15,499,600
Appropriated from:	
Interdepartmental grant revenues:	
Interdepartmental grant from the department of human services.....	1,123,900
Federal revenues:	
Total federal revenues.....	5,236,900
Special revenue funds:	
Total private revenues.....	1,700,000
Total other state restricted revenues	6,116,000
State general fund/general purpose	\$ 1,322,800
Sec. 107. HEALTH POLICY, REGULATION, AND PROFESSIONS	
Full-time equated classified positions	420.6
Health systems administration—193.6 FTE positions	\$ 20,644,300
Emergency medical services program state staff—8.5 FTE positions	1,495,000
Radiological health administration—21.4 FTE positions.....	2,947,400
Emergency medical services grants and services	660,000
Health professions—147.0 FTE positions	24,598,200
Background check program—5.5 FTE positions	2,681,000
Health policy, regulation, and professions administration—25.2 FTE positions	2,985,800
Nurse scholarship, education, and research program—3.0 FTE positions	1,718,300
Certificate of need program administration—14.0 FTE positions	1,955,700
Rural health services—1.0 FTE position	1,405,700
Michigan essential health provider.....	1,325,100
Primary care services—1.4 FTE positions	2,318,800
Primary care services (ARRA).....	130,000
GROSS APPROPRIATION	\$ 64,865,300
Appropriated from:	
Interdepartmental grant revenues:	
Interdepartmental grant from the department of treasury, Michigan state hospital finance authority.....	116,300
Federal revenues:	
Total other federal revenues	23,123,000
Federal revenues (ARRA)	130,000

	For Fiscal Year Ending Sept. 30, 2010
Special revenue funds:	
Total local revenues	\$ 227,700
Total private revenues	455,000
Total other state restricted revenues	31,606,600
State general fund/general purpose	\$ 9,206,700
Sec. 108. INFECTIOUS DISEASE CONTROL	
Full-time equated classified positions 51.7	
AIDS prevention, testing, and care programs—12.7 FTE positions	\$ 41,367,600
Immunization local agreements	13,990,300
Immunization program management and field support—15.0 FTE positions	2,035,500
Pediatric AIDS prevention and control—1.0 FTE position	1,226,400
Sexually transmitted disease control local agreements	3,360,700
Sexually transmitted disease control management and field support—23.0 FTE positions	3,716,500
Infectious disease control (ARRA)	2,822,700
GROSS APPROPRIATION	\$ 68,519,700
Appropriated from:	
Federal revenues:	
Total other federal revenues	42,128,500
Federal revenues (ARRA)	2,822,700
Special revenue funds:	
Total private revenues	10,873,600
Total other state restricted revenues	9,535,200
State general fund/general purpose	\$ 3,159,700
Sec. 109. LABORATORY SERVICES	
Full-time equated classified positions 122.0	
Laboratory services—122.0 FTE positions	\$ 18,439,100
GROSS APPROPRIATION	\$ 18,439,100
Appropriated from:	
Interdepartmental grant revenues:	
Interdepartmental grant from the department of environmental quality	447,100
Federal revenues:	
Total federal revenues	1,683,600
Special revenue funds:	
Total other state restricted revenues	9,048,100
State general fund/general purpose	\$ 7,260,300
Sec. 110. EPIDEMIOLOGY	
Full-time equated classified positions 131.0	
AIDS surveillance and prevention program	\$ 2,254,100
Asthma prevention and control—2.6 FTE positions	843,500
Bioterrorism preparedness—68.6 FTE positions	48,905,100
Epidemiology administration—42.3 FTE positions	8,112,400
Lead abatement program—7.0 FTE positions	2,191,300
Newborn screening follow-up and treatment services—10.5 FTE positions	4,692,100
Tuberculosis control and prevention	867,000
GROSS APPROPRIATION	\$ 67,865,500
Appropriated from:	
Federal revenues:	
Total federal revenues	60,390,800
Special revenue funds:	
Total private revenues	25,000
Total other state restricted revenues	5,295,200
State general fund/general purpose	\$ 2,154,500
Sec. 111. LOCAL HEALTH ADMINISTRATION AND GRANTS	
Implementation of 1993 PA 133, MCL 333.17015	\$ 20,000
Local health services	100,000
Local public health operations	40,082,800

		For Fiscal Year Ending Sept. 30, 2010
Medicaid outreach cost reimbursement to local health departments	\$	9,000,000
GROSS APPROPRIATION	\$	49,202,800
Appropriated from:		
Federal revenues:		
Total federal revenues		9,000,000
Special revenue funds:		
Total local revenues		5,150,000
Total other state restricted revenues		100,000
State general fund/general purpose	\$	34,952,800
Sec. 112. CHRONIC DISEASE AND INJURY PREVENTION AND HEALTH PROMOTION		
Full-time equated classified positions	75.3	
Alzheimer's information network	\$	99,500
Cancer prevention and control program—12.0 FTE positions		14,304,400
Chronic disease prevention—27.7 FTE positions		5,285,700
Diabetes and kidney program—12.2 FTE positions		2,512,700
Health education, promotion, and research programs—6.5 FTE positions		829,600
Injury control intervention project		200,000
Public health traffic safety coordination—1.0 FTE position		445,100
Smoking prevention program—14.0 FTE positions		4,662,400
Violence prevention—1.9 FTE positions		1,892,900
GROSS APPROPRIATION	\$	30,232,300
Appropriated from:		
Federal revenues:		
Total federal revenues		22,388,600
Special revenue funds:		
Total private revenues		146,600
Total other state restricted revenues		5,896,800
State general fund/general purpose	\$	1,800,300
Sec. 113. FAMILY, MATERNAL, AND CHILDREN'S HEALTH SERVICES		
Full-time equated classified positions	56.3	
Childhood lead program—6.0 FTE positions	\$	1,766,600
Dental programs—3.0 FTE positions		1,094,400
Dental program for persons with developmental disabilities		151,000
Early childhood collaborative secondary prevention		524,000
Family, maternal, and children's health services administration—43.6 FTE positions		5,631,200
Family planning local agreements		9,085,700
Local MCH services		7,018,100
Pregnancy prevention program		1,747,200
Prenatal care outreach and service delivery support		3,249,300
School health and education programs—1.0 FTE position		400,000
Special projects—2.7 FTE positions		3,032,400
Sudden infant death syndrome program		321,300
GROSS APPROPRIATION	\$	34,021,200
Appropriated from:		
Federal revenues:		
Total federal revenues		27,293,700
Special revenue funds:		
Total local revenues		75,000
Total other state restricted revenues		1,545,100
State general fund/general purpose	\$	5,107,400
Sec. 114. WOMEN, INFANTS, AND CHILDREN FOOD AND NUTRITION PROGRAM		
Full-time equated classified positions	43.0	
Women, infants, and children program administration and special projects—		
43.0 FTE positions	\$	9,554,800

	For Fiscal Year Ending Sept. 30, 2010
Women, infants, and children program local agreements and food costs	\$ 236,506,700
GROSS APPROPRIATION	\$ 246,061,500
Appropriated from:	
Federal revenues:	
Total federal revenues.....	192,815,400
Special revenue funds:	
Total private revenues.....	53,246,100
State general fund/general purpose	\$ 0
Sec. 115. CHILDREN'S SPECIAL HEALTH CARE SERVICES	
Full-time equated classified positions 47.8	
Children's special health care services administration—45.0 FTE positions.....	\$ 4,902,100
Bequests for care and services—2.8 FTE positions	1,514,600
Outreach and advocacy.....	3,773,500
Nonemergency medical transportation	1,527,600
Medical care and treatment	231,455,100
GROSS APPROPRIATION	\$ 243,172,900
Appropriated from:	
Federal revenues:	
Total other federal revenues	141,515,900
Federal FMAP stimulus (ARRA)	19,218,200
Special revenue funds:	
Total private revenues.....	1,000,000
Total other state restricted revenues	3,837,000
State general fund/general purpose	\$ 77,601,800
Sec. 116. CRIME VICTIM SERVICES COMMISSION	
Full-time equated classified positions 11.0	
Grants administration services—11.0 FTE positions	\$ 1,498,200
Justice assistance grants	13,000,000
Crime victim rights services grants.....	12,500,000
Crime victim's rights fund revenue to Michigan state police	1,053,300
Crime victim's rights fund revenue to department of human services.....	1,300,000
GROSS APPROPRIATION	\$ 29,351,500
Appropriated from:	
Federal revenues:	
Total federal revenues.....	15,055,300
Special revenue funds:	
Total other state restricted revenues	14,296,200
State general fund/general purpose	\$ 0
Sec. 117. OFFICE OF SERVICES TO THE AGING	
Full-time equated classified positions 44.5	
Commission (per diem \$50.00).....	\$ 10,500
Office of services to aging administration—44.5 FTE positions	6,760,500
Community services	34,496,600
Nutrition services	36,170,500
Foster grandparent volunteer program.....	2,427,600
Retired and senior volunteer program	681,800
Senior companion volunteer program	1,743,800
Employment assistance.....	3,449,500
Respite care program.....	6,268,700
GROSS APPROPRIATION	\$ 92,009,500
Appropriated from:	
Federal revenues:	
Total federal revenues.....	55,203,900
Special revenue funds:	
Total private revenues.....	537,000
Merit award trust fund.....	4,468,700

	For Fiscal Year Ending Sept. 30, 2010
Total other state restricted revenues	\$ 1,800,000
State general fund/general purpose	\$ 29,999,900
Sec. 118. MEDICAL SERVICES ADMINISTRATION	
Full-time equated classified positions	379.0
Medical services administration—379.0 FTE positions	\$ 59,977,300
Facility inspection contract	132,800
MICild administration	4,327,800
GROSS APPROPRIATION	\$ 64,437,900
Appropriated from:	
Federal revenues:	
Total federal revenues	44,509,600
Special revenue funds:	
Total local revenues	5,000
Total other state restricted revenues	97,800
State general fund/general purpose	\$ 19,825,500
Sec. 119. MEDICAL SERVICES	
Hospital services and therapy	\$ 1,335,404,600
Hospital disproportionate share payments	50,000,000
Physician services	341,317,300
Medicare premium payments	341,408,400
Pharmaceutical services	315,359,600
Home health services	6,044,700
Hospice services	103,153,700
Transportation	13,000,000
Auxiliary medical services	7,599,500
Dental services	126,426,400
Ambulance services	11,734,700
Long-term care services	1,593,808,300
Medicaid home- and community-based services waiver	176,426,800
Adult home help services	264,057,900
Personal care services	20,463,400
Program of all-inclusive care for the elderly	16,600,000
Health plan services	3,483,069,900
MICild program	50,000,000
Plan first family planning waiver	8,782,200
Medicaid adult benefits waiver	139,198,700
Special indigent care payments	88,518,500
Federal Medicare pharmaceutical program	183,611,800
Promotion of healthy behavior waiver	10,000,000
Maternal and child health	20,279,500
Subtotal basic medical services program	8,706,265,900
School-based services	64,630,600
Special Medicaid reimbursement	239,696,400
Subtotal special medical services payments	304,327,000
GROSS APPROPRIATION	\$ 9,010,592,900
Appropriated from:	
Federal revenues:	
Total other federal revenues	5,688,603,000
Federal FMAP stimulus (ARRA)	851,168,400
Special revenue funds:	
Total local revenues	57,524,400
Total private revenues	3,100,000
Merit award trust fund	18,431,200
Total other state restricted revenues	1,342,964,600
State general fund/general purpose	\$ 1,048,801,300

For Fiscal Year
Ending Sept. 30,
2010

Sec. 120. INFORMATION TECHNOLOGY

Information technology services and projects	\$	36,133,500
Michigan Medicaid information system		16,801,100
GROSS APPROPRIATION	\$	52,934,600
Appropriated from:		
Federal revenues:		
Total federal revenues		37,225,800
Special revenue funds:		
Total other state restricted revenues		3,573,900
State general fund/general purpose	\$	12,134,900

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 2009-2010 is \$3,795,729,500.00 and state spending from state resources to be paid to local units of government for fiscal year 2009-2010 is \$1,217,612,600.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF COMMUNITY HEALTH

MENTAL HEALTH/SUBSTANCE ABUSE SERVICES ADMINISTRATION

AND SPECIAL PROJECTS

Community residential and support services	\$	344,600
Housing and support services		599,800

COMMUNITY MENTAL HEALTH/SUBSTANCE ABUSE SERVICES PROGRAMS

State disability assistance program substance abuse services	\$	2,243,100
Community substance abuse prevention, education, and treatment programs		16,814,800
Medicaid mental health services		501,559,400
Community mental health non-Medicaid services		287,468,000
Medicaid adult benefits waiver		10,308,000
Multicultural services		6,823,800
Medicaid substance abuse services		11,140,100
Children's waiver home care program		5,225,700
Nursing home PASARR		2,688,400

STATE PSYCHIATRIC HOSPITALS, CENTERS FOR PERSONS WITH DEVELOPMENTAL DISABILITIES, AND FORENSIC AND PRISON MENTAL HEALTH SERVICES

Center for forensic psychiatry	\$	290,300
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PUBLIC HEALTH ADMINISTRATION

Minority health grants and contracts	\$	241,000
Public health administration		61,500

HEALTH POLICY, REGULATION, AND PROFESSIONS

Nurse scholarship, education, and research programs	\$	72,600
Primary care services		115,600

INFECTIOUS DISEASE CONTROL

AIDS prevention, testing, and care programs	\$	865,700
Immunization local agreements		2,158,100
Immunization program management and field support		30,300
Sexually transmitted disease control local agreements		421,800

LABORATORY SERVICES

Laboratory services	\$	3,300
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EPIDEMIOLOGY

Epidemiology administration	\$	125,000
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LOCAL HEALTH ADMINISTRATION AND GRANTS

Implementation of 1993 PA 133	\$	5,300
Local public health operations		34,932,800

CHRONIC DISEASE AND INJURY PREVENTION AND HEALTH PROMOTION

Cancer prevention and control program	\$	397,300
Chronic disease prevention		261,600

Diabetes and kidney program	\$	357,700
Smoking prevention program		959,900
FAMILY, MATERNAL, AND CHILDREN'S HEALTH SERVICES		
Childhood lead program	\$	107,600
Family, maternal, and children's health administration		87,100
Family planning local agreements		111,300
Pregnancy prevention program		1,145,100
Prenatal care outreach and service delivery support		1,028,900
School health education programs		297,000
Special projects		175,000
CHILDREN'S SPECIAL HEALTH CARE SERVICES		
Medical care and treatment	\$	451,100
Outreach and advocacy		3,077,500
MEDICAL SERVICES		
Dental services	\$	2,348,100
Long-term care services		262,002,000
Transportation		5,736,900
Medicaid adult benefits waiver		9,443,300
Hospital services and therapy		6,113,400
Physician services		3,717,400
OFFICE OF SERVICES TO THE AGING		
Community services	\$	12,326,700
Nutrition services		9,670,300
Foster grandparent volunteer program		679,800
Retired and senior volunteer program		187,300
Senior companion volunteer program		206,500
Respite care program		5,384,800
CRIME VICTIM SERVICES COMMISSION		
Crime victim rights services grants	\$	6,800,000
TOTAL OF PAYMENTS TO LOCAL UNITS OF GOVERNMENT	\$	1,217,612,600

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

(2) Funds for which the state is acting as the custodian or agent are not subject to annual appropriation.

Sec. 203. As used in this act:

- (a) "AIDS" means acquired immunodeficiency syndrome.
- (b) "ARRA" means the American recovery and reinvestment act of 2009, Public Law 111-5.
- (c) "CMHSP" means a community mental health services program as that term is defined in section 100a of the mental health code, 1974 PA 258, MCL 330.1100a.
- (d) "Current fiscal year" means the fiscal year ending September 30, 2010.
- (e) "Department" means the Michigan department of community health.
- (f) "Director" means the director of the department.
- (g) "DSH" means disproportionate share hospital.
- (h) "EPSDT" means early and periodic screening, diagnosis, and treatment.
- (i) "Federal poverty level" means the poverty guidelines published annually in the federal register by the United States department of health and human services under its authority to revise the poverty line under 42 USC 9902.
- (j) "FMAP" means federal medical assistance percentages.
- (k) "FTE" means full-time equated.
- (l) "GME" means graduate medical education.
- (m) "Health plan" means, at a minimum, an organization that meets the criteria for delivering the comprehensive package of services under the department's comprehensive health plan.
- (n) "HIV/AIDS" means human immunodeficiency virus/acquired immune deficiency syndrome.
- (o) "HMO" means health maintenance organization.
- (p) "IDEA" means the individuals with disabilities education act, 20 USC 1400 to 1482.
- (q) "IDG" means interdepartmental grant.
- (r) "MCH" means maternal and child health.
- (s) "MICHild" means the program described in section 1670.
- (t) "MIHP" means the maternal infant health program.
- (u) "PASARR" means the preadmission screening and annual resident review required under the omnibus budget reconciliation act of 1987, section 1919(e)(7) of the social security act, 42 USC 1396r.

(v) "PIHP" means a specialty prepaid inpatient health plan for Medicaid mental health services, services to persons with developmental disabilities, and substance abuse services as described in section 232b of the mental health code, 1974 PA 258, MCL 330.1232b.

(w) "Title XVIII" means title XVIII of the social security act, 42 USC 1395 to 1395iii.

(x) "Title XIX" means title XIX of the social security act, 42 USC 1396 to 1396w-1.

(y) "Title XX" means title XX of the social security act, 42 USC 1397 to 1397f.

(z) "WIC" means women, infants, and children supplemental nutrition program.

Sec. 204. The civil service commission shall bill the department 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. The department shall pay 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 render a state department or agency unable to deliver basic services, will cause loss of revenue to the state, will result in the inability of the state to receive federal funds, or will necessitate additional expenditures that exceed any savings from maintaining a vacancy. The state budget director shall report annually to the chairpersons of the senate and house 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. 206. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$100,000,000.00 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 \$20,000,000.00 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 \$20,000,000.00 for local contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this 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 \$10,000,000.00 for private contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this act under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

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 shall be given to goods or services, or both, manufactured or provided by Michigan businesses if they are competitively priced and of comparable quality. In addition, preference shall 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 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. 211. (1) If the revenue collected by the department from fees and collections exceeds the amount appropriated in part 1, the revenue may be carried forward with the approval of the state budget director into the subsequent fiscal year. The revenue carried forward under this section shall be used as the first source of funds in the subsequent fiscal year.

(2) The department shall provide a report to the senate and house appropriations subcommittees on community health and the senate and house fiscal agencies on the balance of each of the restricted funds administered by the department as of September 30 of the current fiscal year.

Sec. 212. (1) From the amounts appropriated in part 1, no greater than the following amounts are supported with federal maternal and child health block grant, preventive health and health services block grant, substance abuse block grant, healthy Michigan fund, and Michigan health initiative funds:

(a) Maternal and child health block grant.....	\$	19,030,900
(b) Preventive health and health services block grant.....		3,589,800
(c) Substance abuse block grant.....		60,632,200
(d) Healthy Michigan fund.....		37,428,200
(e) Michigan health initiative		9,100,000

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

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

(4) The department shall provide to the same parties in subsection (2) all revenue source detail for consolidated revenue line item detail upon request to the department.

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

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

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

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

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

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

Sec. 214. The use of state-restricted tobacco tax revenue received for the purpose of tobacco prevention, education, and reduction efforts and deposited in the healthy Michigan fund shall not be used for lobbying as defined in section 5 of 1978 PA 472, MCL 4.415, and shall not be used in attempting to influence the decisions of the legislature, the governor, or any state agency.

Sec. 215. (1) The department shall report 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 by no later than April 1, 2010 on each specific policy change made by the department to implement a public act affecting that department that took effect during the preceding 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. 216. (1) In addition to funds appropriated in part 1 for all programs and services, there is appropriated for write-offs of accounts receivable, deferrals, and for prior year obligations in excess of applicable prior year appropriations, an amount equal to total write-offs and prior year obligations, but not to exceed amounts available in prior year revenues.

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

(3) The department shall report by March 15 of the current fiscal year to the house of representatives and senate appropriations subcommittees on community health on all reimbursements, refunds, adjustments, and settlements from prior years.

Sec. 218. The department shall include the following in its annual list of proposed basic health services as required in part 23 of the public health code, 1978 PA 368, MCL 333.2301 to 333.2321:

(a) Immunizations.

(b) Communicable disease control.

(c) Sexually transmitted disease control.

(d) Tuberculosis control.

(e) Prevention of gonorrhea eye infection in newborns.

(f) Screening newborns for the conditions listed in section 5431 of the public health code, 1978 PA 368, MCL 333.5431, or recommended by the newborn screening quality assurance advisory committee created under section 5430 of the public health code, 1978 PA 368, MCL 333.5430.

(g) Community health annex of the Michigan emergency management plan.

(h) Prenatal care.

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

- (a) A detailed description of each funded project.
- (b) The amount allocated for each project, the appropriation line item from which the allocation is funded, and the source of financing for each project.
- (c) The expected project duration.
- (d) A detailed spending plan for each project, including a list of all subgrantees and the amount allocated to each subgrantee.

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

Sec. 220. All contracts with the Michigan public health institute funded with appropriations in part 1 shall include a requirement that the Michigan public health institute submit to financial and performance audits by the state auditor general of projects funded with state appropriations.

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

Sec. 259. 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. 260. 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. 261. Funds appropriated in part 1 for the Medicaid management information system upgrade are contingent upon approval of an advanced planning document from the centers for Medicare and Medicaid services. If the necessary matching funds are identified and legislatively transferred to this line item, the corresponding federal Medicaid revenue shall be appropriated at a 90/10 federal/state match rate. This appropriation may be designated as a work project and carried forward to support completion of this project.

Sec. 264. (1) Upon submission of a Medicaid waiver, a Medicaid state plan amendment, or a similar proposal to the centers for Medicare and Medicaid services, the department shall notify the house and senate appropriations subcommittees on community health and the house and senate fiscal agencies of the submission.

(2) The department shall provide written or verbal quarterly reports to the senate and house appropriations subcommittees on community health and the senate and house fiscal agencies summarizing the status of any new or ongoing discussions with the centers for Medicare and Medicaid services or the federal department of health and human services regarding potential or future Medicaid waiver applications.

Sec. 265. The departments and agencies receiving appropriations in part 1 shall receive and retain copies of all reports funded from appropriations in part 1. Federal and state guidelines for short-term and long-term retention of records shall be followed.

Sec. 266. (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 of representatives and senate 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 senate and house 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. 267. A department or state agency shall not take disciplinary action against an employee for communicating with a member of the legislature or his or her staff.

Sec. 269. The amount appropriated in part 1 for medical services pharmaceutical services includes funds to cover reimbursement of mental health medications under the Medicaid program.

Sec. 270. Within 90 days after receipt of the notification from the attorney general's office of a legal action in which expenses had been recovered pursuant to section 106(4) of the social welfare act, 1939 PA 280, MCL 400.106, or any other statute under which the department has the right to recover expenses, the department shall submit a written report to the house and senate appropriations subcommittees on community health, the house and senate fiscal agencies, and the state budget office which includes, at a minimum, all of the following:

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

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

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

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

Sec. 271. (1) The department, in cooperation with a PIHP, a Medicaid HMO, or a federally qualified health center shall establish and implement an early mental health services intervention pilot project. This project shall provide care coordination, disease management, and pharmacy management to eligible recipients suffering from chronic disease, including, but not limited to, diabetes, asthma, substance addiction, or stroke. Participating organizations may make use of data sharing, joint information technology efforts, and financial incentives to health providers and recipients in this project. The department shall encourage that each CMHSP and Medicaid health plan act in a coordinated manner in the establishment of their respective electronic medical record systems.

(2) The pilot project shall make use of preestablished objectives and outcome measures to determine the cost effectiveness of the project. Participating organizations shall collect data to study and monitor the correlation between early mental health treatment services to program participants and improvement in the management of their chronic disease.

(3) The department shall request any necessary Medicaid state plan amendments or waivers to ensure participation in this project by eligible Medicaid recipients.

(4) A progress report on the pilot project shall be provided to the house and senate appropriations subcommittees on community health, the house and senate fiscal agencies, and the state budget director no later than May 1 of the current fiscal year.

Sec. 272. (1) The department shall make efforts to implement the results of the study of current policies and allocation methodologies specified in section 272 of 2007 PA 123. These efforts to encourage administrative efficiencies shall apply to the following entities:

(a) Local public health departments.

(b) CMHSPs.

(c) Substance abuse coordinating agencies.

(d) Area agencies on aging.

(2) The department shall consult with at least the following applicable organizations in implementing the results of the study:

(a) The Michigan association of community mental health boards.

(b) The Michigan association for local public health.

(c) The Michigan association of substance abuse coordinating agencies.

(d) The area agencies on aging association of Michigan.

(3) The department shall submit a report on its efforts to implement the results of the study to the senate and house appropriations subcommittees on community health, the senate and house committees on health policy, the senate and house fiscal agencies, and the state budget director by April 1 of the current fiscal year.

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

Sec. 282. (1) The department, through its organizational units responsible for departmental administration, operation, and finance, shall establish uniform definitions, standards, and instructions for the classification, allocation, assignment, calculation, recording, and reporting of administrative costs by the following entities:

(a) Coordinating agencies on substance abuse, Salvation Army harbor light program, and their subcontractors that receive payment or reimbursement from funds appropriated under section 104.

(b) Area agencies on aging and local providers, and their subcontractors that receive payment or reimbursement from funds appropriated under section 117.

(2) By May 15 of the current fiscal year, the department shall provide a written draft of its proposed definitions, standards, and instructions to the house of representatives and senate appropriations subcommittees on community health, the house and senate fiscal agencies, and the state budget director.

Sec. 284. The department shall not approve the travel of more than 1 departmental employee to a specific professional development conference or training seminar that is located outside of this state unless the professional development conference or training seminar is funded by a federal or private funding source and requires more than 1 person from a department to attend, or the conference or training seminar includes multiple issues in which 1 employee from the department does not have expertise.

Sec. 285. (1) By April 1 of the current fiscal year, the department shall expand its current prescription drug website to provide all of the following information:

(a) The 150 most commonly prescribed brand name drug products under the Medicaid program and, if available, their generic equivalents.

(b) The most commonly prescribed brand name drug products used for the treatment of all major illnesses and diseases, if not already included under subdivision (a), and, if available, their generic equivalents.

(c) The usual and customary price of each brand name and generic prescription drug listed.

(d) The dosage, including the number of doses and dosage strength, on which the price is based.

(e) Names and addresses for the pharmacies associated with the listed prescription drugs.

(f) A minimum of 5 links to other useful websites that can provide assistance to consumers.

(g) The department's toll-free telephone number that residents of this state may call to determine which prescription drug programs they may be eligible for, including free and discounted prescription drug programs.

(h) An advisory statement alerting consumers of the need to tell their health professionals and pharmacists about all the medications they are taking so that they know how to avoid harmful interactions between medications.

(i) An advisory statement alerting consumers that the price posted for a listed drug product is only for the strength and quantity posted.

(j) A date stamp indicating the most recent date the usual and customary price of each brand name and generic prescription drug listed was updated.

(k) A notation indicating a prescription drug price was corrected.

(2) The department shall provide a progress report on these efforts to the senate and house appropriations subcommittees on community health and the senate and house fiscal agencies by May 1 of the current fiscal year.

Sec. 286. From the funds appropriated in part 1, the department shall use an amount not to exceed \$10,000.00 to develop, post, and maintain on a publicly accessible Internet site all expenditures made by the agency within a fiscal year. The department shall not be required to hire additional employees to comply with this section.

Sec. 287. Not later than December 1, 2010, the department shall prepare and transmit a report that provides for estimates of the total general fund/general purpose appropriation lapses at the close of the fiscal year. This report shall summarize the projected year-end general fund/general purpose appropriations lapses by major departmental program or program areas. The report shall be transmitted to the office of the state budget, the chairpersons of the senate and house appropriations committees, and the fiscal agencies.

Sec. 288. By April 1 of the current fiscal year, the department shall report to the house and senate appropriations subcommittees on community health, the house and senate fiscal agencies, and the state budget director on the feasibility and impact of including antipsychotic prescriptions, net of actual rebates, into the actuarially sound capitation rates for the PIHPs. If this initiative is feasible, the report shall include a proposed implementation plan.

Sec. 291. From the funds appropriated in part 1, up to \$100.00 shall be allocated for a cooperative effort between the department, the department of human services, and the department of state police to coordinate the functions of the state police LEIN system and the department of human services bridges case management system. The purpose of this effort will be to provide usable data that will allow authorized users of the bridges case management system to identify those persons who may be ineligible to receive certain assistance services due to their law enforcement status.

DEPARTMENTWIDE ADMINISTRATION

Sec. 301. From funds appropriated for worker's compensation, the department may make payments in lieu of worker's compensation payments for wage and salary and related fringe benefits for employees who return to work under limited duty assignments.

Sec. 303. The department shall not require first-party payment from individuals or families with a taxable income of \$10,000.00 or less for mental health services for determinations made under section 818 of the mental health code, 1974 PA 258, MCL 330.1818.

MENTAL HEALTH/SUBSTANCE ABUSE SERVICES ADMINISTRATION AND SPECIAL PROJECTS

Sec. 350. The department may enter into a contract with the protection and advocacy agency, authorized under section 931 of the mental health code, 1974 PA 258, MCL 330.1931, or a similar organization to provide legal services for purposes of gaining and maintaining occupancy in a community living arrangement that is under lease or contract with the department or a community mental health services program to provide services to persons with mental illness or developmental disability.

Sec. 351. The department shall provide \$1,800,000.00 in Byrne justice assistance grant program funding to the judiciary by interdepartmental grant.

COMMUNITY MENTAL HEALTH/SUBSTANCE ABUSE SERVICES PROGRAMS

Sec. 401. Funds appropriated in part 1 are intended to support a system of comprehensive community mental health services under the full authority and responsibility of local CMHSPs or PIHPs. The department shall ensure that each CMHSP or PIHP provides all of the following:

- (a) A system of single entry and single exit.
- (b) A complete array of mental health services that includes, but is not limited to, all of the following services: residential and other individualized living arrangements, outpatient services, acute inpatient services, and long-term, 24-hour inpatient care in a structured, secure environment.
- (c) The coordination of inpatient and outpatient hospital services through agreements with state-operated psychiatric hospitals, units, and centers in facilities owned or leased by the state, and privately-owned hospitals, units, and centers licensed by the state pursuant to sections 134 through 149b of the mental health code, 1974 PA 258, MCL 330.1134 to 330.1149b.
- (d) Individualized plans of service that are sufficient to meet the needs of individuals, including those discharged from psychiatric hospitals or centers, and that ensure the full range of recipient needs is addressed through the CMHSP's or PIHP's program or through assistance with locating and obtaining services to meet these needs.
- (e) A system of case management or care management to monitor and ensure the provision of services consistent with the individualized plan of services or supports.
- (f) A system of continuous quality improvement.
- (g) A system to monitor and evaluate the mental health services provided.
- (h) A system that serves at-risk and delinquent youth as required under the provisions of the mental health code, 1974 PA 258, MCL 330.1001 to 330.2106.

Sec. 402. (1) From funds appropriated in part 1, final authorizations to CMHSPs or PIHPs shall be made upon the execution of contracts between the department and CMHSPs or PIHPs. The contracts shall contain an approved plan and budget as well as policies and procedures governing the obligations and responsibilities of both parties to the contracts. Each contract with a CMHSP or PIHP that the department is authorized to enter into under this subsection shall include a provision that the contract is not valid unless the total dollar obligation for all of the contracts between the department and the CMHSPs or PIHPs entered into under this subsection for the current fiscal year does not exceed the amount of money appropriated in part 1 for the contracts authorized under this subsection.

(2) The department shall immediately report to the senate and house appropriations subcommittees on community health, the senate and house fiscal agencies, and the state budget director if either of the following occurs:

- (a) Any new contracts with CMHSPs or PIHPs that would affect rates or expenditures are enacted.
- (b) Any amendments to contracts with CMHSPs or PIHPs that would affect rates or expenditures are enacted.
- (3) The report required by subsection (2) shall include information about the changes and their effects on rates and expenditures.

Sec. 403. (1) From the funds appropriated in part 1 for multicultural services, the department shall ensure that CMHSPs or PIHPs meet with multicultural service providers to develop a workable framework for contracting, service delivery, and reimbursement.

(2) Funds appropriated in part 1 for multicultural services shall not be utilized for services provided to illegal immigrants, fugitive felons, and people who are not residents of this state. The department shall modify contracts with recipients of multicultural services grants to mandate that grantees establish that recipients of services are legally residing in the United States. An exception to the contractual provision will be allowed to address persons presenting with emergent mental health conditions.

(3) The department shall require an annual report from the independent organizations that receive multicultural services funding. The annual report shall include specific information on services and programs provided, the client base to which the services and programs were provided, and the expenditures for those services. The department shall provide the annual reports to the senate and house appropriations subcommittees on community health and the senate and house fiscal agencies.

Sec. 404. (1) Not later than May 31 of the current fiscal year, the department shall provide a report on the community mental health services programs to the members of the house and senate appropriations subcommittees on community health, the house and senate fiscal agencies, and the state budget director that includes the information required by this section.

(2) The report shall contain information for each CMHSP or PIHP and a statewide summary, each of which shall include at least the following information:

(a) A demographic description of service recipients which, minimally, shall include reimbursement eligibility, client population, age, ethnicity, housing arrangements, and diagnosis.

(b) Per capita expenditures by client population group.

(c) Financial information that, minimally, includes a description of funding authorized; expenditures by client group and fund source; and cost information by service category, including administration. Service category includes all department-approved services.

(d) Data describing service outcomes that includes, but is not limited to, an evaluation of consumer satisfaction, consumer choice, and quality of life concerns including, but not limited to, housing and employment.

(e) Information about access to community mental health services programs that includes, but is not limited to, the following:

(i) The number of people receiving requested services.

(ii) The number of people who requested services but did not receive services.

(f) The number of second opinions requested under the code and the determination of any appeals.

(g) An analysis of information provided by CMHSPs in response to the needs assessment requirements of the mental health code, 1974 PA 258, MCL 330.1001 to 330.2106, including information about the number of persons in the service delivery system who have requested and are clinically appropriate for different services.

(h) Lapses and carryforwards during the immediately preceding fiscal year for CMHSPs or PIHPs.

(i) Information about contracts for mental health services entered into by CMHSPs or PIHPs with providers, including, but not limited to, all of the following:

(i) The amount of the contract, organized by type of service provided.

(ii) Payment rates, organized by the type of service provided.

(iii) Administrative costs for services provided to CMHSPs or PIHPs.

(j) Information on the community mental health Medicaid managed care program, including, but not limited to, both of the following:

(i) Expenditures by each CMHSP or PIHP organized by Medicaid eligibility group, including per eligible individual expenditure averages.

(ii) Performance indicator information required to be submitted to the department in the contracts with CMHSPs or PIHPs.

(k) An estimate of the number of direct care workers in local residential settings and paraprofessional and other nonprofessional direct care workers in settings where skill building, community living supports and training, and personal care services are provided by CMHSPs or PIHPs as of September 30 of the prior fiscal year employed directly or through contracts with provider organizations.

(3) The department shall include data reporting requirements listed in subsection (2) in the annual contract with each individual CMHSP or PIHP.

(4) The department shall take all reasonable actions to ensure that the data required are complete and consistent among all CMHSPs or PIHPs.

Sec. 405. (1) It is the intent of the legislature that the employee wage pass-through funded in previous years to the community mental health services programs for direct care workers in local residential settings and for paraprofessional and other nonprofessional direct care workers in settings where skill building, community living supports and training, and personal care services are provided shall continue to be paid to direct care workers.

(2) Each CMHSP awarded wage pass-through money from the funds established under subsection (1) shall report on the actual expenditures of the money in the format determined by the department.

Sec. 406. (1) The funds appropriated in part 1 for the state disability assistance substance abuse services program shall be used to support per diem room and board payments in substance abuse residential facilities. Eligibility of clients for the state disability assistance substance abuse services program shall include needy persons 18 years of age or older, or emancipated minors, who reside in a substance abuse treatment center.

(2) The department shall reimburse all licensed substance abuse programs eligible to participate in the program at a rate equivalent to that paid by the department of human services to adult foster care providers. Programs accredited by department-approved accrediting organizations shall be reimbursed at the personal care rate, while all other eligible programs shall be reimbursed at the domiciliary care rate.

Sec. 407. (1) The amount appropriated in part 1 for substance abuse prevention, education, and treatment grants shall be expended for contracting with coordinating agencies. Coordinating agencies shall work with CMHSPs or PIHPs to coordinate care and services provided to individuals with severe and persistent mental illness and substance abuse diagnoses.

(2) The department shall approve a fee schedule for providing substance abuse services and charge participants in accordance with their ability to pay.

(3) It is the intent of the legislature that the coordinating agencies continue current efforts to collaborate on the delivery of services to those clients with severe and persistent mental illness and substance abuse diagnoses.

(4) Coordinating agencies that are located completely within the boundary of a PIHP shall conduct a study of the administrative costs and efficiencies associated with consolidation with that PIHP. If that coordinating agency realizes an administrative cost savings of 5% or greater of their current costs, then that coordinating agency shall initiate discussions regarding a potential merger in accordance with section 6226 of the public health code, 1978 PA 368, MCL 333.6226.

(5) From the funds appropriated in part 1 for community substance abuse prevention, education, and treatment programs, \$100.00 shall be used to fund medically necessary medications prescribed by a physician for the treatment of alcoholism and other substance abuse disorders.

(6) From the funds appropriated in part 1 for community substance abuse prevention, education, and treatment programs, \$300,000.00 shall be used to establish a methadone/buprenorphine clinic in a county with a population less than 35,000. The department shall work with a local substance abuse coordinating agency to develop the clinic. The coordinating agency shall serve at least 25 counties.

(7) Effective April 1, 2010, only PIHPs shall be considered substance abuse coordinating agencies for purposes of reimbursement with funds appropriated in part 1.

Sec. 408. (1) By April 15 of the current fiscal year, the department shall report the following data from the prior fiscal year on substance abuse prevention, education, and treatment programs to the senate and house appropriations subcommittees on community health, the senate and house fiscal agencies, and the state budget office:

(a) Expenditures stratified by coordinating agency, by central diagnosis and referral agency, by fund source, by subcontractor, by population served, and by service type. Additionally, data on administrative expenditures by coordinating agency shall be reported.

(b) Expenditures per state client, with data on the distribution of expenditures reported using a histogram approach.

(c) Number of services provided by central diagnosis and referral agency, by subcontractor, and by service type. Additionally, data on length of stay, referral source, and participation in other state programs.

(d) Collections from other first- or third-party payers, private donations, or other state or local programs, by coordinating agency, by subcontractor, by population served, and by service type.

(2) The department shall take all reasonable actions to ensure that the required data reported are complete and consistent among all coordinating agencies.

Sec. 409. The funding in part 1 for substance abuse services shall be distributed in a manner that provides priority to service providers that furnish child care services to clients with children.

Sec. 410. The department shall assure that substance abuse treatment is provided to applicants and recipients of public assistance through the department of human services who are required to obtain substance abuse treatment as a condition of eligibility for public assistance.

Sec. 411. (1) The department shall ensure that each contract with a CMHSP or PIHP requires the CMHSP or PIHP to implement programs to encourage diversion of persons with serious mental illness, serious emotional disturbance, or developmental disability from possible jail incarceration when appropriate.

(2) Each CMHSP or PIHP shall have jail diversion services and shall work toward establishing working relationships with representative staff of local law enforcement agencies, including county prosecutors' offices, county sheriffs' offices, county jails, municipal police agencies, municipal detention facilities, and the courts. Written interagency agreements describing what services each participating agency is prepared to commit to the local jail diversion effort and the procedures to be used by local law enforcement agencies to access mental health jail diversion services are strongly encouraged.

Sec. 412. The department shall contract directly with the Salvation Army harbor light program to provide non-Medicaid substance abuse services.

Sec. 414. Medicaid substance abuse treatment services shall be managed by selected PIHPs pursuant to the centers for Medicare and Medicaid services' approval of Michigan's 1915(b) waiver request to implement a managed care plan for specialized substance abuse services. The selected PIHPs shall receive a capitated payment on a per eligible per month basis to assure provision of medically necessary substance abuse services to all beneficiaries who require those services. The selected PIHPs shall be responsible for the reimbursement of claims for specialized substance abuse services. The PIHPs that are not coordinating agencies may continue to contract with a coordinating agency. Any alternative arrangement must be based on client service needs and have prior approval from the department.

Sec. 418. On or before the tenth of each month, the department shall report to the senate and house appropriations subcommittees on community health, the senate and house fiscal agencies, and the state budget director on the amount of funding paid to PIHPs to support the Medicaid managed mental health care program in the preceding month. The information shall include the total paid to each PIHP, per capita rate paid for each eligibility group for each PIHP, and number of cases in each eligibility group for each PIHP, and year-to-date summary of eligibles and expenditures for the Medicaid managed mental health care program.

Sec. 424. Each PIHP that contracts with the department to provide services to the Medicaid population shall adhere to the following timely claims processing and payment procedure for claims submitted by health professionals and facilities:

(a) A "clean claim" as described in section 111i of the social welfare act, 1939 PA 280, MCL 400.111i, shall be paid within 45 days after receipt of the claim by the PIHP. A clean claim that is not paid within this time frame shall bear simple interest at a rate of 12% per annum.

(b) A PIHP must state in writing to the health professional or facility any defect in the claim within 30 days after receipt of the claim.

(c) A health professional and a health facility have 30 days after receipt of a notice that a claim or a portion of a claim is defective within which to correct the defect. The PIHP shall pay the claim within 30 days after the defect is corrected.

Sec. 428. Each PIHP shall provide, from internal resources, local funds to be used as a bona fide part of the state match required under the Medicaid program in order to increase capitation rates for PIHPs. These funds shall not include either state funds received by a CMHSP for services provided to non-Medicaid recipients or the state matching portion of the Medicaid capitation payments made to a PIHP.

Sec. 435. A county required under the provisions of the mental health code, 1974 PA 258, MCL 330.1001 to 330.2106, to provide matching funds to a CMHSP for mental health services rendered to residents in its jurisdiction shall pay the matching funds in equal installments on not less than a quarterly basis throughout the fiscal year, with the first payment being made by October 1 of the current fiscal year.

Sec. 442. (1) It is the intent of the legislature that the \$40,000,000.00 in funding transferred from the community mental health non-Medicaid services line to support the Medicaid adult benefits waiver program shall be used to provide state match for increases in federal funding for primary care and specialty services provided to Medicaid adult benefits waiver enrollees and for economic increases for the Medicaid specialty services and supports program.

(2) The department shall assure that persons enrolled in the Medicaid adult benefits waiver program shall receive mental health services as approved in the state plan amendment.

(3) Capitation payments to CMHSPs for persons who become enrolled in the Medicaid adult benefits waiver program shall be made using the same rate methodology as payments for the current Medicaid beneficiaries.

(4) If enrollment in the Medicaid adult benefits waiver program does not achieve expectations and the funding appropriated for the Medicaid adult benefits waiver program for specialty services is not expended, the general fund balance shall be transferred back to the community mental health non-Medicaid services line. The department shall report quarterly to the senate and house appropriations subcommittees on community health a summary of eligible expenditures for the Medicaid adult benefits waiver program by CMHSPs.

Sec. 452. Unless otherwise authorized by law, the department shall not implement retroactively any policy that would lead to a negative financial impact on CMHSPs or PIHPs.

Sec. 456. (1) CMHSPs and PIHPs shall honor consumer choice to the fullest extent possible when providing services and support programs for individuals with mental illness, developmental disabilities, or substance abuse issues. Consumer choices shall include skill-building assistance, rehabilitative and habilitative services, supported and integrated employment services program settings, and other work preparatory services provided in the community or by accredited community-based rehabilitation organizations. CMHSPs and PIHPs shall not arbitrarily eliminate or restrict any choices from the array of services and program settings available to consumers without reasonable justification that those services are not in the consumer's best interest.

(2) CMHSPs and PIHPs shall take all necessary steps to ensure that individuals with mental illness, developmental disabilities, or substance abuse issues be placed in the least restrictive setting in the quickest amount of time possible if it is the individual's choice.

Sec. 458. By April 15 of the current fiscal year, the department shall provide each of the following to the house and senate appropriations subcommittees on community health, the house and senate fiscal agencies, and the state budget director:

(a) An updated plan for implementing each of the recommendations of the Michigan mental health commission made in the commission's report dated October 15, 2004.

(b) A report that evaluates the cost-benefit of establishing secure residential facilities of fewer than 17 beds for adults with serious mental illness, modeled after such programming in Oregon or other states. This report shall examine the potential impact that utilization of secure residential facilities would have upon the state's need for adult mental health facilities.

(c) In conjunction with the state court administrator's office, a report that evaluates the cost-benefit of establishing a specialized mental health court program that diverts adults with serious mental illness alleged to have committed an offense deemed nonserious into treatment prior to the filing of any charges.

Sec. 460. (1) The uniform definitions, standards, and instructions for the classification, allocation, assignment, calculation, recording, and reporting of administrative costs by PIHPs, CMHSPs, and contracted organized provider systems that receive payment or reimbursement from funds appropriated under section 104 that were implemented in

fiscal year 2006-2007 by the department shall also be implemented for their subcontractors in fiscal year 2009-2010, and shall be consistent with Internal Revenue Service 990 and Office of Management and Budget A-87 guidelines.

(2) The department shall provide the house and senate appropriations subcommittees on community health, the house and senate fiscal agencies, and the state budget director with a progress report on the implementation required under subsection (1). The progress report is due on July 1 of the current fiscal year.

Sec. 462. By October 15 of the current fiscal year, the department shall report to the house and senate appropriations subcommittees on community health, the house and senate fiscal agencies, and the state budget director the funding formula and allocations for all CMHSPs that receive funds appropriated under the community mental health non-Medicaid services line. The report shall include a comparison of the current fiscal year allocation to the prior fiscal year allocation and describe the factors used in the funding formula to achieve an equitable distribution of funds.

Sec. 463. The department shall use standard program evaluation measures to assess the overall effectiveness of programs provided through coordinating agencies and service providers in reducing and preventing the incidence of substance abuse. The measures established by the department shall be modeled after the program outcome measures and best practice guidelines for the treatment of substance abuse as proposed by the federal substance abuse and mental health services administration.

Sec. 465. Funds appropriated in part 1 for respite services shall be used for direct respite care services for children with serious emotional disturbances and their families. Not more than 1% of the funds allocated for respite services shall be expended by CMHSPs for administration and administrative purposes.

Sec. 468. To foster a more efficient administration of and to integrate care in publicly funded mental health and substance abuse services, the department shall maintain criteria for the incorporation of a city, county, or regional substance abuse coordinating agency into a local community mental health authority that will encourage those city, county, or regional coordinating agencies to incorporate as local community mental health authorities. If necessary, the department may make accommodations or adjustments in formula distribution to address administrative costs related to the maintenance of the criteria under this section and to the incorporation of the additional coordinating agencies into local community mental health authorities provided that all of the following are satisfied:

(a) The department provides funding for the administrative costs incurred by coordinating agencies incorporating into community mental health authorities. The department shall not provide more than \$75,000.00 to any coordinating agency for administrative costs.

(b) The accommodations or adjustments do not favor coordinating agencies who voluntarily elect to integrate with local community mental health authorities.

(c) The accommodations or adjustments do not negatively affect other coordinating agencies.

Sec. 470. (1) For those substance abuse coordinating agencies that have voluntarily incorporated into community mental health authorities and accepted funding from the department for administrative costs incurred pursuant to section 468, the department shall establish written expectations for those CMHSPs, PIHPs, and substance abuse coordinating agencies and counties with respect to the integration of mental health and substance abuse services. At a minimum, the written expectations shall provide for the integration of those services as follows:

(a) Coordination and consolidation of administrative functions and redirection of efficiencies into service enhancements.

(b) Consolidation of points of 24-hour access for mental health and substance abuse services in every community.

(c) Alignment of coordinating agencies and PIHPs boundaries to maximize opportunities for collaboration and integration of administrative functions and clinical activities.

(2) By May 1 of the current fiscal year, the department shall report to the house and senate appropriations subcommittees on community health, the house and senate fiscal agencies, and the state budget office on the impact and effectiveness of this section and the status of the integration of mental health and substance abuse services.

Sec. 474. The department shall ensure that each contract with a CMHSP or PIHP requires the CMHSP or PIHP to provide each recipient and his or her family with information regarding the different types of guardianship and the alternatives to guardianship. A CMHSP or PIHP shall not, in any manner, attempt to reduce or restrict the ability of a recipient or his or her family from seeking to obtain any form of legal guardianship without just cause.

Sec. 480. The department shall provide to the senate and house appropriations subcommittees on community health and the senate and house fiscal agencies by March 30 of the current fiscal year a report on the number and reimbursement cost of atypical antipsychotic prescriptions by each PIHP for Medicaid beneficiaries.

Sec. 482. From the funds appropriated in part 1, the department shall continue funding for programs provided by Odyssey house.

Sec. 483. (1) A Medicaid recipient shall remain eligible and a qualifying applicant shall be determined eligible for medical assistance during a period of incarceration or detention. Medicaid coverage is limited during such a period to off-site inpatient hospitalization only.

(2) A Medicaid recipient is considered incarcerated or detained until released on bail, released as not guilty, released on parole, released on probation, released on pardon, released upon completing a sentence, or released under home detention or tether.

Sec. 489. The department shall work with the Michigan association of community mental health boards and individual CMHSPs in an effort to mitigate necessary reductions to the community mental health non-Medicaid services line by seeking alternative funding sources.

STATE PSYCHIATRIC HOSPITALS, CENTERS FOR PERSONS WITH DEVELOPMENTAL DISABILITIES, AND FORENSIC AND PRISON MENTAL HEALTH SERVICES

Sec. 601. (1) In funding of staff in the financial support division, reimbursement, and billing and collection sections, priority shall be given to obtaining third-party payments for services. Collection from individual recipients of services and their families shall be handled in a sensitive and nonharassing manner.

(2) The department shall continue a revenue recapture project to generate additional revenues from third parties related to cases that have been closed or are inactive. Revenues collected through project efforts are appropriated to the department for departmental costs and contractual fees associated with these retroactive collections and to improve ongoing departmental reimbursement management functions.

Sec. 602. Unexpended and unencumbered amounts and accompanying expenditure authorizations up to \$1,000,000.00 remaining on September 30 of the current fiscal year from the amounts appropriated in part 1 for gifts and bequests for patient living and treatment environments shall be carried forward for 1 fiscal year. The purpose of gifts and bequests for patient living and treatment environments is to use additional private funds to provide specific enhancements for individuals residing at state-operated facilities. Use of the gifts and bequests shall be consistent with the stipulation of the donor. The expected completion date for the use of gifts and bequests donations is within 3 years unless otherwise stipulated by the donor.

Sec. 603. The funds appropriated in part 1 for forensic mental health services provided to the department of corrections are in accordance with the interdepartmental plan developed in cooperation with the department of corrections. The department is authorized to receive and expend funds from the department of corrections in addition to the appropriations in part 1 to fulfill the obligations outlined in the interdepartmental agreements.

Sec. 604. (1) The CMHSPs or PIHPs shall provide annual reports to the department on the following information:

- (a) The number of days of care purchased from state hospitals and centers.
- (b) The number of days of care purchased from private hospitals in lieu of purchasing days of care from state hospitals and centers.
- (c) The number and type of alternative placements to state hospitals and centers other than private hospitals.
- (d) Waiting lists for placements in state hospitals and centers.

(2) The department shall annually report the information in subsection (1) to the house and senate appropriations subcommittees on community health, the house and senate fiscal agencies, and the state budget director.

Sec. 605. (1) The department shall not implement any closures or consolidations of state hospitals, centers, or agencies until CMHSPs or PIHPs have programs and services in place for those persons currently in those facilities and a plan for service provision for those persons who would have been admitted to those facilities.

(2) All closures or consolidations are dependent upon adequate department-approved CMHSP and PIHP plans that include a discharge and aftercare plan for each person currently in the facility. A discharge and aftercare plan shall address the person's housing needs. A homeless shelter or similar temporary shelter arrangements are inadequate to meet the person's housing needs.

(3) Four months after the certification of closure required in section 19(6) of the state employees' retirement act, 1943 PA 240, MCL 38.19, the department shall provide a closure plan to the house and senate appropriations subcommittees on community health and the state budget director.

(4) Upon the closure of state-run operations and after transitional costs have been paid, the remaining balances of funds appropriated for that operation shall be transferred to CMHSPs or PIHPs responsible for providing services for persons previously served by the operations.

Sec. 606. The department may collect revenue for patient reimbursement from first- and third-party payers, including Medicaid and local county CMHSP payers, to cover the cost of placement in state hospitals and centers. The department is authorized to adjust financing sources for patient reimbursement based on actual revenues earned. If the revenue collected exceeds current year expenditures, the revenue may be carried forward with approval of the state budget director. The revenue carried forward shall be used as a first source of funds in the subsequent year.

Sec. 608. By March 1, 2010, the department shall update the figures contained in the January 1, 2009 report and, in consultation with the department of management and budget, shall establish and implement a bid process to identify 1 or more private contractors to provide food service and custodial services or otherwise implement opportunities to reduce these costs at those state hospitals identified in the updated report as capable of generating savings through the outsourcing of such services.

Sec. 609. The department shall continue to ban the use of all tobacco products in and on the grounds of state psychiatric facilities. As used in this section, "tobacco product" means a product that contains tobacco and is intended for human consumption, including, but not limited to, cigarettes, noncigarette smoking tobacco, or smokeless tobacco, as those terms are defined in section 2 of the tobacco products tax act, 1993 PA 327, MCL 205.422, and cigars.

Sec. 610. (1) The department shall make every effort to minimize job losses due to any reductions in force or closing of facilities by placing those employees displaced by the reduction or closing within other positions within the department or, to the extent applicable, within other positions in another state department and by encouraging CMHSPs to hire those employees displaced by the reduction or closing.

(2) It is the intent of the legislature that employees displaced by any reductions in force or closing of facilities who are not placed within other positions in the department or hired by a CMHSP be given priority in state programs for job retraining or education, such as the no worker left behind program.

PUBLIC HEALTH ADMINISTRATION

Sec. 650. The department shall communicate the annual public health consumption advisory for sportfish. The department shall, at a minimum, post the advisory on the Internet and make the information in the advisory available to the clients of the women, infants, and children special supplemental nutrition program.

Sec. 651. By April 30 of the current fiscal year, the department shall submit a report to the house and senate fiscal agencies and the state budget director on the activities and efforts of the department to improve the health status of the citizens of this state with regard to the goals and objectives stated in the "Healthy Michigan 2010" report, and the measurable progress made toward those goals and objectives.

HEALTH POLICY, REGULATION, AND PROFESSIONS

Sec. 704. The department shall continue to contract with grantees supported through the appropriation in part 1 for the emergency medical services grants and contracts to ensure that a sufficient number of qualified emergency medical services personnel exist to serve rural areas of the state.

Sec. 706. When hiring any new nursing home inspectors funded through appropriations in part 1, the department shall make every effort to hire qualified individuals with past experience in the long-term care industry.

Sec. 707. The funds appropriated in part 1 for the nursing scholarship program, established in section 16315 of the public health code, 1978 PA 368, MCL 333.16315, shall be used to increase the number of nurses practicing in Michigan. The board of nursing is encouraged to structure scholarships funded under this act in a manner that rewards recipients who intend to practice nursing in Michigan. In addition, the department and the board of nursing shall work cooperatively with the Michigan higher education assistance authority to coordinate scholarship assistance with scholarships provided pursuant to the Michigan nursing scholarship act, 2002 PA 591, MCL 390.1181 to 390.1189.

Sec. 708. Nursing facilities shall report in the quarterly staff report to the department, the total patient care hours provided each month, by state licensure and certification classification, and the percentage of pool staff, by state licensure and certification classification, used each month during the preceding quarter. The department shall make available to the public, the quarterly staff report compiled for all facilities including the total patient care hours and the percentage of pool staff used, by classification.

Sec. 709. The funds appropriated in part 1 for the Michigan essential health care provider program may also provide loan repayment for dentists that fit the criteria established by part 27 of the public health code, 1978 PA 368, MCL 333.2701 to 333.2727.

Sec. 710. From the funds appropriated in part 1 for primary care services, an amount not to exceed \$2,172,700.00 is appropriated to enhance the service capacity of the federally qualified health centers and other health centers that are similar to federally qualified health centers.

Sec. 711. The department may make available to interested entities customized listings of nonconfidential information in its possession, such as names and addresses of licensees. The department may establish and collect a reasonable charge to provide this service. The revenue received from this service shall be used to offset expenses to provide the service. Any balance of this revenue collected and unexpended at the end of the fiscal year shall revert to the appropriate restricted fund.

Sec. 712. From the funds appropriated in part 1 for primary care services, \$250,000.00 shall be allocated to free health clinics operating in the state. The department shall distribute the funds equally to each free health clinic. For the purpose of this appropriation, free health clinics are nonprofit organizations that use volunteer health professionals to provide care to uninsured individuals.

Sec. 713. The department is directed to continue support of multicultural agencies that provide primary care services from the funds appropriated in part 1.

Sec. 714. The department shall report by April 1 of the current fiscal year to the legislature on the timeliness of nursing facility complaint investigations and the number of allegations that are substantiated on an annual basis. The report shall consist of the number of allegations filed by consumers and the number of facility-reported incidents. The department shall make every effort to contact every complainant and the subject of a complaint during an investigation.

Sec. 716. The department shall give priority in investigations of alleged wrongdoing by licensed health care professionals to instances that are alleged to have occurred within 2 years of the initial complaint.

Sec. 718. The department shall gather information on its most frequently cited complaint deficiencies for the prior 3 fiscal years. The department shall determine whether there is an increase in the number of citations from 1 year to the next and assess the cause of the increase, if any, and whether education and training of nursing facility staff or department staff is needed. The department will implement any training indicated by the study. The department shall provide the

results of the study to the senate and house appropriations subcommittees on community health and the senate and house fiscal agencies by May 1 of the current fiscal year.

Sec. 720. From the funds appropriated in part 1 for primary care services, \$75,000.00 shall be allocated to the Helen M. Nickless volunteer clinic in Bay City.

Sec. 722. A medical professional who is newly accepted into the Michigan essential health provider program in fiscal year 2008-2009 is eligible for 4 years of loan repayments.

Sec. 724. From the funds appropriated in part 1 for emergency medical services program state staff, up to \$100.00 may be allocated for the development of a coordinated statewide trauma care system.

Sec. 725. From the funds appropriated in part 1 for rural health services, up to \$100.00 may be allocated to support rural health improvement as identified in "Michigan Strategic Opportunities for Rural Health Improvement, A State Rural Health Plan 2008-2012". The department shall make these funds available to rural and micropolitan communities under a competitive bid process. The department shall not allocate more than \$5,000.00 to each rural or micropolitan community under this section. The department shall not allocate funds appropriated under this section unless a 50/50 state and local match rate has occurred. The department shall submit a report to the house and senate appropriations subcommittees on community health, house and senate fiscal agencies, and state budget director by April 1 of the current fiscal year on the projects supported by this allocation.

Sec. 726. (1) The department shall submit a report to the house and senate appropriations subcommittees on community health, the house and senate fiscal agencies, and the state budget director, on an annual basis, that includes all data on the amount collected from medical marihuana program application and renewal fees along with the cost of administering the medical marihuana program under the Michigan medical marihuana act, 2008 IL 1, MCL 333.26421 to 333.26430.

(2) If the required fees are shown to be insufficient to offset all expenses of implementing and administering the medical marihuana program, the department shall review and revise the application and renewal fees accordingly to ensure that all expenses of implementing and administering the medical marihuana program are offset as is permitted under section 5 of the Michigan medical marihuana act, 2008 IL 1, MCL 333.26425.

Sec. 727. By March 1 of the current fiscal year, the department shall report to the house and senate appropriations subcommittees on community health, the house and senate fiscal agencies, and the state budget director on the feasibility and cost of outsourcing the medical marihuana program. The report shall include the current projected annual cost of the program and the current projected annual fee revenue. If the report identifies privatization savings of 10% or greater and privatization is allowable under the Michigan medical marihuana act, 2008 IL 1, MCL 333.26421 to 333.26430, the department, in consultation with the department of management and budget, shall establish and implement a bid process to identify a private or public contractor to provide management of the medical marihuana program.

INFECTIOUS DISEASE CONTROL

Sec. 801. In the expenditure of funds appropriated in part 1 for AIDS programs, the department and its subcontractors shall ensure that high-risk individuals ages 9 through 18 receive priority for prevention, education, and outreach services.

Sec. 803. The department shall continue the AIDS drug assistance program maintaining the prior year eligibility criteria and drug formulary. This section does not prohibit the department from providing assistance for improved AIDS treatment medications. If the appropriation in part 1 or actual revenue is not sufficient to maintain the prior year eligibility criteria and drug formulary, the department may revise the eligibility criteria and drug formulary in a manner that is consistent with federal program guidelines.

Sec. 804. The department, in conjunction with efforts to implement the Michigan prisoner reentry initiative, shall cooperate with the department of corrections to share data and information as they relate to prisoners being released who are HIV positive or positive for the hepatitis C antibody.

EPIDEMIOLOGY

Sec. 851. The department shall provide a report annually to the house and senate appropriations subcommittees on community health, the senate and house fiscal agencies, and the state budget director on the expenditures and activities undertaken by the lead abatement program. The report shall include, but is not limited to, a funding allocation schedule, expenditures by category of expenditure and by subcontractor, revenues received, description of program elements, and description of program accomplishments and progress.

LOCAL HEALTH ADMINISTRATION AND GRANTS

Sec. 901. The amount appropriated in part 1 for implementation of the 1993 additions of or amendments to sections 9161, 16221, 16226, 17014, 17015, and 17515 of the public health code, 1978 PA 368, MCL 333.9161, 333.16221, 333.16226, 333.17014, 333.17015, and 333.17515, shall reimburse local health departments for costs incurred related to implementation of section 17015(18) of the public health code, 1978 PA 368, MCL 333.17015.

Sec. 902. If a county that has participated in a district health department or an associated arrangement with other local health departments takes action to cease to participate in such an arrangement after October 1 of the current fiscal year, the department shall have the authority to assess a penalty from the local health department's operational accounts in an amount equal to no more than 6.25% of the local health department's local public health operations funding. This penalty shall only be assessed to the local county that requests the dissolution of the health department.

Sec. 904. (1) Funds appropriated in part 1 for local public health operations shall be prospectively allocated to local health departments to support immunizations, infectious disease control, sexually transmitted disease control and prevention, hearing screening, vision services, food protection, public water supply, private groundwater supply, and on-site sewage management. Food protection shall be provided in consultation with the Michigan department of agriculture. Public water supply, private groundwater supply, and on-site sewage management shall be provided in consultation with the Michigan department of environmental quality.

(2) Local public health departments shall be held to contractual standards for the services in subsection (1).

(3) Distributions in subsection (1) shall be made only to counties that maintain local spending in the current fiscal year of at least the amount expended in fiscal year 1992-1993 for the services described in subsection (1).

(4) By April 1 of the current fiscal year, the department shall make available a report to the senate and house appropriations subcommittees on community health, the senate and house fiscal agencies, and the state budget director on the planned allocation of the funds appropriated for local public health operations.

CHRONIC DISEASE AND INJURY PREVENTION AND HEALTH PROMOTION

Sec. 1003. Funds appropriated in part 1 for the Alzheimer's information network shall be used to provide information and referral services through regional networks for persons with Alzheimer's disease or related disorders, their families, and health care providers.

Sec. 1006. (1) In spending the funds appropriated in part 1 for the smoking prevention program, priority shall be given to prevention and smoking cessation programs for pregnant women, women with young children, and adolescents.

(2) For purposes of complying with 2004 PA 164, \$365,000.00 of the funds appropriated in part 1 for the smoking prevention program shall be used for the quit kit program that includes the nicotine patch or nicotine gum.

Sec. 1007. (1) The funds appropriated in part 1 for violence prevention shall be used for, but not be limited to, the following:

(a) Programs aimed at the prevention of spouse, partner, or child abuse and rape.

(b) Programs aimed at the prevention of workplace violence.

(2) In awarding grants from the amounts appropriated in part 1 for violence prevention, the department shall give equal consideration to public and private nonprofit applicants.

(3) From the funds appropriated in part 1 for violence prevention, the department may include local school districts as recipients of the funds for family violence prevention programs.

Sec. 1008. From the funds appropriated in part 1 for the diabetes and kidney program, the department may allocate up to \$25,000.00 for a diabetes management pilot project in Muskegon County.

Sec. 1009. From the funds appropriated in part 1 for the diabetes and kidney program, a portion of the funds may be allocated to the National Kidney Foundation of Michigan for kidney disease prevention programming including early identification and education programs and kidney disease prevention demonstration projects.

Sec. 1019. From the funds appropriated in part 1 for chronic disease prevention, \$50,000.00 may be allocated for stroke prevention, education, and outreach. The objectives of the program shall include education to assist persons in identifying risk factors, and education to assist persons in the early identification of the occurrence of a stroke in order to minimize stroke damage.

Sec. 1028. Contingent on the availability of state restricted healthy Michigan fund money or federal preventive health and health services block grant fund money, funds may be appropriated for the African-American male health initiative.

Sec. 1031. (1) From the funds appropriated in part 1 for the injury control intervention project, \$200,000.00 shall be used to continue 2 incentive-based pilot programs for level I and level II trauma hospitals to ensure greater state utilization of an interactive, evidence-based treatment guideline model for traumatic brain injury.

(2) One pilot program shall be placed in a county of less than 225,000. The other pilot program shall be placed in a county with a population over 1,000,000.

FAMILY, MATERNAL, AND CHILDREN'S HEALTH SERVICES

Sec. 1101. The department shall review the basis for the distribution of funds to local health departments and other public and private agencies for the women, infants, and children food supplement program; family planning; and prenatal care outreach and service delivery support program and indicate the basis upon which any projected underexpenditures by local public and private agencies shall be reallocated to other local agencies that demonstrate need.

Sec. 1104. (1) Before April 1 of the current fiscal year, the department shall submit a report to the house and senate fiscal agencies and the state budget director on planned allocations from the amounts appropriated in part 1 for local MCH services, prenatal care outreach and service delivery support, family planning local agreements, and pregnancy prevention programs. Using applicable federal definitions, the report shall include information on all of the following:

(a) Funding allocations.

(b) Actual number of women, children, and/or adolescents served and amounts expended for each group for the immediately preceding fiscal year.

(c) A breakdown of the expenditure of these funds between urban and rural communities.

(2) The department shall ensure that the distribution of funds through the programs described in subsection (1) takes into account the needs of rural communities.

(3) For the purposes of this section, "rural" means a county, city, village, or township with a population of 30,000 or less, including those entities if located within a metropolitan statistical area.

Sec. 1105. For all family, maternal, and children's health services programs for which an appropriation is made in part 1, the department shall contract with those local agencies best able to serve clients. Factors to be used by the department in evaluating agencies under this section include the ability to serve high-risk population groups; ability to provide access to individuals in need of services in rural communities; ability to serve low-income clients, where applicable; availability of, and access to, service sites; management efficiency; and ability to meet federal standards, when applicable.

Sec. 1106. Each family planning program receiving federal title X family planning funds under 42 USC 300 to 300a-8 shall be in compliance with all performance and quality assurance indicators that the office of family planning within the United States department of health and human services specifies in the family planning annual report. An agency not in compliance with the indicators shall not receive supplemental or reallocated funds.

Sec. 1107. (1) Of the amount appropriated in part 1 for prenatal care outreach and service delivery support, not more than 9% shall be expended for local administration, data processing, and evaluation.

(2) The department shall provide to the senate and house appropriations subcommittees on community health, senate and house fiscal agencies, and state budget director a report by March 30 of the current fiscal year that contains all of the following:

(a) The total allocation of state resources made to each recipient agency by individual program and administration.

(b) Detail expenditure by each recipient agency by individual program and administration including both state funded resources and locally funded resources.

Sec. 1108. The funds appropriated in part 1 for pregnancy prevention programs shall not be used to provide abortion counseling, referrals, or services.

Sec. 1109. (1) From the amounts appropriated in part 1 for dental programs, funds shall be allocated to the Michigan dental association for the administration of a volunteer dental program that provides dental services to the uninsured.

(2) Not later than December 1 of the current fiscal year, the department shall report to the senate and house appropriations subcommittees on community health and the senate and house standing committees on health policy the number of individual patients treated, number of procedures performed, and approximate total market value of those procedures from the immediately preceding fiscal year.

Sec. 1110. Agencies that currently receive pregnancy prevention funds and either receive or are eligible for other family planning funds shall have the option of receiving all of their family planning funds directly from the department and be designated as delegate agencies.

Sec. 1111. The department shall allocate no less than 88% of the funds appropriated in part 1 for family planning local agreements and the pregnancy prevention program for the direct provision of family planning/pregnancy prevention services.

Sec. 1112. From the funds appropriated in part 1 for prenatal care outreach and service delivery support, the department shall allocate at least \$1,000,000.00 to communities with high infant mortality rates.

Sec. 1129. The department shall provide a report annually to the house and senate appropriations subcommittees on community health, the house and senate fiscal agencies, and the state budget director on the number of children with elevated blood lead levels from information available to the department. The report shall provide the information by county, shall include the level of blood lead reported, and shall indicate the sources of the information.

Sec. 1133. The department shall release infant mortality rate data to all local public health departments 72 hours or more before releasing infant mortality rate data to the public.

Sec. 1135. (1) Provision of the school health education curriculum, such as the Michigan model or another comprehensive school health education curriculum, shall be in accordance with the health education goals established by the Michigan model for comprehensive school health education state steering committee. The state steering committee shall be comprised of a representative from each of the following offices and departments:

(a) The department of education.

(b) The department of community health.

(c) The health administration in the department of community health.

(d) The bureau of mental health and substance abuse services in the department of community health.

(e) The department of human services.

(f) The department of state police.

(2) Upon written or oral request, a pupil not less than 18 years of age or a parent or legal guardian of a pupil less than 18 years of age, within a reasonable period of time after the request is made, shall be informed of the content of a course in the health education curriculum and may examine textbooks and other classroom materials that are provided to the pupil or materials that are presented to the pupil in the classroom. This subsection does not require a school board to permit pupil or parental examination of test questions and answers, scoring keys, or other examination instruments or data used to administer an academic examination.

Sec. 1137. From the funds appropriated in part 1 for special projects, up to \$100.00 may be allocated to support an Alzheimer's disease patient care training program involving a community college and a retirement community.

Sec. 1138. From the funds appropriated in part 1 for special projects, up to \$100.00 shall be allocated to the Ele's Place organization in Lansing.

Sec. 1139. From the funds appropriated in part 1 for prenatal care outreach and service delivery support, the department shall fund the Kalamazoo nurse family partnership at the same level of funding as was provided in fiscal year 2007-2008.

WOMEN, INFANTS, AND CHILDREN FOOD AND NUTRITION PROGRAM

Sec. 1151. The department may work with local participating agencies to define local annual contributions for the farmer's market nutrition program, project FRESH, to enable the department to request federal matching funds based on local commitment of funds.

Sec. 1153. The department shall ensure that individuals residing in rural communities have sufficient access to the services offered through the WIC program.

CHILDREN'S SPECIAL HEALTH CARE SERVICES

Sec. 1201. Funds appropriated in part 1 for medical care and treatment of children with special health care needs shall be paid according to reimbursement policies determined and published by the Michigan medical services program.

Sec. 1202. The department may do 1 or more of the following:

- (a) Provide special formula for eligible clients with specified metabolic and allergic disorders.
- (b) Provide medical care and treatment to eligible patients with cystic fibrosis who are 21 years of age or older.
- (c) Provide genetic diagnostic and counseling services for eligible families.
- (d) Provide medical care and treatment to eligible patients with hereditary coagulation defects, commonly known as hemophilia, who are 21 years of age or older.

Sec. 1203. All children who are determined medically eligible for the children's special health care services program shall be referred to the appropriate locally based services program in their community.

Sec. 1204. Effective July 1, 2010, children who are determined medically eligible for and enroll in the children's special health care services program and who also have Medicaid will have the option to enroll in a Medicaid health plan and have their care co-managed by the children's special health care services program.

CRIME VICTIM SERVICES COMMISSION

Sec. 1302. From the funds appropriated in part 1 for justice assistance grants, up to \$200,000.00 shall be allocated for expansion of forensic nurse examiner programs to facilitate training for improved evidence collection for the prosecution of sexual assault. The funds shall be used for program coordination and training.

Sec. 1304. The department shall work with the department of state police, 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.

OFFICE OF SERVICES TO THE AGING

Sec. 1401. The appropriation in part 1 to the office of services to the aging for community services and nutrition services shall be restricted to eligible individuals at least 60 years of age who fail to qualify for home care services under title XVIII, XIX, or XX.

Sec. 1403. (1) The office of services to the aging shall require each region to report to the office of services to the aging and to the legislature home-delivered meals waiting lists based upon standard criteria. Determining criteria shall include all of the following:

- (a) The recipient's degree of frailty.
 - (b) The recipient's inability to prepare his or her own meals safely.
 - (c) Whether the recipient has another care provider available.
 - (d) Any other qualifications normally necessary for the recipient to receive home-delivered meals.
- (2) Data required in subsection (1) shall be recorded only for individuals who have applied for participation in the home-delivered meals program and who are initially determined as likely to be eligible for home-delivered meals.

Sec. 1404. The area agencies and local providers may receive and expend fees for the provision of day care, care management, respite care, and certain eligible home- and community-based services. The fees shall be based on a sliding scale, taking client income into consideration. The fees shall be used to expand services.

Sec. 1406. The appropriation of \$4,468,700.00 of merit award trust funds to the office of services to the aging for the respite care program shall be allocated in accordance with a long-term care plan developed by the long-term care working group established in section 1657 of 1998 PA 336 upon implementation of the plan. The use of the funds shall be for direct respite care or adult respite care center services. Not more than 9% of the amount allocated under this section shall be expended for administration and administrative purposes.

Sec. 1413. Local counties may request to change membership in the area agencies on aging if the change is to an area agency on aging that is contiguous to that county pursuant to office of services to the aging policies and procedures for area agency on aging designation. The office of services to the aging shall adjust allocations to area agencies on aging to account for any changes in county membership. The office of services to the aging shall ensure annually that county boards of commissioners are aware that county membership in area agencies on aging can be changed subject to office of services to the aging policies and procedures for area agency on aging designation.

Sec. 1417. The department shall provide to the senate and house appropriations subcommittees on community health, senate and house fiscal agencies, and state budget director a report by March 30 of the current fiscal year that contains all of the following:

- (a) The total allocation of state resources made to each area agency on aging by individual program and administration.
- (b) Detail expenditure by each area agency on aging by individual program and administration including both state funded resources and locally funded resources.

Sec. 1418. From the funds appropriated in part 1 for nutrition services, the department shall maximize funding for home-delivered meals to the extent allowable under federal law and regulation.

Sec. 1419. From the funds appropriated in part 1 for nutrition services, \$120,100.00 shall be allocated to provide an interdepartmental grant to the department of agriculture to support the Michigan agricultural surplus system.

MEDICAL SERVICES

Sec. 1601. The cost of remedial services incurred by residents of licensed adult foster care homes and licensed homes for the aged shall be used in determining financial eligibility for the medically needy. Remedial services include basic self-care and rehabilitation training for a resident.

Sec. 1602. Medical services shall be provided to elderly and disabled persons with incomes less than or equal to 100% of the official poverty level, pursuant to the state's option to elect such coverage set out at section 1902(a)(10)(A)(ii) and (m) of title XIX, 42 USC 1396a.

Sec. 1603. (1) The department may establish a program for persons to purchase medical coverage at a rate determined by the department.

(2) The department may receive and expend premiums for the buy-in of medical coverage in addition to the amounts appropriated in part 1.

(3) The premiums described in this section shall be classified as private funds.

Sec. 1605. (1) The protected income level for Medicaid coverage determined pursuant to section 106(1)(b)(iii) of the social welfare act, 1939 PA 280, MCL 400.106, shall be 100% of the related public assistance standard.

(2) The department shall notify the senate and house appropriations subcommittees on community health and the state budget director of any proposed revisions to the protected income level for Medicaid coverage related to the public assistance standard 90 days prior to implementation.

Sec. 1606. For the purpose of guardian and conservator charges, the department of community health may deduct up to \$60.00 per month as an allowable expense against a recipient's income when determining medical services eligibility and patient pay amounts.

Sec. 1607. (1) An applicant for Medicaid, whose qualifying condition is pregnancy, shall immediately be presumed to be eligible for Medicaid coverage unless the preponderance of evidence in her application indicates otherwise. The applicant who is qualified as described in this subsection shall be allowed to select or remain with the Medicaid participating obstetrician of her choice.

(2) An applicant qualified as described in subsection (1) shall be given a letter of authorization to receive Medicaid covered services related to her pregnancy. All qualifying applicants shall be entitled to receive all medically necessary obstetrical and prenatal care without preauthorization from a health plan. All claims submitted for payment for obstetrical and prenatal care shall be paid at the Medicaid fee-for-service rate in the event a contract does not exist between the Medicaid participating obstetrical or prenatal care provider and the managed care plan. The applicant shall receive a listing of Medicaid physicians and managed care plans in the immediate vicinity of the applicant's residence.

(3) In the event that an applicant, presumed to be eligible pursuant to subsection (1), is subsequently found to be ineligible, a Medicaid physician or managed care plan that has been providing pregnancy services to an applicant under this section is entitled to reimbursement for those services until such time as they are notified by the department that the applicant was found to be ineligible for Medicaid.

(4) If the preponderance of evidence in an application indicates that the applicant is not eligible for Medicaid, the department shall refer that applicant to the nearest public health clinic or similar entity as a potential source for receiving pregnancy-related services.

(5) The department shall develop an enrollment process for pregnant women covered under this section that facilitates the selection of a managed care plan at the time of application.

(6) The department shall mandate enrollment of women, whose qualifying condition is pregnancy, into Medicaid managed care plans.

(7) The department shall encourage physicians to provide women, whose qualifying condition for Medicaid is pregnancy, with a referral to a Medicaid participating dentist at the first pregnancy-related appointment.

Sec. 1610. The department shall provide an administrative procedure for the review of cost report grievances by medical services providers with regard to reimbursement under the medical services program. Settlements of properly submitted cost reports shall be paid not later than 9 months from receipt of the final report.

Sec. 1611. (1) For care provided to medical services recipients with other third-party sources of payment, medical services reimbursement shall not exceed, in combination with such other resources, including Medicare, those amounts

established for medical services-only patients. The medical services payment rate shall be accepted as payment in full. Other than an approved medical services copayment, no portion of a provider's charge shall be billed to the recipient or any person acting on behalf of the recipient. Nothing in this section shall be considered to affect the level of payment from a third-party source other than the medical services program. The department shall require a nonenrolled provider to accept medical services payments as payment in full.

(2) Notwithstanding subsection (1), medical services reimbursement for hospital services provided to dual Medicare/medical services recipients with Medicare part B coverage only shall equal, when combined with payments for Medicare and other third-party resources, if any, those amounts established for medical services-only patients, including capital payments.

Sec. 1620. (1) For fee-for-service recipients who do not reside in nursing homes, the pharmaceutical dispensing fee shall be \$2.75 or the pharmacy's usual or customary cash charge, whichever is less. For nursing home residents, the pharmaceutical dispensing fee shall be \$3.00 or the pharmacy's usual or customary cash charge, whichever is less.

(2) The department shall require a prescription copayment for Medicaid recipients of \$1.00 for a generic drug and \$3.00 for a brand-name drug, except as prohibited by federal or state law or regulation.

(3) It is the intent of the legislature that if the department realizes savings as a result of the implementation of average manufacturer's price for reimbursement of multiple source generic medication dispensing as imposed pursuant to the federal deficit reduction act of 2005, Public Law 109-171, the savings shall be returned to pharmacies in the form of an increased dispensing fee for medications not to exceed \$2.00. The savings shall be calculated as the difference in state expenditure between the current methodology of payment, which is maximum allowable cost, and the proposed new reimbursement method of average manufacturer's price.

Sec. 1621. The department may implement prospective drug utilization review and disease management systems. The prospective drug utilization review, a pharmacist-approved medication therapy program, and disease management systems authorized by this section shall have physician oversight, shall focus on patient, physician, and pharmacist education, and shall be developed in consultation with the national pharmaceutical council, Michigan state medical society, Michigan osteopathic association, Michigan pharmacists association, Michigan health and hospital association, and Michigan nurses association.

Sec. 1623. (1) The department shall continue the Medicaid policy that allows for the dispensing of a 100-day supply for maintenance drugs.

(2) The department shall notify all HMOs, physicians, pharmacies, and other medical providers that are enrolled in the Medicaid program that Medicaid policy allows for the dispensing of a 100-day supply for maintenance drugs.

(3) The notice in subsection (2) shall also clarify that a pharmacy shall fill a prescription written for maintenance drugs in the quantity specified by the physician, but not more than the maximum allowed under Medicaid, unless subsequent consultation with the prescribing physician indicates otherwise.

Sec. 1627. (1) The department shall use procedures and rebates amounts specified under section 1927 of title XIX, 42 USC 1396r-8, to secure quarterly rebates from pharmaceutical manufacturers for outpatient drugs dispensed to participants in the MICHild program, maternal outpatient medical services program, children's special health care services, and adult benefit waiver program.

(2) For products distributed by pharmaceutical manufacturers not providing quarterly rebates as listed in subsection (1), the department may require preauthorization.

Sec. 1629. The department shall utilize maximum allowable cost pricing for generic drugs that is based on wholesaler pricing to providers that is available from at least 2 wholesalers who deliver in the state of Michigan.

Sec. 1630. (1) Medicaid coverage for podiatric services, adult dental services, and chiropractic services shall continue at not less than the level in effect on October 1, 2002, except that reasonable utilization limitations may be adopted in order to prevent excess utilization. The department shall not impose utilization restrictions on chiropractic services unless a recipient has exceeded 18 office visits within 1 year.

(2) The department may implement the bulk purchase of hearing aids, impose limitations on binaural hearing aid benefits, and limit the replacement of hearing aids to once every 3 years.

Sec. 1631. (1) The department shall require copayments on dental, podiatric, chiropractic, vision, and hearing aid services provided to Medicaid recipients, except as prohibited by federal or state law or regulation.

(2) Except as otherwise prohibited by federal or state law or regulations, the department shall require Medicaid recipients to pay the following copayments:

- (a) Two dollars for a physician office visit.
- (b) Three dollars for a hospital emergency room visit.
- (c) Fifty dollars for the first day of an inpatient hospital stay.
- (d) One dollar for an outpatient hospital visit.

(3) In addition to the minimum copayments listed in subsection (2), the department shall increase and expand Medicaid cost-sharing mechanisms as permitted by the federal deficit reduction act of 2005, Public Law 109-171. These additional copayments or premiums, or both, shall be designed so as to produce \$10,000,000.00 in general fund/general purpose savings to the state Medicaid program.

Sec. 1633. By March 1 of the current fiscal year, the department shall report to the house and senate appropriations subcommittees on community health, the house and senate fiscal agencies, and the state budget director on the feasibility of providing healthy kids dental coverage in cities rather than entire counties.

Sec. 1635. From the funds appropriated in part 1 for physician services and health plan services, the department shall continue the increase in Medicaid reimbursement rates for obstetrical services implemented in fiscal year 2005-2006.

Sec. 1636. From the funds appropriated in part 1 for physician services and health plan services, the department shall continue the increase in Medicaid reimbursement rates for physician well child procedure codes and primary care procedure codes implemented in fiscal year 2006-2007 and fiscal year 2008-2009. The increased reimbursement rates in this section shall not exceed the comparable Medicare payment rate for the same services.

Sec. 1637. (1) All adult Medicaid recipients shall be offered the opportunity to sign a Medicaid personal responsibility agreement.

(2) The personal responsibility agreement shall include at minimum the following provisions:

(a) That the recipient shall not smoke.

(b) That the recipient shall attend all scheduled medical appointments.

(c) That the recipient shall exercise regularly.

(d) That if the recipient has children, those children shall be up to date on their immunizations.

(e) That the recipient shall abstain from abusing controlled substances and narcotics.

Sec. 1641. An institutional provider that is required to submit a cost report under the medical services program shall submit cost reports completed in full within 5 months after the end of its fiscal year.

Sec. 1642. The department shall continue to allow ambulatory surgery centers in this state to fully participate in the Medicaid program when hospitals are reimbursed for Medicaid services through the new Michigan Medicaid information system. Ambulatory surgery centers that provide services to Medicaid eligible patients shall be reimbursed in the same manner as hospitals. The reimbursement schedule for ambulatory surgery centers that was developed and implemented in consultation with the industry in fiscal year 2007-2008 shall continue to be used in fiscal year 2009-2010.

Sec. 1643. Of the funds appropriated in part 1 for graduate medical education in the hospital services and therapy line-item appropriation, not less than \$10,947,400.00 shall be allocated for the psychiatric residency training program that establishes and maintains collaborative relations with the schools of medicine at Michigan State University and Wayne State University if the necessary allowable Medicaid matching funds are provided by the universities.

Sec. 1647. From the funds appropriated in part 1 for medical services, the department shall allocate for graduate medical education not less than the level of rates and payments in effect on April 1, 2005.

Sec. 1648. The department shall maintain and make available an online resource to enable medical providers to obtain enrollment and benefit information of Medicaid recipients. There shall be no charge to providers for the use of the online resource.

Sec. 1649. From the funds appropriated in part 1 for medical services, the department shall continue breast and cervical cancer treatment coverage for women up to 250% of the federal poverty level, who are under age 65, and who are not otherwise covered by insurance. This coverage shall be provided to women who have been screened through the centers for disease control breast and cervical cancer early detection program, and are found to have breast or cervical cancer, pursuant to the breast and cervical cancer prevention and treatment act of 2000, Public Law 106-354.

Sec. 1650. (1) The department may require medical services recipients residing in counties offering managed care options to choose the particular managed care plan in which they wish to be enrolled. Persons not expressing a preference may be assigned to a managed care provider.

(2) Persons to be assigned a managed care provider shall be informed in writing of the criteria for exceptions to capitated managed care enrollment, their right to change HMOs for any reason within the initial 90 days of enrollment, the toll-free telephone number for problems and complaints, and information regarding grievance and appeals rights.

(3) The criteria for medical exceptions to HMO enrollment shall be based on submitted documentation that indicates a recipient has a serious medical condition, and is undergoing active treatment for that condition with a physician who does not participate in 1 of the HMOs. If the person meets the criteria established by this subsection, the department shall grant an exception to mandatory enrollment at least through the current prescribed course of treatment, subject to periodic review of continued eligibility.

Sec. 1651. (1) Medical services patients who are enrolled in HMOs have the choice to elect hospice services or other services for the terminally ill that are offered by the HMOs. If the patient elects hospice services, those services shall be provided in accordance with part 214 of the public health code, 1978 PA 368, MCL 333.21401 to 333.21420.

(2) The department shall not amend the medical services hospice manual in a manner that would allow hospice services to be provided without making available all comprehensive hospice services described in 42 CFR part 418.

Sec. 1652. Any new contracts with Medicaid health plans negotiated or signed, or both, during the current fiscal year shall include the following provisions regarding expansion of services by the Medicaid HMOs to counties not previously served by that Medicaid HMO:

(a) The Medicaid HMO shall not sell, transfer, or otherwise convey to any person all or any portion of the HMO's assets or business, whether in the form of equity, debt or otherwise, for a period of 3 years from the date the Medicaid HMO commences operations in a new service area.

(b) That any Medicaid HMOs that expand into a county with a population of at least 1,500,000 shall also expand its coverage to a county with a population of less than 100,000 which has 1 or fewer HMOs participating in the Medicaid program.

Sec. 1653. Implementation and contracting for managed care by the department through HMOs shall be subject to the following conditions:

(a) Continuity of care is assured by allowing enrollees to continue receiving required medically necessary services from their current providers for a period not to exceed 1 year if enrollees meet the managed care medical exception criteria.

(b) The department shall require contracted HMOs to submit data determined necessary for evaluation on a timely basis.

(c) Mandatory enrollment of Medicaid beneficiaries living in counties defined as rural by the federal government, which is any nonurban standard metropolitan statistical area, is allowed if there is only 1 HMO serving the Medicaid population, as long as each Medicaid beneficiary is assured of having a choice of at least 2 physicians by the HMO.

(d) Enrollment of recipients of children's special health care services in HMOs shall continue to be voluntary for those enrolled in the children's special health care services program before October 1, 2009. Children's special health care services recipients shall be informed of the opportunity to enroll in HMOs.

(e) The department shall develop a case adjustment to its rate methodology that considers the costs of persons with HIV/AIDS, end stage renal disease, organ transplants, and other high-cost diseases or conditions and shall implement the case adjustment when it is proven to be actuarially and fiscally sound. Implementation of the case adjustment must be budget neutral.

(f) Prior to contracting with an HMO for managed care services that did not have a contract with the department before October 1, 2002, the department shall receive assurances from the office of financial and insurance regulation that the HMO meets the net worth and financial solvency requirements contained in chapter 35 of the insurance code of 1956, 1956 PA 218, MCL 500.3501 to 500.3580.

Sec. 1654. Medicaid HMOs shall provide for reimbursement of HMO covered services delivered other than through the HMO's providers if medically necessary and approved by the HMO, immediately required, and that could not be reasonably obtained through the HMO's providers on a timely basis. Such services shall be considered approved if the HMO does not respond to a request for authorization within 24 hours of the request. Reimbursement shall not exceed the Medicaid fee-for-service payment for those services.

Sec. 1655. (1) The department may require a 12-month lock-in to the HMO selected by the recipient during the initial and subsequent open enrollment periods, but allow for good cause exceptions during the lock-in period.

(2) Medicaid recipients shall be allowed to change HMOs for any reason within the initial 90 days of enrollment.

Sec. 1656. (1) The department shall provide an expedited complaint review procedure for Medicaid eligible persons enrolled in HMOs for situations in which failure to receive any health care service would result in significant harm to the enrollee.

(2) The department shall provide for a toll-free telephone number for Medicaid recipients enrolled in managed care to assist with resolving problems and complaints. If warranted, the department shall immediately disenroll persons from managed care and approve fee-for-service coverage.

Sec. 1657. (1) Reimbursement for medical services to screen and stabilize a Medicaid recipient, including stabilization of a psychiatric crisis, in a hospital emergency room shall not be made contingent on obtaining prior authorization from the recipient's HMO. If the recipient is discharged from the emergency room, the hospital shall notify the recipient's HMO within 24 hours of the diagnosis and treatment received.

(2) If the treating hospital determines that the recipient will require further medical service or hospitalization beyond the point of stabilization, that hospital must receive authorization from the recipient's HMO prior to admitting the recipient.

(3) Subsections (1) and (2) shall not be construed as a requirement to alter an existing agreement between an HMO and their contracting hospitals nor as a requirement that an HMO must reimburse for services that are not considered to be medically necessary.

Sec. 1658. (1) HMOs shall have contracts with hospitals within a reasonable distance from their enrollees. If a hospital does not contract with the HMO in its service area, that hospital shall enter into a hospital access agreement as specified in the Medical Services Administration Bulletin Hospital 01-19.

(2) A hospital access agreement specified in subsection (1) shall be considered an affiliated provider contract pursuant to the requirements contained in chapter 35 of the insurance code of 1956, 1956 PA 218, MCL 500.3501 to 500.3580.

Sec. 1659. The following sections of this act are the only ones that shall apply to the following Medicaid managed care programs, including the comprehensive plan, MIChoice long-term care plan, and the mental health, substance abuse, and developmentally disabled services program: 271, 288, 401, 402, 404, 411, 414, 418, 424, 428, 456, 462, 1607, 1650, 1651, 1652, 1653, 1654, 1655, 1656, 1657, 1658, 1660, 1661, 1662, 1699, 1711, 1752, 1783, 1787, 1791, 1815, 1820, 1821, and 1828.

Sec. 1660. (1) The department shall assure that all Medicaid children have timely access to EPSDT services as required by federal law. Medicaid HMOs shall provide EPSDT services to their child members in accordance with Medicaid EPSDT policy.

(2) The primary responsibility of assuring a child's hearing and vision screening is with the child's primary care provider. The primary care provider shall provide age-appropriate screening or arrange for these tests through referrals to local health departments. Local health departments shall provide preschool hearing and vision screening services and accept referrals for these tests from physicians or from Head Start programs in order to assure all preschool children have appropriate access to hearing and vision screening. Local health departments shall be reimbursed for the cost of providing these tests for Medicaid eligible children by the Medicaid program.

(3) The department shall prohibit HMOs from requiring prior authorization of their contracted providers for any EPSDT screening and diagnosis services.

(4) The department shall require HMOs to be responsible for well child visits as described in Medicaid policy. These responsibilities shall be specified in the information distributed by the HMOs to their members.

(5) The department shall provide, on an annual basis, budget-neutral incentives to Medicaid HMOs and local health departments to improve performance on measures related to the care of children.

Sec. 1661. (1) The department shall assure that all Medicaid eligible children and pregnant women have timely access to MIHP services. Medicaid HMOs shall assure that MIHP screening is available to their pregnant members and that those women found to meet the MIHP high-risk criteria are offered maternal support services. Local health departments shall assure that MIHP screening is available for Medicaid pregnant women and that those women found to meet the MIHP high-risk criteria are offered MIHP services or are referred to a certified MIHP provider.

(2) The department shall require HMOs to be responsible for the coordination of MIHP services as described in Medicaid policy. These responsibilities shall be specified in the information distributed by the HMOs to their members.

(3) The department shall assure the coordination of MIHP services with the WIC program, state-supported substance abuse, smoking prevention, and violence prevention programs, the department of human services, and any other state or local program with a focus on preventing adverse birth outcomes and child abuse and neglect.

(4) The department shall provide, on an annual basis, budget-neutral incentives to Medicaid HMOs and local health departments to improve performance on measures related to the care of pregnant women.

Sec. 1662. (1) The department shall assure that an external quality review of each contracting HMO is performed that results in an analysis and evaluation of aggregated information on quality, timeliness, and access to health care services that the HMO or its contractors furnish to Medicaid beneficiaries.

(2) The department shall require Medicaid HMOs to provide EPSDT utilization data through the encounter data system, and health employer data and information set well child health measures in accordance with the National Committee on Quality Assurance prescribed methodology.

(3) The department shall provide a copy of the analysis of the Medicaid HMO annual audited health employer data and information set reports and the annual external quality review report to the senate and house of representatives appropriations subcommittees on community health, the senate and house fiscal agencies, and the state budget director, within 30 days of the department's receipt of the final reports from the contractors.

(4) The department shall work with the Michigan association of health plans and the Michigan association for local public health to improve service delivery and coordination in the MIHP and EPSDT programs.

(5) The department shall assure that training and technical assistance are available for EPSDT and MIHP for Medicaid health plans, local health departments, and MIHP contractors.

Sec. 1670. (1) The appropriation in part 1 for the MICHild program is to be used to provide comprehensive health care to all children under age 19 who reside in families with income at or below 200% of the federal poverty level, who are uninsured and have not had coverage by other comprehensive health insurance within 6 months of making application for MICHild benefits, and who are residents of this state. The department shall develop detailed eligibility criteria through the medical services administration public concurrence process, consistent with the provisions of this act. Health coverage for children in families between 150% and 200% of the federal poverty level shall be provided through a state-based private health care program.

(2) The department may provide up to 1 year of continuous eligibility to children eligible for the MICHild program unless the family fails to pay the monthly premium, a child reaches age 19, or the status of the children's family changes and its members no longer meet the eligibility criteria as specified in the federally approved MICHild state plan.

(3) Children whose category of eligibility changes between the Medicaid and MICHild programs shall be assured of keeping their current health care providers through the current prescribed course of treatment for up to 1 year, subject to periodic reviews by the department if the beneficiary has a serious medical condition and is undergoing active treatment for that condition.

(4) To be eligible for the MICHild program, a child must be residing in a family with an adjusted gross income of less than or equal to 200% of the federal poverty level. The department's verification policy shall be used to determine eligibility.

(5) The department shall enter into a contract to obtain MICHild services from any HMO, dental care corporation, or any other entity that offers to provide the managed health care benefits for MICHild services at the MICHild capitated rate. As used in this subsection:

(a) "Dental care corporation", "health care corporation", "insurer", and "prudent purchaser agreement" mean those terms as defined in section 2 of the prudent purchaser act, 1984 PA 233, MCL 550.52.

(b) "Entity" means a health care corporation or insurer operating in accordance with a prudent purchaser agreement.

(6) The department may enter into contracts to obtain certain MICHild services from community mental health service programs.

(7) The department may make payments on behalf of children enrolled in the MICHild program from the line-item appropriation associated with the program as described in the MICHild state plan approved by the United States department of health and human services, or from other medical services.

(8) The department shall assure that an external quality review of each MICHild contractor, as described in subsection (5), is performed, which analyzes and evaluates the aggregated information on quality, timeliness, and access to health care services that the contractor furnished to MICHild beneficiaries.

(9) The department shall develop an automatic enrollment algorithm that is based on quality and performance factors.

Sec. 1671. From the funds appropriated in part 1, the department shall continue a comprehensive approach to the marketing and outreach of the MICHild program. The marketing and outreach required under this section shall be coordinated with current outreach, information dissemination, and marketing efforts and activities conducted by the department.

Sec. 1673. The department may establish premiums for MICHild eligible persons in families with income above 150% of the federal poverty level. The monthly premiums shall not be less than \$10.00 or exceed \$15.00 for a family.

Sec. 1677. The MICHild program shall provide all benefits available under the state employee insurance plan that are delivered through contracted providers and consistent with federal law, including, but not limited to, the following medically necessary services:

(a) Inpatient mental health services, other than substance abuse treatment services, including services furnished in a state-operated mental hospital and residential or other 24-hour therapeutically planned structured services.

(b) Outpatient mental health services, other than substance abuse services, including services furnished in a state-operated mental hospital and community-based services.

(c) Durable medical equipment and prosthetic and orthotic devices.

(d) Dental services as outlined in the approved MICHild state plan.

(e) Substance abuse treatment services that may include inpatient, outpatient, and residential substance abuse treatment services.

(f) Care management services for mental health diagnoses.

(g) Physical therapy, occupational therapy, and services for individuals with speech, hearing, and language disorders.

(h) Emergency ambulance services.

Sec. 1680. Payment increases for enhanced wages and new or enhanced employee benefits provided in previous years through the Medicaid nursing home wage pass-through program shall be continued.

Sec. 1681. From the funds appropriated in part 1 for home- and community-based services, the department and local waiver agents shall encourage the use of family members, friends, and neighbors of home- and community-based services participants, where appropriate, to provide homemaker services, meal preparation, transportation, chore services, and other nonmedical covered services to participants in the Medicaid home- and community-based services program. This section shall not be construed as allowing for the payment of family members, friends, or neighbors for these services unless explicitly provided for in federal or state law.

Sec. 1682. (1) The department shall implement enforcement actions as specified in the nursing facility enforcement provisions of section 1919 of title XIX, 42 USC 1396r.

(2) In addition to the appropriations in part 1, the department is authorized to receive and spend penalty money received as the result of noncompliance with medical services certification regulations. Penalty money, characterized as private funds, received by the department shall increase authorizations and allotments in the long-term care accounts.

(3) The department is authorized to provide civil monetary penalty funds to the disability network of Michigan to be distributed to the 15 centers for independent living for the purpose of assisting individuals with disabilities who reside in nursing homes to return to their own homes.

(4) The department is authorized to use civil monetary penalty funds to conduct a survey evaluating consumer satisfaction and the quality of care at nursing homes. Factors can include, but are not limited to, the level of satisfaction of nursing home residents, their families, and employees. The department may use an independent contractor to conduct the survey.

(5) Any unexpended penalty money, at the end of the year, shall carry forward to the following year.

Sec. 1683. The department shall promote activities that preserve the dignity and rights of terminally ill and chronically ill individuals. Priority shall be given to programs, such as hospice, that focus on individual dignity and quality of care provided persons with terminal illness and programs serving persons with chronic illnesses that reduce the rate of suicide through the advancement of the knowledge and use of improved, appropriate pain management for these persons; and initiatives that train health care practitioners and faculty in managing pain, providing palliative care, and suicide prevention.

Sec. 1684. The department shall submit a report by September 30, 2010 to the house and senate appropriations subcommittees on community health, the house and senate fiscal agencies, and the state budget director that will identify

by waiver agent, Medicaid home- and community-based services waiver costs by administration, case management, and direct services.

Sec. 1685. All nursing home rates, class I and class III, must have their respective fiscal year rate set 30 days prior to the beginning of their rate year. Rates may take into account the most recent cost report prepared and certified by the preparer, provider corporate owner or representative as being true and accurate, and filed timely, within 5 months of the fiscal year end in accordance with Medicaid policy. If the audited version of the last report is available, it shall be used. Any rate factors based on the filed cost report may be retroactively adjusted upon completion of the audit of that cost report.

Sec. 1687. The department shall study the feasibility, impact, and cost of supporting a Medicaid rate enhancement to be used exclusively to fund affordable, accessible, and adequate health insurance for direct care workers in nursing homes, adult foster care homes, homes for the aged, and home- and community-based services programs. The department shall report its findings and recommendations to the senate and house appropriations subcommittees on community health and the senate and house fiscal agencies by April 1, 2010.

Sec. 1688. The department shall not impose a limit on per unit reimbursements to service providers that provide personal care or other services under the Medicaid home- and community-based services waiver program for the elderly and disabled. The department's per day per client reimbursement cap calculated in the aggregate for all services provided under the Medicaid home- and community-based services waiver is not a violation of this section.

Sec. 1689. (1) Priority in enrolling additional persons in the Medicaid home- and community-based services waiver program shall be given to those who are currently residing in nursing homes or who are eligible to be admitted to a nursing home if they are not provided home- and community-based services. The department shall use screening and assessment procedures to assure that no additional Medicaid eligible persons are admitted to nursing homes who would be more appropriately served by the Medicaid home- and community-based services waiver program.

(2) Within 60 days of the end of each fiscal quarter, the department shall provide a report to the senate and house appropriations subcommittees on community health and the senate and house fiscal agencies that details existing and future allocations for the home- and community-based services waiver program by regions as well as the associated expenditures. The report shall include information regarding the net cost savings from moving individuals from a nursing home to the home- and community-based services waiver program, the number of individuals transitioned from nursing homes to the home- and community-based services waiver program, the number of individuals on waiting lists by region for the program, and the amount of funds transferred during the fiscal quarter. The report shall also include the number of Medicaid individuals served and the number of days of care for the home- and community-based services waiver program and in nursing homes.

(3) The department shall develop a system to collect and analyze information regarding individuals on the home- and community-based services waiver program waiting list to identify the community supports they receive, including, but not limited to, adult home help, food assistance, and housing assistance services and to determine the extent to which these community supports help individuals remain in their home and avoid entry into a nursing home. The department shall provide a progress report on implementation to the senate and house appropriations subcommittees on community health and the senate and house fiscal agencies by June 1 of the current fiscal year.

(4) It is the intent of the legislature that the department shall revise any policies, guidelines, procedures, standards, and regulations in order to limit the self-determination option with respect to the home- and community-based services waiver program to those services furnished by approved home-based service providers meeting provider qualifications established in the waiver and approved by the centers for Medicare and Medicaid services.

Sec. 1690. (1) The department shall submit a report to the house and senate appropriations subcommittees on community health, the house and senate fiscal agencies, and the state budget director by April 1 of the current fiscal year, to include all data collected on the quality assurance indicators in the preceding fiscal year for the home- and community-based services waiver program, as well as quality improvement plans and data collected on critical incidents in the waiver program and their resolutions.

(2) The department shall submit a report to the house and senate appropriations subcommittees on community health, the house and senate fiscal agencies, and the state budget director by April 1 of the current fiscal year, to include all data collected on the quality assurance indicators in the preceding fiscal year for the adult home help program, as well as quality improvement plans and data collected on critical incidents in the adult home help program and their resolutions.

Sec. 1691. (1) Payment increases provided in previous years to adult home help workers shall be continued. From the funds appropriated in part 1 for adult home help services, \$16,584,000.00 is appropriated to increase the wages of adult home help workers by 50 cents per hour in all counties effective October 1, 2009.

(2) The department, in conjunction with the department of human services, shall revise any policies, rules, procedures, or regulations that may be an administrative barrier to the implementation of the wage adjustments described in this section.

Sec. 1692. (1) The department is authorized to pursue reimbursement for eligible services provided in Michigan schools from the federal Medicaid program. The department and the state budget director are authorized to negotiate and enter into agreements, together with the department of education, with local and intermediate school districts regarding

the sharing of federal Medicaid services funds received for these services. The department is authorized to receive and disburse funds to participating school districts pursuant to such agreements and state and federal law.

(2) From the funds appropriated in part 1 for medical services school-based services payments, the department is authorized to do all of the following:

(a) Finance activities within the medical services administration related to this project.

(b) Reimburse participating school districts pursuant to the fund-sharing ratios negotiated in the state-local agreements authorized in subsection (1).

(c) Offset general fund costs associated with the medical services program.

Sec. 1693. The special Medicaid reimbursement appropriation in part 1 may be increased if the department submits a medical services state plan amendment pertaining to this line item at a level higher than the appropriation. The department is authorized to appropriately adjust financing sources in accordance with the increased appropriation.

Sec. 1694. The department shall distribute \$1,122,300.00 to an academic health care system that includes a children's hospital that has a high indigent care volume.

Sec. 1695. (1) The department shall evaluate the impact of implementing a case mix reimbursement system for nursing facilities. The department shall consult with representatives from the department, the health care association of Michigan, the Michigan county medical care facilities council, and the Michigan association of homes and services for the aging.

(2) The department shall provide a progress report to the senate and house appropriations subcommittees on community health and to the senate and house fiscal agencies by August 1 of the current fiscal year.

Sec. 1697. (1) As may be allowed by federal law or regulation, the department may use funds provided by a local or intermediate school district, which have been obtained from a qualifying health system, as the state match required for receiving federal Medicaid or children health insurance program funds. Any such funds received shall be used only to support new school-based or school-linked health services.

(2) A qualifying health system is defined as any health care entity licensed to provide health care services in the state of Michigan, that has entered into a contractual relationship with a local or intermediate school district to provide or manage school-based or school-linked health services.

Sec. 1699. The department may make separate payments directly to qualifying hospitals serving a disproportionate share of indigent patients in the amount of \$51,000,000.00, and to hospitals providing graduate medical education training programs. If direct payment for GME and DSH is made to qualifying hospitals for services to Medicaid clients, hospitals will not include GME costs or DSH payments in their contracts with HMOs.

Sec. 1711. (1) The department shall maintain the 2-tier reimbursement methodology for Medicaid emergency physicians professional services that was in effect on September 30, 2002, subject to the following conditions:

(a) Payments by case and in the aggregate shall not exceed 70% of Medicare payment rates.

(b) Total expenditures for these services shall not exceed the level of total payments made during fiscal year 2001-2002, after adjusting for Medicare copayments and deductibles and for changes in utilization.

(2) To ensure that total expenditures stay within the spending constraints of subsection (1)(b), the department shall develop a utilization adjustor for the basic 2-tier payment methodology. The adjustor shall be based on a good faith estimate by the department as to what the expected utilization of emergency room services will be during the current fiscal year given changes in the number and category of Medicaid recipients. If expenditure and utilization data indicate that the amount and/or type of emergency physician professional services are exceeding the department's estimate, the utilization adjustor shall be applied to the 2-tier reimbursement methodology in such a manner as to reduce aggregate expenditures to the fiscal year 2001-2002 adjusted expenditure target.

Sec. 1712. (1) Subject to the availability of funds, the department shall implement a rural health initiative. Available funds shall first be allocated as an outpatient adjustor payment to be paid directly to hospitals in rural counties in proportion to each hospital's Medicaid and indigent patient population. Additional funds, if available, shall be allocated for defibrillator grants, EMT training and support, or other similar programs.

(2) Except as otherwise specified in this section, "rural" means a county, city, village, or township with a population of not more than 30,000, including those entities if located within a metropolitan statistical area.

Sec. 1716. The department shall seek to maintain a constant enrollment level within the Medicaid adult benefits waiver program throughout fiscal year 2009-2010.

Sec. 1717. (1) The department shall create 2 pools for distribution of disproportionate share hospital funding. The first pool, totaling \$45,000,000.00, shall be distributed using the distribution methodology used in fiscal year 2003-2004. The second pool, totaling \$5,000,000.00, shall be distributed to unaffiliated hospitals and hospital systems that received less than \$900,000.00 in disproportionate share hospital payments in fiscal year 2007-2008 based on a formula that is weighted proportional to the product of each eligible system's Medicaid revenue and each eligible system's Medicaid utilization, except that no payment of less than \$1,000.00 shall be made.

(2) By September 30 of the current fiscal year, the department shall report to the senate and house appropriations subcommittees on community health and the senate and house fiscal agencies on the new distribution of funding to each eligible hospital from the 2 pools.

Sec. 1718. The department shall provide each Medicaid adult home help beneficiary or applicant with the right to a fair hearing when the department or its agent reduces, suspends, terminates, or denies adult home help services. If the department takes action to reduce, suspend, terminate, or deny adult home help services, it shall provide the beneficiary or applicant with a written notice that states what action the department proposes to take, the reasons for the intended action, the specific regulations that support the action, and an explanation of the beneficiary's or applicant's right to an evidentiary hearing and the circumstances under which those services will be continued if a hearing is requested.

Sec. 1721. The department shall conduct a review of Medicaid eligibility pertaining to funds prepaid to a nursing home or other health care facility that are subsequently returned to an individual who becomes Medicaid eligible and shall report its findings to the members of the house and senate appropriations subcommittees on community health and the house and senate fiscal agencies not later than May 15 of the current fiscal year. Included in its report shall be recommendations for policy and procedure changes regarding whether any funds prepaid to a nursing home or other health care facility that are subsequently returned to an individual, after the date of Medicaid eligibility and patient pay amount determination, shall be considered as a countable asset and recommendations for a mechanism for departmental monitoring of those funds.

Sec. 1724. The department shall allow licensed pharmacies to purchase injectable drugs for the treatment of respiratory syncytial virus for shipment to physicians' offices to be administered to specific patients. If the affected patients are Medicaid eligible, the department shall reimburse pharmacies for the dispensing of the injectable drugs and reimburse physicians for the administration of the injectable drugs.

Sec. 1725. The department shall continue to work with the department of human services to reduce Medicaid eligibility errors related to basic eligibility requirements, residency issues, and income requirements.

Sec. 1728. The department shall make available to qualifying Medicaid recipients, not based on Medicare guidelines, freestanding electrical lifting and transferring devices.

Sec. 1731. The department shall continue an asset test to determine Medicaid eligibility for individuals who are parents, caretaker relatives, or individuals between the ages of 18 and 21 and who are not required to be covered under federal Medicaid requirements.

Sec. 1732. The department shall assure that, if proposed modifications to the quality assurance assessment program for nursing homes are not implemented, the projected general fund/general purpose savings shall not be achieved through reductions in nursing home reimbursement rates.

Sec. 1733. (1) The department shall seek additional federal funds to permit the state to provide financial support for electronic prescribing and other health information technology initiatives.

(2) The department shall develop a 3-year strategic plan for the implementation of electronic prescribing for the Medicaid program.

Sec. 1734. The department shall seek federal money for demonstration programs that will permit this state to provide financial incentives for positive health behavior practiced by Medicaid recipients, including, but not limited to, consumer-driven strategies that enable Medicaid recipients to choose coverage that meets their individual needs and that authorize monetary or other rewards for demonstrating positive health behavior changes.

Sec. 1739. The department shall continue the contractor performance bonus program for Medicaid health plans. The contractor performance bonus program may include indicators based on the prevalent and chronic conditions affecting the Medicaid population and indicators of preventive health status for adults and children.

Sec. 1740. From the funds appropriated in part 1 for health plan services, the department shall assure that all GME funds continue to be promptly distributed to qualifying hospitals using the methodology developed in consultation with the graduate medical education advisory group during fiscal year 2006-2007.

Sec. 1741. The department shall continue to provide nursing homes the opportunity to receive interim payments upon their request. The department shall make efforts to ensure that the interim payments are as similar to expected cost-settled payments as possible.

Sec. 1742. The department shall allow the retention of up to \$100.00 in special Medicaid reimbursement funding by any public hospital that meets each of the following criteria:

- (a) The hospital participates in the intergovernmental transfers.
- (b) The hospital is not affiliated with a university.
- (c) The hospital provides surgical services.
- (d) The hospital has at least 10,000 Medicaid bed days.

Sec. 1752. The department shall provide a Medicaid health plan with any information that may assist the Medicaid health plan in determining whether another party may be responsible, in whole or in part, for the payment of health benefits.

Sec. 1756. The department shall establish and implement a specialized case and care management program to serve the most costly Medicaid beneficiaries who are noncompliant with medical management, including persons with chronic diseases and mental health diagnoses, high prescription drug utilizers, members demonstrating noncompliance with previous medical management, and neonates. The case and care management program shall, at a minimum, provide a performance payment incentive for physicians who manage the recipient's care and health costs in the most effective way.

The department may also develop additional contractual arrangements with 1 or more Medicaid HMOs for the provision of specialized case management services. Contracts with Medicaid HMOs may include provisions requiring collection of data related to Medicaid recipient compliance. Measures of patient compliance may include the proportion of clients who fill their prescriptions, the rate of clients who do not show for scheduled medical appointments, and the proportion of clients who use their medication.

Sec. 1757. (1) The department shall direct the department of human services to obtain proof from all Medicaid recipients that they are legal United States citizens or otherwise legally residing in this country and that they are residents of this state before approving Medicaid eligibility.

(2) It is the intent of the legislature that the department seek clarification from the federal government on whether states can deny Medicaid eligibility to fugitive felons through a state plan amendment of waiver.

Sec. 1759. The department shall implement the following policy changes included in the federal deficit reduction act of 2005, Public Law 109-171:

(a) Lengthening the look-back policy for asset transfers from 3 to 5 years.

(b) Changing the penalty period to begin the day an individual applies for Medicaid.

(c) Individuals with more than \$500,000.00 in home equity do not qualify for Medicaid.

(d) Utilize the Medicaid false claim act, 1977 PA 72, MCL 400.601 to 400.613, to collect an enhanced state share of damages collected from entities that have been successfully prosecuted for filing a fraudulent Medicaid claim.

Sec. 1764. The department shall annually certify rates paid to Medicaid health plans as being actuarially sound in accordance with federal requirements and shall provide a copy of the rate certification and approval immediately to the house and senate appropriations subcommittees on community health and the house and senate fiscal agencies.

Sec. 1767. The department shall study and evaluate the impact of the change in the way in which the Medicaid program pays pharmacists for prescriptions from average wholesale price to average manufacturer price as required by the federal deficit reduction act of 2005, Public Law 109-171. Upon release of the data by the centers for Medicare and Medicaid services, the department shall submit a report of its study to the senate and house appropriations subcommittees on community health and the senate and house fiscal agencies. If the department finds that there is a negative impact on the pharmacists, the department shall reexamine the current pharmaceutical dispensing fee structure established under section 1620 and include in the report recommendations and proposals to counter the negative impact of that federal legislation.

Sec. 1770. In conjunction with the consultation requirements of the social welfare act, 1939 PA 280, MCL 400.1 to 400.119b, and except as otherwise provided in this section, the department shall attempt to make the effective date for a proposed Medicaid policy bulletin or adjustment to the Medicaid provider manual on October 1, January 1, April 1, or July 1 after the end of the consultation period. The department may provide an effective date for a proposed Medicaid policy bulletin or adjustment to the Medicaid provider manual other than provided for in this section if necessary to be in compliance with federal or state law, regulations, or rules or with an executive order of the governor.

Sec. 1772. From the funds appropriated in part 1, the department shall continue a program, the primary goal of which is to enroll all children in foster care in Michigan in a Medicaid health maintenance organization.

Sec. 1773. (1) The department shall establish and implement a bid process to identify a single private contractor to provide Medicaid covered nonemergency transportation services in each county with a population over 750,000 individuals.

(2) The department shall reimburse mileage for nonemergency transportation that encourages contractors to participate.

Sec. 1775. The department shall provide a progress report on ongoing efforts to implement long-term managed care pilot programs to the senate and house appropriations subcommittees on community health and the senate and house fiscal agencies by June 1 of the current fiscal year.

Sec. 1777. From the funds appropriated in part 1 for long-term care services, the department shall permit, in accordance with applicable federal and state law, nursing homes to use dining assistants to feed eligible residents if legislation to permit the use of dining assistants is enacted into law. The department shall not be responsible for costs associated with training dining assistants.

Sec. 1783. (1) The department shall develop rates by April 1, 2010 for the enrollment of individuals dually eligible for Medicare and Medicaid into Medicaid health plans if those health plans also maintain a Medicare advantage special needs plan certified by the centers for Medicare and Medicaid services.

(2) The department shall report quarterly to the house and senate appropriations subcommittees on community health and to the house and senate fiscal agencies the status of the rate development described in subsection (1) and the number of dual eligibles enrolled by month in Medicaid health plans with Medicare advantage special needs plan certification for fiscal year 2009-2010.

Sec. 1786. (1) For services where the actual length of stay is less than the published low-day threshold, reimbursement for inpatient admissions shall be the actual charge multiplied by the individual hospital's cost-to-charge ratio net of indirect medical education, not to exceed the full diagnosis related group payment rate.

(2) The reimbursement changes specified in subsection (1) shall not be implemented unless the changes are budget-neutral.

(3) The department shall define a low-day threshold of 1 as an inpatient stay of less than 24 hours.

(4) Any adjustment of low-day outliers implemented by the department shall also include an appropriate adjustment to diagnosis-related group weights and prices.

(5) The department shall identify any cost savings associated with the implementation of low-day outliers for 1-day admissions to hospitals that are less than 24 hours and diagnosis related group weights and recalculations excluding the payments made outside of rates. This information shall be submitted by March 1, 2010 to the legislature and the fiscal agencies as part of an effort to identify additional cost savings in the Medicaid program.

Sec. 1787. The department shall work with the department of human services to obtain the telephone number of Medicaid beneficiaries and shall provide each Medicaid health plan with the telephone number of that health plan's enrollees on a monthly basis.

Sec. 1789. The department shall study whether the current nursing home occupancy ceiling is adequate and shall recommend whether to retain the ceiling at 85% or to lower it. The department shall report its findings and recommendations to the state budget director, senate and house appropriations subcommittees on community health, and senate and house fiscal agencies by April 1 of the current fiscal year.

Sec. 1791. (1) From the money appropriated in part 1 for physician services and health plan services, \$5,285,700.00, of which \$2,100,000.00 is general fund/general purpose money, shall be allocated to increase Medicaid reimbursement rates for primary care and well child visit procedure codes. The increased reimbursement rates in this section shall be implemented October 1, 2008 and shall not exceed the comparable Medicare payment rate for the same services.

(2) The money allocated under subsection (1) shall be distributed as a fee-for-service rate increase for primary care procedure codes and as an adjustment paid exclusively to Medicaid managed care organizations for well child visit procedure codes.

(3) By October 1, 2008, the department shall provide a report to the house and senate appropriations subcommittees on community health and the house and senate fiscal agencies that identifies the specific procedure codes affected by this section and the amount and percentage increase provided for each procedure code.

Sec. 1794. From the funds appropriated in part 1 for hospital services and therapy, up to \$100.00 may be allocated for a program to provide a per-person per-day reimbursement for a hospital located in a city with a population over 500,000.

Sec. 1796. The department shall direct the health information technology commission to examine strategies that promote the ability to share medical records. The department shall report the commission's findings by July 1, 2010.

Sec. 1802. The department may spend up to \$100,000.00 on a pilot program targeting Medicaid recipients with certain high-cost or complex health conditions. This pilot shall provide financial incentives to primary care physicians to handle disease management responsibilities for these Medicaid recipients.

Sec. 1804. The department, in cooperation with the department of human services, shall work with the federal government's public assistance reporting information system to identify Medicaid recipients who are veterans who may be eligible for federal veterans health care benefits or other benefits.

Sec. 1812. From the funds appropriated in part 1 for medical services administration, up to \$100.00 may be allocated to support a pilot project to develop a regional health care resource sharing network. By encouraging collaboration and partnerships between local hospitals, this network is expected to enable each hospital to maintain independence and community control while sharing best practices and resources. The pilot shall be designed to improve access, improve patient outcomes, and lower costs in a medical home model. The region for the pilot shall encompass 22 counties and have 10 hospitals.

Sec. 1813. The department shall inform county boards of commissioners in counties not presently covered by the program of all-inclusive care for the elderly of the possibility of expansion of the program to their county.

Sec. 1815. From the funds appropriated in part 1 for health plan services, the department may not implement a capitation withhold as part of the overall capitation rate schedule that exceeds the 0.19% withhold administered during fiscal year 2008-2009.

Sec. 1816. The department shall work with the Michigan association of health plans to develop and implement strategies for the use of information technology services for claims payment, claims status, and related functions.

Sec. 1817. The department shall convene a workgroup including members of the Michigan association of health plans and the Michigan health and hospital association to discuss implementation of a policy that will prohibit billing for care made necessary by preventable medical errors or adverse health events. The workgroup shall take into account similar policies implemented by the Medicare program and by Medicaid programs in other states. The workgroup shall report its findings and recommendations to the legislature no later than April 1, 2010.

Sec. 1819. It is the intent of the legislature that, beginning in fiscal year 2010-2011, the department shall use Medicaid health plan encounter data in the development and revision of hospital diagnosis-related group pricing policy.

Sec. 1820. The department shall recognize accrediting organizations for Medicaid health plans and shall consider accreditation results when reviewing the performance of Medicaid health plans.

Sec. 1821. The department shall establish appropriate performance standards for Medicaid health plans a year in advance of the application of those standards. The determination of performance shall be based on and include such recognized concepts as 1-year continuous enrollment and HEDIS audited data.

Sec. 1822. The department, the department's contracted Medicaid pharmacy benefit manager, and all Medicaid health plans shall implement coverage for a mental health prescription drug within 30 days of that drug's approval by the department's pharmacy and therapeutics committee.

Sec. 1824. Individuals who live in homes for the aged or adult foster care facilities shall be eligible to apply for enrollment for services from the home- and community-based waiver program.

Sec. 1825. The department may work in conjunction with relevant stakeholders to determine the feasibility of implementing quality assurance assessment programs targeted to certain providers of medical services, as permitted by federal law.

Sec. 1826. The department shall develop a plan to expand and improve the beneficiary monitoring program. This plan shall include cost-effective methods to monitor and reduce unnecessary health care services, including prescription drugs, improve coordination of services between the primary care physician and mental health/substance abuse service providers, and improve compliance with prescribed medical management to reduce more costly use of emergency services. The department shall submit this plan to the house and senate appropriations subcommittees on community health, the house and senate fiscal agencies, and the state budget director by April 1 of the current fiscal year.

Sec. 1828. (1) Effective October 1, 2009, Medicaid payment rates for providers described in subsection (2) shall be reduced to 8% less than the rates in effect on May 1, 2009.

(2) Providers subject to the payment rate reduction shall be limited to those providers subject to percentage rate reductions in Executive Order No. 2009-22.

(3) The department shall reduce rates paid to Medicaid health plans to correspond to the savings realized by the health plans from the reduction in other Medicaid provider rates.

(4) If new revenue is generated to match federal Medicaid funds, the revenue shall be used to reduce or eliminate the rate reductions described in subsections (1), (2), and (3) and to restore other reductions made to the fiscal year 2009-2010 department budget.

Sec. 1829. Notwithstanding the removal of coverage for certain optional Medicaid services, the department shall continue its policy of providing coverage for emergency services. For this purpose, the department shall continue to adhere to the guidelines outlined in MSA policy bulletin MSA 09-28.

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

A bill to make appropriations for the department of community health and certain state purposes related to mental health, public health, and medical services for the fiscal year ending September 30, 2010; to provide for the expenditure of those appropriations; to create funds; to require and provide for reports; to prescribe the powers and duties of certain local and state agencies and departments; and to provide for disposition of fees and other income received by the various state agencies.

Gary McDowell
Richard Hammel
Kevin Green
Conferees for the House

Roger Kahn
John Pappageorge
Conferees for the Senate

Pending the order that, under joint rule 9, the conference report be laid over one day,

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 conference report,

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

Roll Call No. 491

Yeas—20

Allen	Cropsey	Jansen	Pappageorge
Birkholz	Garcia	Jelinek	Richardville
Bishop	George	Kahn	Sanborn
Brown	Gilbert	Kuipers	Stamas
Cassis	Hardiman	McManus	Van Woerkom

Nays—17

Anderson	Clark-Coleman	Jacobs	Scott
Barcia	Clarke	Olshove	Switalski
Basham	Gleason	Patterson	Thomas
Brater	Hunter	Prusi	Whitmer
Cherry			

Excused—0**Not Voting—0**

In The Chair: Richardville

Senator Cropsey moved to reconsider the vote by which the conference report was adopted.
 The question being on the motion to reconsider,
 Senator Cropsey moved that further consideration of the bill be postponed temporarily.
 The motion prevailed.

Protests

Senators Cherry, Clarke, Brater, Jacobs, Scott, Clark-Coleman and Gleason, under their constitutional right of protest (Art. 4, Sec. 18), protested against the adoption of the first conference report on House Bill No. 4436.

Senators Cherry, Gleason and Clarke moved that the statements they made during the discussion of the conference report be printed as their reasons for voting “no.”

The motion prevailed.

Senator Cherry’s statement, in which Senators Clarke, Brater, Jacobs, Scott and Clark-Coleman concurred, is as follows:

Hubert Humphrey once reminded us: “It was once said that the moral test of government is how that government treats those who are in the dawn of life, the children; those who are in the twilight of life, the elderly; and those who are in the shadows of life, the sick, the needy, and the handicapped.” There are many things that are wrong with this budget. Medicaid providers are cut 8 percent, meaning more doctors will leave the Medicaid system, and Medicaid recipients will find it harder and harder to get basic medical care.

Medical services like dental, chiropractic, podiatric, and other services are cut from Medicaid. The budget assumes that the law will be changed to allow psychotropic drugs to be added to the preferred drug list, something that could force clients to struggle to find effective medication, which takes a change in statute that we all know will be difficult to enact.

Non-Medicaid community mental health funding is cut by \$40 million. The brunt of this cut is likely to be borne by large counties like Wayne and Oakland Counties—the very places that have the largest populations of individuals with mental illness. On top of that, many other services that help our citizens cope with mental illness are reduced or ended. Mental health respite services that help our citizens which provide services to parents who care for severely disabled children are eliminated. Protection and advocacy for the mentally ill is slashed by 75 percent. Mental health initiatives for older adults are eliminated. The Healthy Michigan Fund has been decimated. Fourteen services have been eliminated and others are drastically cut, including pregnancy prevention, infant mortality, and cancer protection.

While these programs fared better in the Senate-passed version of the budget, I cannot agree with cutting the Healthy Michigan Fund by more than half. This budget also cuts local public health operating funds, and we require higher payments from parents with children in the special health care program.

I have heard over and over again that there will be a supplemental that will restore some of the cuts that we are making. Well, I say I don’t wish to play roulette with people’s lives. We can pass the Senate Democratic plan now and include a fully funded budget that does not decimate our citizens.

Our caucus has spoken of a set of priorities, including maintaining medical services for the needy. We have identified ways to pay for our priorities. I believe we should this take action now so our budget can provide basic needed services to our valued citizens. I reject the idea that only by cutting programs can we balance this budget.

Colleagues, based on the standards described by Senator Humphrey, we have failed the test of what it means to be a moral government. Therefore, I will be voting “no,” and I urge my colleagues do the same.

Senator Gleason's statement, in which Senator Clark-Coleman concurred, is as follows:

My fellow Senators, I would suppose that this budget, more than any other, indicates our commitment to all of the constituents of this state. Whatever we do to the least of these, that is what you do unto me. One nation under God. In God we trust. Many and some in this room have claimed that these phrases should be displayed wherever we can allow them on government buildings. Some have fought to make them available even on this humble Capitol. Today's efforts on behalf of the sick, the infirmed, and the disabled, I don't know what supreme being would accept these cuts, and I don't think we should either. When we look at what we are doing today to our children and the parents who have the obligation to take care of these children every moment of every day, we say that we can discard them because we don't think it is worthwhile to have the revenues and resources to help these families.

This is not a reflection today at this moment about our budget. This is an even greater reflection on us as human beings when we say that we can cut these much-needed, compassionate, benevolent, and responsible programs. Those who came before us said that if our children and our families had issues that we would be there not as individuals, but as a state to help them meet these day-to-day challenges. When we say it is alright for those who paved the way for this state who undertook the responsibility of citizenship and all that endears us too, we say at this late stage in their lives that we don't really care if they see, and we don't really care if they hear. After all, they have provided our generation and our opportunity in this Capitol here today. Yes, this is not a reflection about a particular budget; it is greater than that. It is a reflection on a chamber that decides that we can discard those most needy.

We should do to this budget what we have done to the disabled and the sick and those who don't see and to those who don't hear. We should discard this budget in the same fashion that we have discarded these human beings. Shame on us as a state who can't stand up for those who can't stand up, who can't reach out to those who can't reach, and for those who can't speak. We sit in this chamber, 37 of us will decide if people can hear and if we can get them to the place that they need to be for the services required over the many illnesses. We know that our state is getting sicker. We know our state is getting older, and yet, we can discard them. So let's do the right thing. I don't care what the other chamber did. I don't change myself to irresponsibilities, and I think that is what today's budget is all about.

Let's vote this down and give those who are sick and infirm a fair standing and a fair hearing and a fair amount of resources to do what needs to be done as families and as individuals.

Senator Clarke's statement is as follows:

While we don't like cuts, we all have to face a reality that we don't have the revenue that we had years back. We understand that some cuts are necessary, and we are going to have that debate on whether we need to balance those cuts with additional revenue. Let's assume that we say that we can only cut government. That is the only way we can balance the budget. That does not apply to the Medicaid budget and here is why. Because of President Obama's stimulus plan, we now get an enhanced amount of federal money matched for every Medicaid dollar that we invest.

So with this 8 percent cut, if we restored it, we could restore it by just investing a little over \$90 million, and with that \$90 million, we would receive nearly \$270 million from the federal government. That is almost like the federal government saying, "State of Michigan, spend \$1 and we will give you \$3. That is a deal that I don't think we should turn down.

I think it is irresponsible for us to turn it down, and this budget does that. It rejects nearly \$300 million in federal money that we need to spend on people who are low-income, who need health care, and who need mental health treatment. The money is there, and we are leaving the money on the table if we support this bill.

I urge everyone to reject this bill and say "yes" ultimately to that federal money that is available to provide health care for people who can't afford to pay for it on their own.

Senators Kahn, George, Patterson and Pappageorge asked and were granted unanimous consent to make statements and moved that the statements be printed in the Journal.

The motion prevailed.

Senator Kahn's statement is as follows:

Well, as we know, at difficult budget times and tough cuts, I want to thank at the outset my colleague in the House, Gary McDowell, for his unfailing good disposition in working with me on this budget. I also want to thank my committee members, in particular Senator John Pappageorge for helping with this budget, and although we have significant differences on how we should have a spending plan, Senator Cherry.

This budget contains at the end of the day a significant reduction in the degree of cuts that we originally passed here in this Senate. We passed a \$200 million reduction, and we were able to find additional funding to reduce that cut to \$160 million. Additional funding allowed us to send \$20 million more to the community mental health General Fund line. It allowed us, as well, to increase funding to the Healthy Michigan Fund and over double it. It allowed us, as well, to preserve some of the other programs that we have come to value, and in particular, help children, such as the MOMS program—Maternity Outpatient Medical Services—helped us preserve the smoking prevention program.

Nonetheless, there are significant areas of reductions. Those reductions are an 8 percent reduction to providers, and there is annualization of the Governor's executive order. There were additional reductions provided by the department. There are cuts to the Healthy Michigan Fund.

This particular budget also has within it reforms that should help us next year. Those reforms include, within the estate recovery program, billing fraud. We have also reforms of third-party liability. The negotiations of this budget were long. I believe that they bear more fruit. The bill has been passed in the House. I ask that it be passed here as well.

Senator George's statement is as follows:

I wish to point out that this budget, probably more than any other, illustrates the structural problems in our budgets that the state faces. I say this because it represents a program that is open-ended. This program allows qualifications based on income. As income in Michigan changes, we have an increasing number of recipients. We have gone from 1 million Medicaid recipients at the beginning of this decade to nearly 1.7 million. We have gone from 1 in every 10 Michigan residents being covered by Medicaid to now about 1 in every 6 Michigan residents. We are adding in some months 8,000, in some months 10,000, and in some months as many as 15,000 Medicaid recipients a month, and it is simply not sustainable.

If we are going to correct the structural imbalance that Michigan faces, ultimately, we will need to dramatically change and reform this program. It's the same for non-Medicaid welfare recipients. At the beginning of the decade, we had 600,000 non-Medicaid welfare recipients to now having 1.2 million. This explains why we have a structural deficit. We have diminishing revenue but an increasing burden on these two social programs.

To correct the structural deficit, ultimately, the social contracts with the recipients will need to be rewritten. That is not being done here because there are strings attached with the stimulus money coming from the Obama Administration that prevent that from occurring. To correct the underlying structural problem that faces us, the social contracts with the recipients will need to be redrafted.

I will be voting "yes" on the budget. It does sustain the programs for now through difficult provider cuts, but it does not fix the structural problem that we face.

Senator Patterson's statement is as follows:

I am intrigued by the comments from my colleague from across the aisle—a colleague not only in the Senate Chamber, but at the bar. He talks of federal dollars—some mystical apparition that rises on the horizon from some time ago. Stimulus dollars, can you say excessive borrowing, dead instruments? When we talk about things that are incomprehensible or irresponsible, we should think about unsustainable. By spending dollars that have been borrowed against our children, our grandchildren, and future generations that are yet unborn, we are kicking our responsibility down the road.

There is a structural problem here, but there is no such thing as federal dollars. This has to do with our Founding Fathers. You all voted for two resolutions that I brought forth here a couple of weeks ago, the 10th Amendment. There has been no delegation to the federal government of these authorities, but rather they tempt us with this concept of federal dollars to lure us down the road to give the federal government more and more power over our lives—threatening our freedom and denying us liberty.

We have become more and more dependent upon those far, far away in Washington, D.C., who run the nanny state. We cannot afford to live beyond our means, but yet again, by suggesting there is something called federal dollars, we can comfort ourselves today and leave one heck of a burden on future generations. I cannot in good conscience so blithely ignore the constitutional duty imposed upon us over 200 years ago and to which we swore an oath when we took this office.

Senator Pappageorge's statement is as follows:

Earlier the Senator from District No. 1 talked about more revenue. We also hear words like "investing." Let's understand something: Governments have no money. Let me say that again: Governments have no money except what they extract from their citizens. You can call it anything you want, but that is what happens.

So when you say, "I want to restore money to this hospital or this building or this whatever, and we are going to do it with increased revenues," that is the code word for saying we are going to take money from our citizens. So the cause shift you propose was we are not going to cut this budget or that budget; we are going to get revenue.

Hello world, what you are saying is we are going to take money from our citizens, and guess what? They don't care for that. You don't hear it from them up here because the people we meet are the people who come to us and say, "We have a great cause, and we need money from the citizens." That is what is going on here. Understand that every time you use the words "revenue enhancement" or "investment," again, governments have no money at any level except what they take from their citizens.

That is why this is such a tough time because a good many of us have said, you know, we just can't take anymore money from our citizens; they are hurting.

House Bill No. 4441, entitled

A bill to make appropriations for the state institutions of higher education and certain state purposes related to education for the fiscal year ending September 30, 2010; to provide for the expenditures of those appropriations; and to prescribe the powers and duties of certain state departments, institutions, agencies, employees, and officers.

The House of Representatives has adopted the report of the Committee of Conference.

The Conference Report was read as follows:

FIRST CONFERENCE REPORT

The Committee of Conference on the matters of difference between the two Houses concerning

House Bill No. 4441, entitled

A bill to make appropriations for the state institutions of higher education and certain state purposes related to education for the fiscal year ending September 30, 2010; to provide for the expenditures of those appropriations; and to prescribe the powers and duties of certain state departments, institutions, agencies, employees, and officers.

Recommends:

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

A bill to make appropriations for the state institutions of higher education and certain state purposes related to education for the fiscal year ending September 30, 2010; to provide for the expenditures of those appropriations; and to prescribe the powers and duties of certain state departments, institutions, agencies, employees, 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 higher education for the fiscal year ending September 30, 2010, from the funds indicated in this part.

HIGHER EDUCATION**APPROPRIATION SUMMARY**

Full-time equated classified positions	1.0	
GROSS APPROPRIATION		\$ 1,612,243,300
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers		0
ADJUSTED GROSS APPROPRIATION		\$ 1,612,243,300
Federal revenues:		
Total federal revenues.....		74,138,000
Special revenue funds:		
Total local revenues		0
Total private revenues		0
Total other state restricted revenues		30,400,100
State general fund/general purpose		\$ 1,507,705,200

SUBPART A - RESEARCH UNIVERSITIES**Sec. 102. MICHIGAN STATE UNIVERSITY**

Operations.....	\$ 291,841,700
Agricultural experiment station.....	34,198,900
Cooperative extension service	29,497,000
GROSS APPROPRIATION	\$ 355,537,600

Appropriated from:

Federal revenues:	
DED - state fiscal stabilization fund - education (ARRA)	35,687,600
State general fund/general purpose	\$ 319,850,000

Sec. 103. UNIVERSITY OF MICHIGAN - ANN ARBOR

Operations.....	\$ 325,347,400
GROSS APPROPRIATION	\$ 325,347,400

Appropriated from:

Federal revenues:	
DED - state fiscal stabilization fund - education (ARRA)	8,775,400
State general fund/general purpose	\$ 316,572,000

Sec. 104. WAYNE STATE UNIVERSITY

Operations.....	\$ 220,329,200
GROSS APPROPRIATION	\$ 220,329,200

For Fiscal Year
Ending Sept. 30,
2010

Appropriated from:	
Federal revenues:	
DED - state fiscal stabilization fund - education (ARRA)	\$ 6,003,800
State general fund/general purpose	\$ 214,325,400
SUBPART B - STATE UNIVERSITIES	
Sec. 105. CENTRAL MICHIGAN UNIVERSITY	
Operations.....	\$ 82,436,000
GROSS APPROPRIATION	\$ 82,436,000
Appropriated from:	
Federal revenues:	
DED - state fiscal stabilization fund - education (ARRA)	2,342,100
State general fund/general purpose	\$ 80,093,900
Sec. 106. EASTERN MICHIGAN UNIVERSITY	
Operations.....	\$ 78,212,100
GROSS APPROPRIATION	\$ 78,212,100
Appropriated from:	
Federal revenues:	
DED - state fiscal stabilization fund - education (ARRA)	2,246,500
State general fund/general purpose	\$ 75,965,600
Sec. 107. FERRIS STATE UNIVERSITY	
Operations.....	\$ 50,017,100
GROSS APPROPRIATION	\$ 50,017,100
Appropriated from:	
Federal revenues:	
DED - state fiscal stabilization fund - education (ARRA)	1,395,300
State general fund/general purpose	\$ 48,621,800
Sec. 108. GRAND VALLEY STATE UNIVERSITY	
Operations.....	\$ 63,758,300
GROSS APPROPRIATION	\$ 63,758,300
Appropriated from:	
Federal revenues:	
DED - state fiscal stabilization fund - education (ARRA)	1,739,900
State general fund/general purpose	\$ 62,018,400
Sec. 109. LAKE SUPERIOR STATE UNIVERSITY	
Operations.....	\$ 13,059,200
GROSS APPROPRIATION	\$ 13,059,200
Appropriated from:	
Federal revenues:	
DED - state fiscal stabilization fund - education (ARRA)	477,600
State general fund/general purpose	\$ 12,581,600
Sec. 110. MICHIGAN TECHNOLOGICAL UNIVERSITY	
Operations.....	\$ 49,302,100
GROSS APPROPRIATION	\$ 49,302,100
Appropriated from:	
Federal revenues:	
DED - state fiscal stabilization fund - education (ARRA)	1,431,300
State general fund/general purpose	\$ 47,870,800
Sec. 111. NORTHERN MICHIGAN UNIVERSITY	
Operations.....	\$ 46,438,200
GROSS APPROPRIATION	\$ 46,438,200
Appropriated from:	
Federal revenues:	
DED - state fiscal stabilization fund - education (ARRA)	1,289,300
State general fund/general purpose	\$ 45,148,900

For Fiscal Year
Ending Sept. 30,
2010

Sec. 112. OAKLAND UNIVERSITY

Operations.....	\$ 52,220,800
GROSS APPROPRIATION	\$ 52,220,800

Appropriated from:

Federal revenues:

DED - state fiscal stabilization fund - education (ARRA)	1,530,100
State general fund/general purpose	\$ 50,690,700

Sec. 113. SAGINAW VALLEY STATE UNIVERSITY

Operations.....	\$ 28,517,700
GROSS APPROPRIATION	\$ 28,517,700

Appropriated from:

Federal revenues:

DED - state fiscal stabilization fund - education (ARRA)	807,600
State general fund/general purpose	\$ 27,710,100

Sec. 114. UNIVERSITY OF MICHIGAN - DEARBORN

Operations.....	\$ 25,437,100
GROSS APPROPRIATION	\$ 25,437,100

Appropriated from:

Federal revenues:

DED - state fiscal stabilization fund - education (ARRA)	733,500
State general fund/general purpose	\$ 24,703,600

Sec. 115. UNIVERSITY OF MICHIGAN - FLINT

Operations.....	\$ 21,498,900
GROSS APPROPRIATION	\$ 21,498,900

Appropriated from:

Federal revenues:

DED - state fiscal stabilization fund - education (ARRA)	627,200
State general fund/general purpose	\$ 20,871,700

Sec. 116. WESTERN MICHIGAN UNIVERSITY

Operations.....	\$ 112,766,800
GROSS APPROPRIATION	\$ 112,766,800

Appropriated from:

Federal revenues:

DED - state fiscal stabilization fund - education (ARRA)	3,150,800
State general fund/general purpose	\$ 109,616,000

SUBPART C - GRANTS AND FINANCIAL AID**Sec. 117. STATE AND REGIONAL PROGRAMS**

Full-time equated position	1.0
Higher education database modernization and conversion—1.0 FTE position	\$ 105,000
Midwestern higher education compact.....	95,000
GROSS APPROPRIATION	\$ 200,000

Appropriated from:

State general fund/general purpose	\$ 200,000
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Sec. 118. MARTIN LUTHER KING, JR. - CESAR CHAVEZ - ROSA PARKS**PROGRAM**

Select student support services.....	\$ 1,956,100
Michigan college/university partnership program	586,800
Morris Hood, Jr. educator development program.....	148,600
GROSS APPROPRIATION	\$ 2,691,500

Appropriated from:

State general fund/general purpose	\$ 2,691,500
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Sec. 119. GRANTS AND FINANCIAL AID

State competitive scholarships.....	\$ 17,608,500
Tuition grants.....	31,664,700
Robert C. Byrd honors scholarship program.....	1,500,000
Michigan merit award program	100

	For Fiscal Year Ending Sept. 30, 2010
Tuition incentive program	\$ 31,200,000
Children of veterans tuition grant program	1,000,000
Project gear-up	1,500,000
GROSS APPROPRIATION	\$ 84,473,300
Appropriated from:	
Federal revenues:	
Higher education act of 1965, title IV, 20 USC	2,900,000
Higher education act of 1965, title IV, part A	1,500,000
United States department of education, office of elementary and secondary education, gear-up ..	1,500,000
Special revenue funds:	
Michigan merit award trust fund	30,100,100
Contributions to children of veterans tuition grant program	300,000
State general fund/general purpose	\$ 48,173,200

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 this act for fiscal year 2009-2010 is \$1,538,105,300.00 and state spending from state resources to be paid to local units of government for fiscal year 2009-2010 is \$0.

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, "research university" means a public university classified as a "research university (very high research activity)" under the 2005 classification of institutions of higher education conducted by the Carnegie foundation for the advancement of teaching.

Sec. 208. Unless otherwise specified, public universities receiving appropriations in part 1 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 and 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 value. 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. It is the intent of the legislature that the funds appropriated in part 1 to state institutions of higher education shall not be used to enter into a lease or to purchase a vehicle assembled or manufactured outside of the United States, and that preference be given to vehicles assembled or manufactured in Michigan.

Sec. 212. (1) The funds appropriated in part 1 to public universities shall be paid out of the state treasury and distributed by the state treasurer to the respective institutions in 11 equal monthly installments on the sixteenth of each month, or the next succeeding business day, beginning with October 16, 2009. Except for Wayne State University, each institution shall accrue its July and August 2010 payments to its institutional fiscal year ending June 30, 2010.

(2) All public universities shall submit higher education institutional data inventory (HEIDI) data and associated financial and program information requested by and in a manner prescribed by the state budget director. For public universities with fiscal years ending June 30, 2009, these data shall be submitted to the state budget director by October 15, 2009. Public universities with a fiscal year ending September 30, 2009 shall submit preliminary HEIDI data by November 15, 2009 and final data by December 15, 2009. If a public university fails to submit HEIDI data and associated financial aid program information in accordance with this reporting schedule, the state treasurer shall withhold the monthly installments under subsection (1) to the public university until those data are submitted.

(3) A detailed description of procedures utilized to arrive at the amounts appropriated in part 1 shall be submitted to each institution by the senate and house fiscal agencies.

Sec. 213. Funds received by the state from the federal government or private sources for the use of a college or university are appropriated for the purposes for which they are provided. The acceptance and use of federal or private funds do not place an obligation upon the legislature to continue the purposes for which the funds are made available.

Sec. 214. If section 274 of the income tax act of 1967, 1967 PA 281, MCL 206.274, is not repealed and if a public university that receives funds under this act notifies the department of treasury regarding its tuition and fee rates in order

to qualify as an eligible institution for the Michigan tuition tax credit under section 274 of the income tax act of 1967, 1967 PA 281, MCL 206.274, the public university shall also submit the notification and applicable documentation of tuition and fee changes to the house and senate fiscal agencies.

Sec. 215. A public university that receives funds under this act shall furnish all program and financial information that is required by and in a manner prescribed by the state budget director or the house or senate appropriations committee.

Sec. 216. A public university receiving funds in part 1 shall cooperate with all measures taken by the state to comply with the state fiscal stabilization fund provisions of the American recovery and reinvestment act of 2009, Public Law 111-5, requiring the establishment of a statewide P-16 education longitudinal data system.

Sec. 217. It is the intent of the legislature that the governing board of each public university examine university operations for potential conflicts of interest.

GRANTS AND FINANCIAL AID

Sec. 301. (1) Payments of the amounts included in part 1 for the state competitive scholarship program shall be distributed pursuant to 1964 PA 208, MCL 390.971 to 390.981.

(2) The Michigan higher education assistance authority shall implement a proportional competitive scholarship maximum award level for recipients enrolled less than full-time in a given semester or term.

(3) If a student who receives an award under this section has his or her tuition and fees paid under the Michigan educational trust program, pursuant to the Michigan education trust act, 1986 PA 316, MCL 390.1421 to 390.1442, and still has financial need, the funds awarded under this section may be used for educational expenses other than tuition and fees.

(4) If the Michigan higher education assistance authority increases the maximum award per eligible student from that provided in the previous fiscal year, it shall not have the effect of reducing the number of eligible students receiving awards in relation to the total number of eligible applicants. Any increase in the maximum grant shall be proportional for all eligible students receiving awards.

(5) Students who receive aid under 1964 PA 208, MCL 390.971 to 390.981, shall be awarded scholarships on the basis of merit and financial need. Veterans administration benefits shall not be considered in determining eligibility under 1964 PA 208, MCL 390.971 to 390.981.

Sec. 302. (1) The amounts appropriated in part 1 for the state tuition grant program shall be distributed pursuant to 1966 PA 313, MCL 390.991 to 390.997a.

(2) Tuition grant awards shall be made to all eligible Michigan residents enrolled in undergraduate degree programs who apply before July 1, 2009 and who are qualified. Tuition grant awards shall not be made to students newly enrolled in a juris doctor law degree program after the 1995-1996 academic year.

(3) Subject to subsection (7), the Michigan higher education assistance authority shall determine an actual maximum tuition grant award per student, which shall be no less than \$2,100.00, that ensures that the aggregate payments for the tuition grant program do not exceed the appropriation contained in part 1 for the state tuition grant program. If the authority determines that insufficient funds are available to establish a maximum award amount of \$2,100.00, the authority shall immediately report to the house and senate appropriations subcommittees on higher education, the house and senate fiscal agencies, and the state budget director, regarding the estimated amount of additional funds necessary to establish a \$2,100.00 maximum award amount. By December 15, 2009, and again by February 1, 2010, the authority shall analyze the status of award commitments, shall make any necessary adjustments, and shall confirm that those award commitments will not exceed the appropriation contained in part 1 for the tuition grant program. The determination and actions shall be reported to the state budget director and the house and senate fiscal agencies no later than February 15, 2010. If award adjustments are necessary, the students shall be notified of the adjustment by the third Monday in February.

(4) Any unexpended and unencumbered funds remaining on September 30, 2010 from the amounts appropriated in part 1 for the tuition grant program shall not lapse on September 30, 2010, but shall continue to be available for expenditure for tuition grants provided in the 2010-2011 fiscal year under a work project account. The use of these unexpended fiscal year 2009-2010 funds shall terminate at the end of the 2010-2011 fiscal year.

(5) The Michigan higher education assistance authority shall continue a proportional tuition grant maximum award level for recipients enrolled less than full-time in a given semester or term.

(6) If the Michigan higher education assistance authority increases the maximum award per eligible student from that provided in the previous fiscal year, it shall not have the effect of reducing the number of eligible students receiving awards in relation to the total number of eligible applicants. Any increase in the maximum grant shall be proportional for all eligible students receiving awards for fiscal year 2009-2010.

(7) The Michigan higher education assistance authority shall not award more than \$3,000,000.00 in tuition grants to eligible students enrolled in the same independent nonprofit college or university in this state. Any decrease in the maximum grant shall be proportional for all eligible students enrolled in that college or university, as determined by the department.

Sec. 307. The auditor general may audit selected enrollments, degrees, and awards at selected independent colleges and universities receiving awards administered by the department of treasury. The audits shall be based upon definitions and requirements established by the Michigan higher education assistance authority, the state budget director, and the senate and house fiscal agencies. The auditor general shall accept the Free Application for Federal Student Aid (FAFSA) form

as the standard of residency documentation. The auditor general shall submit a report of findings to the senate and house appropriations committees and state budget director by May 1, 2010.

Sec. 308. The sums appropriated in part 1 for the student financial aid programs shall be paid out of the state treasury and shall be distributed to the respective institutions under a quarterly payment system as follows:

(a) For the state competitive scholarship, tuition incentive, and tuition grant programs, 40% shall be paid at the beginning of the state's first fiscal quarter, 40% at the beginning of the state's second fiscal quarter, 10% at the beginning of the state's third fiscal quarter, and 10% at the beginning of the state's fourth fiscal quarter.

(b) For the Robert C. Byrd honors scholarship program, 50% shall be paid at the beginning of the state's first fiscal quarter and 50% at the beginning of the state's second fiscal quarter.

Sec. 309. The Michigan higher education assistance authority shall determine the needs analysis criteria for students to qualify for the state competitive scholarship program and tuition grant program. To be consistent with federal requirements, student wages may be taken into consideration when determining the amount of the award.

Sec. 310. (1) The funds appropriated in part 1 for the tuition incentive program shall be distributed as provided in this section and pursuant to the administrative procedures for the tuition incentive program of the department of treasury.

(2) As used in this section:

(a) "Phase I" means the first part of the tuition incentive assistance program defined as the academic period of 80 semester or 120 term credits, or less, leading to an associate degree or certificate.

(b) "Phase II" means the second part of the tuition incentive assistance program which provides assistance in the third and fourth year of 4-year degree programs.

(c) "Department" means the department of treasury.

(3) A person shall meet the following basic criteria and financial thresholds to be eligible for tuition incentive benefits:

(a) To be eligible for phase I, a person shall meet all of the following criteria:

(i) Apply for certification to the department before graduating from high school or completing the general education development (GED) certificate.

(ii) Be less than 20 years of age at the time of high school graduation or GED completion.

(iii) Be a United States citizen and a resident of Michigan according to institutional criteria.

(iv) Be at least a half-time student, earning less than 80 semester or 120 term credits at a participating educational institution within 4 years of high school graduation or GED certificate completion.

(v) Request information on filing a FAFSA.

(b) To be eligible for phase II, a person shall meet either of the following criteria in addition to the criteria in subdivision (a):

(i) Complete at least 56 transferable semester or 84 transferable term credits.

(ii) Obtain an associate degree or certificate at a participating institution.

(c) To be eligible for phase I or phase II, a person must be financially eligible as determined by the department. A person is financially eligible for the tuition incentive program if that person was Medicaid eligible for 24 months within the 36 months before application. Certification of eligibility may begin in the sixth grade.

(4) For phase I, the department shall provide payment on behalf of a person eligible under subsection (3). The department shall reject billings that are excessive or outside the guidelines for the type of educational institution.

(5) For phase I, all of the following apply:

(a) Payments for associate degree or certificate programs shall not be made for more than 80 semester or 120 term credits for any individual student at any participating institution.

(b) For persons enrolled at a Michigan community college, the department shall pay the current in-district tuition and mandatory fees. For persons residing in an area that is not included in any community college district, the out-of-district tuition rate may be authorized.

(c) For persons enrolled at a Michigan public university, the department shall pay lower division resident tuition and mandatory fees for the current year.

(d) For persons enrolled at a Michigan independent, nonprofit degree-granting college or university, or a Michigan federal tribally controlled community college, or Focus: HOPE, the department shall pay mandatory fees for the current year and a per-credit payment that does not exceed the average community college in-district per-credit tuition rate as reported on August 1, for the immediately preceding academic year.

(6) A person participating in phase II may be eligible for additional funds not to exceed \$500.00 per semester or \$400.00 per term up to a maximum of \$2,000.00 subject to the following conditions:

(a) Credits are earned in a 4-year program at a Michigan degree-granting 4-year college or university.

(b) The tuition reimbursement is for coursework completed within 30 months of completion of the phase I requirements.

(7) The department shall work closely with participating institutions to develop an application and eligibility determination process that will provide the highest level of participation and ensure that all requirements of the program are met.

(8) Applications for the tuition incentive program may be approved at any time after the student begins the sixth grade. If a determination of financial eligibility is made, that determination is valid as long as the student meets all other program requirements and conditions.

(9) Each institution shall ensure that all known available restricted grants for tuition and fees are used prior to billing the tuition incentive program for any portion of a student's tuition and fees.

(10) The department shall ensure that the tuition incentive program is well publicized and that potentially eligible Medicaid clients are provided information on the program. The department shall provide the necessary funding and staff to fully operate the program.

Sec. 311. To enable the legislature and the state budget director to evaluate the appropriation needs of higher education, each independent college and university shall make available to the legislature or state budget director, upon request, data regarding grants for the preceding, current, and ensuing fiscal years.

Sec. 315. By February 15 of each year, the department of treasury shall submit a report to the state budget director, the house and senate appropriations subcommittees on higher education, and the house and senate fiscal agencies for the preceding fiscal year on all student financial aid programs for which funds are appropriated in part 1. For each student financial aid program, the report shall include, but is not limited to, the total number of awards paid in the preceding fiscal year, the total dollar amount of those awards, and the number of students receiving awards and the total amount of those awards at each eligible postsecondary institution. To the extent information is available, the report shall also include information on the average exam performance, household income, and other demographic characteristics of students receiving awards under each program and historical information on the number of awards and total award amounts for each program.

Sec. 316. It is the intent of the legislature that a workgroup be formed to examine current state financial aid programs and make recommendations regarding any changes to, additions to, or consolidation of those programs to improve the overall efficacy of state financial aid funding. The workgroup shall, at minimum, contain members of the house and senate appropriations subcommittees on higher education and representatives of the presidents council, state universities of Michigan, the Michigan community colleges association, and the association of independent colleges and universities of Michigan.

Sec. 317. It is the intent of the legislature that if the economy improves, and additional state revenue is available, 1 of the foremost priorities for the expenditure of additional revenue in the higher education budget will be to fund Michigan tuition grants authorized under 1966 PA 313, MCL 390.991 to 390.997a.

Sec. 318. It is the intent of the legislature that if the economy improves, and additional state revenue is available, 1 of the foremost priorities for the expenditure of additional revenue in the higher education budget will be to fund the provisions of the Michigan promise grant act, 2006 PA 479, MCL 390.1621 to 390.1628.

Sec. 319. It is the intent of the legislature that if the economy improves, and additional state revenue is available, all of the following are among the foremost priorities for the expenditure of additional revenue in the higher education budget:

(a) The state competitive scholarship program established in 1964 PA 208, MCL 390.971 to 390.981.

(b) The Michigan nursing scholarship program established in the Michigan nursing scholarship act, 2002 PA 591, MCL 390.1181 to 390.1189.

(c) The Michigan work study programs established in 1986 PA 303, MCL 390.1321 to 390.1332, and 1986 PA 288, MCL 390.1371 to 390.1382.

(d) The part-time independent student grant program established in 1986 PA 102, MCL 390.1281 to 390.1288.

(e) The Michigan education opportunity grant program established in 1986 PA 273, MCL 390.1401 to 390.1409.

UNIVERSITY OPERATIONS

Sec. 402. The University of Michigan biological station at Douglas Lake in Cheboygan County is regarded as a unique resource and is designated as a special research reserve. It is the intent of the legislature to protect and preserve the unique long-term research value and capabilities of the biological station area and Douglas Lake. The legislature further intends that no state programs or policies be developed that would have a deleterious impact on the research value of Douglas Lake.

Sec. 426. (1) It is the legislative intent that private bookstores that sell textbooks to university students and student governments that provide a book swap for university students have accurate and timely access to lists of universities' required textbooks in order to provide prompt and efficient service for students. It is further the legislative intent that each public university allow students who are on financial aid or are receiving tuition grants to decide where to purchase their textbooks.

(2) It is the intent of the legislature that each public university that provides for the use of funds in a university-administered account or financial aid for the purchase of required textbooks and supplies at bookstores operated by or affiliated with the university shall also provide for the use of funds in a university-administered account or financial aid at bookstores providing required textbooks or supplies that are not operated by or affiliated with the university. A public university may require bookstores not operated by or affiliated with the university to reimburse the university for any reasonable costs attributable to these transactions and to pay a reasonable rate or commission to the university or a fixed fee agreed to by both parties.

(3) It is the intent of the legislature that each public university receiving an appropriation in part 1 shall establish a process to review university requirements for students to acquire new or revised textbooks. The policies developed for

this process shall include criteria for approving any change in textbook requirements for students and shall prohibit any compensation to a university or to a university employee if a textbook change is approved. Not later than February 1, 2010, each public university shall submit a report to the house and senate appropriations subcommittees on higher education and the house and senate fiscal agencies on its efforts to establish this textbook review process.

Sec. 433. (1) Included in part 1 is \$2,982,900.00 for the agricultural experiment station and \$2,645,200.00 for the cooperative extension service for project GREEN. Project GREEN is intended to address critical regulatory, food safety, economic, and environmental problems faced by this state's plant-based agriculture, forestry, and processing industries. "GREEN" is an acronym for generating research and extension to meet environmental and economic needs.

(2) The department of agriculture and Michigan State University, in consultation with agricultural commodity groups and other interested parties, shall develop project GREEN and its program priorities.

(3) It is the intent of the legislature that if state funding for the agricultural experiment station and the cooperative extension service is restored to fiscal year 2008-2009 levels, then an additional amount up to \$3,500,000.00 shall be earmarked for bioeconomy research.

(4) Not later than September 30, 2010, a report shall be submitted by Michigan State University to the state budget director, the house and senate appropriations subcommittees on agriculture and on higher education, and the house and senate fiscal agencies for the preceding school fiscal year regarding expenditures and programmatic outcomes of the agricultural experiment station and cooperative extension service. The report shall include, but is not limited to:

(a) Total funds expended by the agricultural experiment station and cooperative extension service identified by state, local, private, federal, and university fund sources.

(b) The dollar amount of each project GREEN project and a review of each project's performance and accomplishments.

(c) The dollar amount of each bioeconomy research and development project and a review of each project's performance and accomplishments.

(d) The dollar amount and description of all other individual programs and services provided by the agricultural experiment station and cooperative extension service and a review of each project's performance and accomplishments.

(e) The number of businesses created or that had increased employment and the number of patents generated as a result of work conducted by the agricultural experiment station and cooperative extension service.

Sec. 434. Included in the appropriation in part 1 for Michigan State University is \$80,000.00 for the Michigan future farmers of America association. This \$80,000.00 appropriation shall not supplant any existing support that Michigan State University provides to the Michigan future farmers of America association.

Sec. 436. (1) The funds appropriated to public universities in part 1 from the education portion of the state fiscal stabilization funds received under the American recovery and reinvestment act of 2009, Public Law 111-5, shall be used by the public universities, consistent with the provisions of that act, to mitigate the need to raise tuition and fees for in-state students or for modernization, renovation, or repair of facilities that are primarily used for instruction, research, or student housing.

(2) By November 1, 2009, each public university shall submit a report to the house and senate appropriations subcommittees on higher education, the house and senate fiscal agencies, and the state budget director specifically describing how the funds appropriated from state fiscal stabilization funds will be used under subsection (1). That description shall include 1, or both, of the following:

(a) A detailed estimate of the amount by which increases in in-state tuition and fee rates were mitigated using the funds appropriated.

(b) A listing of facilities being modernized, renovated, or repaired with the funds appropriated, including project dollar amounts and descriptions.

Sec. 440. All public universities shall submit the amount of tuition and fees actually charged to a full-time resident undergraduate student for academic year 2009-2010 as part of their higher education institutional data inventory (HEIDI) data by August 31, 2009. A public university shall report any revisions for any semester of the reported academic year 2009-2010 tuition and fee charges to HEIDI within 15 days of being adopted.

Sec. 450. (1) For the fiscal year ending September 30, 2010, it is the intent of the legislature that an amount calculated under subsection (2) be allocated for per-student floor funding from the general fund/general purpose unreserved balances at the close of the 2008-2009 fiscal year.

(2) The amount allocated under subsection (1) for per-student floor funding is equal to \$3,775.00 per 2007-2008 fiscal-year-equated student at each university. The number of 2007-2008 students at a university is determined by reference to the higher education institutional data inventory (HEIDI).

Sec. 451. For the fiscal year ending September 30, 2010, it is the intent of the legislature that funds be allocated for unfunded North American Indian tuition waiver costs incurred by public universities under 1976 PA 174, MCL 390.1251 to 390.1253, from the general fund/general purpose unreserved balances at the close of the 2008-2009 fiscal year.

Sec. 460. From the amount appropriated in part 1 to Central Michigan University for operations, \$29,700.00 shall be paid to Saginaw Chippewa Tribal College for the costs of waiving tuition for North American Indians under 1976 PA 174, MCL 390.1251 to 390.1253.

Sec. 461. From the amount appropriated in part 1 to Lake Superior State University for operations, \$100,000.00 shall be paid to Bay Mills Community College for the costs of waiving tuition for North American Indians under 1976 PA 174, MCL 390.1251 to 390.1253.

Sec. 463. Not later than February 1, 2010, each of the public universities receiving appropriations in part 1 shall submit to the state budget director, members of the house of representatives and the senate, and the house and senate fiscal agencies a report on the number of residents from an eligible county enrolled at the university and the quantifiable increase from the 2008-2009 academic year to the 2009-2010 academic year in outreach efforts to enroll students at the university from an eligible county. As used in this section, "eligible county" means a county in this state that meets both of the following:

(a) Has a population of not less than 700,000 and not more than 1,000,000 according to the most recent federal decennial census.

(b) Does not contain the main campus of a 4-year public university within its boundaries.

Sec. 464. Each public university receiving an appropriation in part 1 shall submit a plan by January 15, 2010 to the state budget director, the house and senate appropriations subcommittees on higher education, and the house and senate fiscal agencies on its process to inform both the private and public sectors regarding research and technology that could be developed commercially.

Sec. 466. Public universities shall coordinate their purchases of goods and services whenever possible. This may include, but is not limited to, group purchases for vehicles, utilities, supplies, electronic equipment, maintenance equipment, books, and contractual services. To the extent possible, the public universities shall use both the "Michigan delivering extended agreements locally" (MiDEAL) purchasing services of the state department of management and budget that makes state contracts available to local units of government, colleges, and universities and the purchasing services available through the state's membership in the Midwestern Higher Education Compact (MHEC). Not later than January 1 of each year, the presidents council, state universities of Michigan shall submit to the members of the house and senate appropriations subcommittees on higher education, the house and senate fiscal agencies, and the state budget director a report on group or pooled purchases and the savings achieved by the public universities in the previous fiscal year.

Sec. 469. By November 14, 2009, each public university receiving an appropriation in part 1 shall report the number of undergraduate students who graduated in academic year 2008-2009 and received a Pell grant at any time during their enrollment at that university to the members of the house and senate appropriations subcommittees on higher education, the house and senate fiscal agencies, and the state budget director.

Sec. 471. (1) It is the intent of the legislature that each public university receiving an appropriation in part 1 limit any changes to the general requirements or credits needed for a student to graduate from a degree program while that student is enrolled in that program.

(2) It is the intent of the legislature that each public university receiving an appropriation in part 1, to the extent possible, provide sufficient counseling to students to facilitate the timely graduation of those students.

Sec. 480. (1) It is the intent of the legislature that each public university receiving an appropriation in part 1 do all of the following:

(a) Meet the provisions of section 5003 of the post-911 veterans educational assistance act of 2008, title V of Public Law 110-252, 38 USC 3301 to 3324, including voluntary participation in the yellow ribbon GI education enhancement program established in that act in 38 USC 3317. By October 1 of each year, each public university shall report to the house and senate appropriations subcommittees on higher education, the house and senate fiscal agencies, and the presidents council, state universities of Michigan on whether or not it has chosen to participate in the yellow ribbon GI education enhancement program. If at any time during the fiscal year a university participating in the yellow ribbon program chooses to leave the yellow ribbon program, it shall notify the house and senate appropriations subcommittees on higher education, the house and senate fiscal agencies, and the presidents council, state universities of Michigan.

(b) Establish an on-campus veterans' liaison to provide information and assistance to all student veterans.

(c) Provide flexible enrollment application deadlines for all veterans.

(2) As used in this section, "veteran" means an honorably discharged veteran entitled to educational assistance under the provisions of section 5003 of the post-911 veterans educational assistance act of 2008, title V of Public Law 110-252, 38 USC 3301 to 3324.

STATE AND REGIONAL PROGRAMS

Sec. 490. The funds appropriated in part 1 for higher education database modernization and conversion shall be expended to maintain, coordinate, and improve the higher education institutional data inventory (HEIDI) established under section 1299 of the management and budget act, 1984 PA 431, MCL 18.1299. The advisory committee established under that section shall meet regularly to review data definitions and requirements in order to advise the state budget director regarding changes to those definitions and requirements that would result in more useful and reliable data being provided to state policymakers and university officials.

MARTIN LUTHER KING, JR. - CESAR CHAVEZ - ROSA PARKS PROGRAMS

Sec. 501. (1) Included in the appropriation for each public university in part 1 is funding for the Martin Luther King, Jr. - Cesar Chavez - Rosa Parks future faculty program that is intended to increase the pool of academically or

economically disadvantaged candidates pursuing faculty teaching careers in postsecondary education. Preference may not be given to applicants on the basis of race, color, ethnicity, gender, or national origin. Institutions should encourage applications from applicants who would otherwise not adequately be represented in the graduate student and faculty populations. Each public university shall apply the percentage change applicable to every public university in the calculation of appropriations in part 1 to the amount of funds allocated to the future faculty program.

(2) The program shall be administered by each public university in a manner prescribed by the Michigan department of energy, labor, and economic growth. The Michigan department of energy, labor, and economic growth shall use a good faith effort standard to evaluate whether a fellowship is in default.

Sec. 502. (1) Included in the appropriation for each public university in part 1 is funding for the Martin Luther King, Jr. - Cesar Chavez - Rosa Parks college day program that is intended to introduce academically or economically disadvantaged schoolchildren to the potential of a college education. Preference may not be given to participants on the basis of race, color, ethnicity, gender, or national origin. Public universities should encourage participation from those who would otherwise not adequately be represented in the student population.

(2) Individual program plans of each public university shall include a budget of equal contributions from this program, the participating public university, the participating school district, and the participating independent degree-granting college. College day funds shall not be expended to cover indirect costs. Not more than 20% of the university match shall be attributable to indirect costs. Each public university shall apply the percentage change applicable to every public university in the calculation of appropriations in part 1 to the amount of funds allocated to the college day program.

(3) The program described in this section shall be administered by each public university in a manner prescribed by the Michigan department of energy, labor, and economic growth.

Sec. 503. (1) Included in part 1 is funding for the Martin Luther King, Jr. - Cesar Chavez - Rosa Parks select student support services program for developing academically or economically disadvantaged student retention programs for 4-year public and independent educational institutions in this state. Preference may not be given to participants on the basis of race, color, ethnicity, gender, or national origin. Institutions should encourage participation from those who would otherwise not adequately be represented in the student population.

(2) An award made under this program to any 1 institution shall not be greater than \$150,000.00, and the amount awarded shall be matched on a 70% state, 30% college or university basis.

(3) The program described in this section shall be administered by the Michigan department of energy, labor, and economic growth.

Sec. 504. (1) Included in part 1 is funding for the Martin Luther King, Jr. - Cesar Chavez - Rosa Parks college/university partnership program between 4-year public and independent colleges and universities and public community colleges, which is intended to increase the number of academically or economically disadvantaged students who transfer from community colleges into baccalaureate programs. Preference may not be given to participants on the basis of race, color, ethnicity, gender, or national origin. Institutions should encourage participation from those who would otherwise not adequately be represented in the transfer student population.

(2) The grants shall be made under the program described in this section to Michigan public and independent colleges and universities. An award to any 1 institution shall not be greater than \$150,000.00, and the amount awarded shall be matched on a 70% state, 30% college or university basis.

(3) The program described in this section shall be administered by the Michigan department of energy, labor, and economic growth.

Sec. 505. (1) Included in the appropriation for each public university in part 1 is funding for the Martin Luther King, Jr. - Cesar Chavez - Rosa Parks visiting professors program which is intended to increase the number of instructors in the classroom to provide role models for academically or economically disadvantaged students. Preference may not be given to participants on the basis of race, color, ethnicity, gender, or national origin. Public universities should encourage participation from those who would otherwise not adequately be represented in the student population.

(2) The program described in this section shall be administered by the Michigan department of energy, labor, and economic growth.

Sec. 506. (1) Included in the appropriation in part 1 is funding under the Martin Luther King, Jr. - Cesar Chavez - Rosa Parks initiative for the Morris Hood, Jr. educator development program which is intended to increase the number of academically or economically disadvantaged students who enroll in and complete K-12 teacher education programs at the baccalaureate level. Preference may not be given to participants on the basis of race, color, ethnicity, gender, or national origin. Institutions should encourage participation from those who would otherwise not adequately be represented in the teacher education student population.

(2) The program described in this section shall be administered by each state-approved teacher education institution in a manner prescribed by the Michigan department of energy, labor, and economic growth.

(3) Approved teacher education institutions may and are encouraged to use student support services funding in coordination with the Morris Hood, Jr. funding to achieve the goals of the program described in this section.

Sec. 507. Each institution receiving funds under section 503, 504, or 506 shall notify the Michigan department of energy, labor, and economic growth by April 15, 2010 as to whether it will expend by the end of its fiscal year the funds

received under section 503, 504, or 506. Notwithstanding the award limitations in sections 503 and 504, the amount of funding reported as not being expended will be reallocated to the institutions that intend to expend all funding received under section 503, 504, or 506.

STUDENT PERFORMANCE REPORTING

Sec. 601. (1) From the amount appropriated in part 1, the public universities shall systematically inform Michigan high schools regarding the academic status of students from each high school in a manner prescribed by the presidents council, state universities of Michigan in cooperation with the Michigan association of secondary school principals.

(2) The Michigan high schools shall systematically inform the public universities about the use of information received under this section in a manner prescribed by the Michigan association of secondary school principals in cooperation with the presidents council, state universities of Michigan.

Sec. 602. From the amount appropriated in part 1, the public universities shall inform Michigan community colleges regarding the academic status of community college transfer students in a manner prescribed by the presidents council, state universities of Michigan in cooperation with the Michigan community college association.

Sec. 603. Public universities shall work with the state community colleges to encourage the transfer of students from the community colleges to the state universities and to facilitate the transfer of credits from the community colleges to the public universities.

GENERAL REPORTS AND AUDITS

Sec. 701. (1) The auditor general shall review higher education institutional data inventory (HEIDI) enrollment data submitted by all public universities and may perform audits of selected public universities if determined necessary. The review and audits shall be based upon the definitions, requirements, and uniform reporting categories established by the state budget director and the house and senate fiscal agencies in consultation with the HEIDI advisory committee. The auditor general shall submit a report of findings to the house and senate appropriations committees and the state budget director no later than July 1, 2010.

(2) Student credit hours reports shall not include the following:

(a) Student credit hours generated through instructional activity by faculty or staff in classrooms located outside Michigan, with the exception of instructional activity related to study-abroad programs or field programs.

(b) Student credit hours generated through distance learning instruction for students not eligible for the public university's in-state main campus resident tuition rate. However, in instances where a student is enrolled in distance education and non-distance education credit hours in a given term and the student's non-distance education enrollment is at a campus or site located within Michigan, student credit hours per the student's eligibility for in-state or out-of-state tuition rates may be reported.

(c) Student credit hours generated through credit by examination.

(d) Student credit hours generated through inmate prison programs regardless of teaching location.

(e) Student credit hours generated in new degree programs after January 1, 1975, that have not been specifically authorized for funding by the legislature, except spin-off programs converted from existing core programs that do all of the following:

(i) Represent new options, fields, or concentrations within existing programs.

(ii) Are consistent with the current institutional role and mission.

(iii) Are accommodated within the continuing funding base of the public university.

(iv) Do not require a new degree level beyond that which the public university is currently authorized to grant within that discipline or field.

(v) Do not require funding from the state other than that provided by the student credit hours generated within the program, either before program initiation or within the first 3 years of program operation.

(3) The auditor general shall periodically audit higher education institutional data inventory (HEIDI) data as submitted by the public universities for compliance with the definitions established by the state budget director in consultation with the HEIDI advisory committee for the HEIDI database.

(4) "Distance learning instruction" as used in subsection (2) means instruction that occurs solely in other than a traditional classroom setting where the student and instructor are in the same physical location and for which a student receives course credits and is charged tuition and fees. Examples of distance learning instruction are instruction delivered solely through the Internet, cable television, teleconference, or mail.

Sec. 701a. (1) Pursuant to section 701(2)(e), public universities may establish the following degree programs:

(a) Bachelor's degree programs:

Central Michigan University, Photojournalism, B.A./B.S.

Central Michigan University, Online Journalism Major, B.A./B.S.

Eastern Michigan University, Sport Management, B.A./B.S.

Eastern Michigan University, Simulation, Animation and Gaming, B.A./B.S.

Ferris State University, Business Data Analytics, B.S.

Grand Valley State University, Women and Gender Studies, B.A./B.S.

Lake Superior State University, Applied Geographic Information Studies, B.S.

Lake Superior State University, Fish Health, B.S.

Michigan State University, Arabic, B.A.

Northern Michigan University, Art History, B.A.

Oakland University, Writing and Rhetoric, B.A.

Oakland University, Japanese, B.A.

University of Michigan - Ann Arbor, Art and Design, B.A.

University of Michigan - Dearborn, Social Studies Major, B.A.

Western Michigan University, Community and Regional Planning, B.S.

Western Michigan University, Child and Family Development, B.S.

(b) Master's degree programs:

Ferris State University, Educational Leadership, M.S.

Michigan State University, Business Research, M.S.

University of Michigan - Ann Arbor, Robotics and Autonomous Vehicles, Master of Engineering

University of Michigan - Flint, Art Administration, M.A.

Western Michigan University, Criminology, Law and Public Policy, M.A.

Western Michigan University, Music, M.A.

(c) Doctoral degree programs:

Grand Valley State University, Doctor of Nursing Practice, D.N.P.

Oakland University, Electrical and Computer Engineering, Ph.D.

University of Michigan - Dearborn, Information Systems Engineering, Ph.D.

University of Michigan - Dearborn, Automotive Systems Engineering, Ph.D.

University of Michigan - Dearborn, Doctorate in Education, Ed.D.

(2) The listing of degree programs in subsection (1) does not constitute legislative intent to provide additional dollars for those programs.

(3) When submitting the listing of new degree programs for purposes of section 701(2)(e), the presidents council of state universities shall also provide a listing of degree programs that institutions of higher education will no longer offer in subsequent academic years.

Sec. 702. The principal executive officer of each public university receiving an appropriation under part 1 shall expend a portion of the funds appropriated to that public university to make a report to the auditor general, the house and senate fiscal agencies, and the state budget director within 60 days after the auditor general issues his or her report on the operation of the institution. The public university's report shall specify all of the following:

(a) The recommendations of the auditor general implemented by the public university, including projected dates and resources required, if any, to achieve compliance.

(b) The recommendations of the auditor general not implemented by the public university or implemented by the public university as modified.

(c) The rationale for not implementing a recommendation of the auditor general or of implementing a recommendation as modified.

Sec. 708. The auditor general may conduct performance audits of public universities receiving funds in part 1 during the fiscal year ending September 30, 2010 as the auditor general considers necessary.

Sec. 709. A public university receiving funds under part 1 and also subject to the student right-to-know and campus security act, Public Law 101-542, 104 Stat. 2381, shall make a copy of all material prepared pursuant to the public information reporting requirements under the crime awareness and campus security act of 1990, title II of the student right-to-know and campus security act, Public Law 101-542, 104 Stat. 2381, available in electronic Internet format on their websites.

Sec. 714. A public university receiving funds under this act and also subject to the family educational rights and privacy act (FERPA), 20 USC 1232g, 34 CFR part 99, shall, when requested, provide information from the records of a student to any person or persons to whom the student has authorized disclosure on a written consent form pursuant to 34 CFR 99.30.

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

A bill to make appropriations for the state institutions of higher education and certain state purposes related to education for the fiscal year ending September 30, 2010; to provide for the expenditures of those appropriations; and to prescribe the powers and duties of certain state departments, institutions, agencies, employees, and officers.

George Cushingberry, Jr.

Bill Caul

Conferees for the House

Tony Stamas

Thomas M. George

Conferees for the Senate

Pending the order that, under joint rule 9, the conference report be laid over one day,
 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 conference report,

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

Roll Call No. 492**Yeas—19**

Allen	Cropsey	Jansen	Richardville
Birkholz	Garcia	Jelinek	Sanborn
Bishop	George	Kahn	Stamas
Brown	Gilbert	McManus	Van Woerkom
Cassis	Hardiman	Pappageorge	

Nays—18

Anderson	Clark-Coleman	Kuipers	Scott
Barcia	Clarke	Olshove	Switalski
Basham	Gleason	Patterson	Thomas
Brater	Hunter	Prusi	Whitmer
Cherry	Jacobs		

Excused—0**Not Voting—0**

In The Chair: Richardville

Senator Cropsey moved to reconsider the vote by which the conference report was adopted.

The question being on the motion to reconsider,

Senator Cropsey moved that further consideration of the bill be postponed temporarily.

The motion prevailed.

Protests

Senators Cherry, Brater, Whitmer, Jacobs, Anderson, Clark-Coleman and Scott, under their constitutional right of protest (Art. 4, Sec. 18), protested against the adoption of the first conference report on House Bill No. 4441.

Senator Cherry moved that the statement she made during the discussion of the conference report be printed as her reasons for voting “no.”

The motion prevailed.

Senator Cherry’s statement, in which Senators Brater, Whitmer, Jacobs, Anderson, Clark-Coleman and Scott concurred, is as follows:

I rise once again, unfortunately, to urge my colleagues to vote “no” on this budget. Higher education, to me, is another one of those areas where we really need to be providing adequate funding for our students. If we want to have a strong Michigan, we have to have an educated workforce.

This budget directly assures that’s happening. So I understand that we dealt with the universities, but part of the equation is also that students have enough resources to pay for the tuition increases that we have seen over and over again during the past—at least ten years. I have to say that when I was a college student, it cost \$16 a credit hour. Now that shows I went to school a long time ago, but it also shows the vast increases that have occurred in tuition over the

past—I won't say how many years. I have to also say that when I was in college, it was easier to get scholarships. They were more available to our students because the federal and state governments recognized that we needed to be providing education resources for our students.

In this case, we are eliminating one of the strongest programs for tuition assistance; that is the Promise grants. This is a promise that we made to the students of the state of Michigan that if they performed well, both in high school and in college, they would be able to get tuition assistance up to \$4,000 a year. This budget eliminates this program. It is very frustrating. There are many young people who have worked hard to be eligible for these funds. They have planned their finances around them. It's something that has not been easy in today's economy because there is the cost of tuition increases, the cost of books, and the cost of living. Ninety-six thousand—sorry, I was a little bit low on that estimate—are counting on those scholarships to soften the blow of tuitions; 96,000 students who are also voters will see how our Legislature, both Representatives and Senators, have let them down.

If we slash these scholarship dollars, we put ourselves in the same ranks as Mississippi and Puerto Rico for higher education grants to students. This is not the time for the state of Michigan to turn its back on its commitment to young people or increase the financial burden on Michigan families. These scholarships give hope to thousands of Michigan's brightest students, and I don't believe we can smash the dreams of our students simply because we have a difficult budget situation in front of us. I hope that we will recognize that when we created that Promise grant by pretty much a unanimous vote in this Senate with all of us voting on it, we promised Michigan students. I hope that we will not let them down and that we will show our young people that a promise is a promise.

So I ask my colleagues to reject this conference report. Send it back to the conference with the instruction that this program needs to continue. I am going to be voting "no." I ask that my colleagues do the same.

By unanimous consent the Senate returned 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 Sanborn 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 bill:

House Bill No. 5223, entitled

A bill to amend 1994 PA 451, entitled "Natural resources and environmental protection act," by amending sections 3118 and 3120 (MCL 324.3118 and 324.3120), section 3118 as amended by 2008 PA 2 and section 3120 as added by 2004 PA 91.

The bill was placed on the order of Third Reading of Bills.

By unanimous consent the Senate returned to the order of

Third Reading of Bills

Senator Cropsey moved that the rules be suspended and that the following bill, now on the order of Third Reading of Bills, be placed on its immediate passage at the head of the Third Reading of Bills calendar:

House Bill No. 5223

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

The following bill was read a third time:

House Bill No. 5223, entitled

A bill to amend 1994 PA 451, entitled "Natural resources and environmental protection act," by amending sections 3118 and 3120 (MCL 324.3118 and 324.3120), section 3118 as amended by 2008 PA 2 and section 3120 as added by 2004 PA 91.

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. 493

Yeas—37

Allen
Anderson

Clark-Coleman
Clarke

Jacobs
Jansen

Prusi
Richardville

Barcia
Basham
Birkholz
Bishop
Brater
Brown
Cassis
Cherry

Cropsey
Garcia
George
Gilbert
Gleason
Hardiman
Hunter

Jelinek
Kahn
Kuipers
McManus
Olshove
Pappageorge
Patterson

Sanborn
Scott
Stamas
Switalski
Thomas
Van Woerkom
Whitmer

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.

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

“An act to protect the environment and natural resources of the state; to codify, revise, consolidate, and classify laws relating to the environment and natural resources of the state; to regulate the discharge of certain substances into the environment; to regulate the use of certain lands, waters, and other natural resources of the state; to prescribe the powers and duties of certain state and local agencies and officials; to provide for certain charges, fees, assessments, and donations; to provide certain appropriations; to prescribe penalties and provide remedies; and to repeal acts and parts of acts.”.

The Senate agreed to the full title.

Recess

Senator Cropsey moved that the Senate recess subject to the call of the Chair.
The motion prevailed, the time being 2:08 p.m.

4:24 p.m.

The Senate was called to order by the President, Lieutenant Governor Cherry.

By unanimous consent the Senate returned to the order of

Messages from the House

Senate Bill No. 777, entitled

A bill to amend 2007 PA 36, entitled “Michigan business tax act,” by amending section 434 (MCL 208.1434), as amended by 2009 PA 26.

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 returned 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, Lieutenant Governor Cherry, designated Senator Sanborn as Chairperson.

After some time spent therein, the Committee arose; and, the President, Lieutenant Governor Cherry, having resumed the Chair, the Committee reported back to the Senate, favorably and with a substitute therefor, the following bill:

House Bill No. 5127, entitled

A bill to amend 1988 PA 466, entitled "Animal industry act," (MCL 287.701 to 287.745) by adding section 46. Substitute (S-2).

The following is the amendment to the substitute recommended by the Committee of the Whole:

1. Amend page 4, line 12, after "UNTIL" by striking out the balance of the subsection and inserting "**OCTOBER 1, 2012.**".

The Senate agreed to the substitute, as amended, recommended by the Committee of the Whole, and the bill as substituted was placed on the order of Third Reading of Bills.

By unanimous consent the Senate returned to the order of
Motions and Communications

Senator Kuipers moved that the Committee on Judiciary be discharged from further consideration of the following bill:

House Bill No. 5311, entitled

A bill to amend 1953 PA 232, entitled "Corrections code of 1953," by amending section 34a (MCL 791.234a), as amended by 2008 PA 158.

The motion prevailed, a majority of the members serving voting therefor, and the bill was placed on the order of General Orders.

Senator Kuipers moved that the rules be suspended and that the following bill, now on the order of General Orders, be placed on the General Orders calendar for consideration today:

House Bill No. 5311

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

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

Senator Cropsey moved that the rules be suspended and that the following bill, now on the order of Third Reading of Bills, be placed on its immediate passage at the head of the Third Reading of Bills calendar:

House Bill No. 5127

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

The following bill was read a third time:

House Bill No. 5127, entitled

A bill to amend 1988 PA 466, entitled "Animal industry act," (MCL 287.701 to 287.745) by adding section 46.

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. 494

Yeas—36

Allen
Anderson
Barcia

Cherry
Clark-Coleman
Clarke

Hunter
Jacobs
Jansen

Patterson
Richardville
Sanborn

Basham
Birkholz
Bishop
Brater
Brown
Cassis

Cropsey
Garcia
George
Gilbert
Gleason
Hardiman

Jelinek
Kahn
Kuipers
McManus
Olshove
Pappageorge

Scott
Stamas
Switalski
Thomas
Van Woerkom
Whitmer

Nays—0

Excused—0

Not Voting—1

Prusi

In The Chair: President

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

“An act to authorize and require the appointment of a state veterinarian within the department of agriculture; to protect the human food chain and the livestock and aquaculture industries of the state through prevention, control, and eradication of infectious, contagious, or toxicological diseases of livestock and other animals; to prevent the importation of certain nonindigenous animals under certain circumstances; to safeguard the human population from certain diseases that are communicable between animals and humans; to prevent or control the contamination of livestock with certain toxic substances through certain livestock or livestock products; to provide for indemnification for livestock under certain circumstances; to provide for certain powers and duties for certain state agencies and departments; to provide for the promulgation of rules; to provide for certain hearings; to provide for remedies and penalties; and to repeal acts and parts of acts.”.

The Senate agreed to the full title.

The President pro tempore, Senator Richardville, resumed the Chair.

Recess

Senator Cropsey moved that the Senate recess subject to the call of the Chair.
The motion prevailed, the time being 4:39 p.m.

6:27 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

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 Sanborn as Chairperson.

After some time spent therein, the Committee arose; and, the President, Lieutenant Governor Cherry, having resumed the Chair, the Committee reported back to the Senate, favorably and with a substitute therefor, the following bill:

House Bill No. 5311, entitled

A bill to amend 1953 PA 232, entitled “Corrections code of 1953,” by amending section 34a (MCL 791.234a), as amended by 2008 PA 158.

Substitute (S-2).

The Senate agreed to the substitute recommended by the Committee of the Whole, and the bill as substituted was placed on the order of Third Reading of Bills.

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

Senator Cropsey moved that the rules be suspended and that the following bill, now on the order of Third Reading of Bills, be placed on its immediate passage at the head of the Third Reading of Bills calendar:

House Bill No. 5311

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

The following bill was read a third time:

House Bill No. 5311, entitled

A bill to amend 1953 PA 232, entitled "Corrections code of 1953," (MCL 791.201 to 791.285) by adding section 34a; and to repeal acts and parts of acts.

The question being on the passage of the bill,

Senator Whitmer offered the following amendments:

1. Amend page 2, line 19, after "(7)." by inserting "**THIS SUBDIVISION APPLIES ONLY TO PLACEMENTS OCCURRING ON OR AFTER OCTOBER 1, 2009, AND DOES NOT APPLY TO A PRISONER PLACED IN A SPECIAL ALTERNATIVE INCARCERATION UNIT BEFORE THAT DATE.**".

2. Amend page 3, line 2, after "**PRISONER**" by striking out "**HAS NOT SERVED, AND**".

3. Amend page 3, line 2, after "**SERVING**" by striking out the comma.

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

Senator Thomas moved that Senator Scott be temporarily excused from the balance of today's session.

The motion prevailed.

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. 495

Yeas—34

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

Nays—2

Cropsey	Garcia
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Excused—1

Scott

Not Voting—0

In The Chair: President

Senator Cropsey moved that the bill be given immediate effect.

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

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

“An act to revise, consolidate, and codify the laws relating to probationers and probation officers, to pardons, reprieves, commutations, and paroles, to the administration of correctional institutions, correctional farms, and probation recovery camps, to prisoner labor and correctional industries, and to the supervision and inspection of local jails and houses of correction; to provide for the siting of correctional facilities; to create a state department of corrections, and to prescribe its powers and duties; to provide for the transfer to and vesting in said department of powers and duties vested by law in certain other state boards, commissions, and officers, and to abolish certain boards, commissions, and offices the powers and duties of which are transferred by this act; to allow for the operation of certain facilities by private entities; to prescribe the powers and duties of certain other state departments and agencies; to provide for the creation of a local lockup advisory board; to provide for a lifetime electronic monitoring program; to prescribe penalties for the violation of the provisions of this act; to make certain appropriations; to repeal certain parts of this act on specific dates; and to repeal all acts and parts of acts inconsistent with the provisions of this act.”.

The Senate agreed to the full title.

Recess

Senator Cropsey moved that the Senate recess until 7:30 p.m.

The motion prevailed, the time being 6:37 p.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, Senator Scott entered the Senate Chamber.

Recess

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

The motion prevailed, the time being 7:31 p.m.

8:14 p.m.

The Senate was called to order by the President, Lieutenant Governor Cherry.

By unanimous consent the Senate returned to the order of

Conference Reports**House Bill No. 4437, entitled**

A bill to make appropriations for the department of corrections and certain state purposes related to corrections for the fiscal year ending September 30, 2010; to provide for the expenditure of the appropriations; to provide for reports; to provide for the creation of certain advisory committees and boards; to prescribe certain powers and duties of the department of corrections, certain other state officers and agencies, and certain advisory committees and boards; to provide for the collection of certain funds; and to provide for the disposition of fees and other income received by certain state agencies.

The House of Representatives has adopted the report of the Committee of Conference.

The Conference Report was read as follows:

FIRST CONFERENCE REPORT

The Committee of Conference on the matters of difference between the two Houses concerning
House Bill No. 4437, entitled

A bill to make appropriations for the department of corrections and certain state purposes related to corrections for the fiscal year ending September 30, 2010; to provide for the expenditure of the appropriations; to provide for reports; to provide for the creation of certain advisory committees and boards; to prescribe certain powers and duties of the department of corrections, certain other state officers and agencies, and certain advisory committees and boards; to provide for the collection of certain funds; and to provide for the disposition of fees and other income received by certain state agencies.

Recommends:

First: That the House and Senate 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 corrections and certain state purposes related to corrections for the fiscal year ending September 30, 2010; to provide for the expenditure of the appropriations; to provide for reports; to provide for the creation of certain advisory committees and boards; to prescribe certain powers and duties of the department of corrections, certain other state officers and agencies, and certain advisory committees and boards; to provide for the collection of certain funds; and to provide for the disposition of fees and other income received by certain state agencies.

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 corrections for the fiscal year ending September 30, 2010, from the funds indicated in this part. The following is a summary of the appropriations in this part:

DEPARTMENT OF CORRECTIONS

APPROPRIATION SUMMARY:

Average population	45,433	
Full-time equated unclassified positions.....	21.0	
Full-time equated classified positions	15,746.1	
GROSS APPROPRIATION		\$ 1,930,185,700
Appropriated from:		
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers		891,900
ADJUSTED GROSS APPROPRIATION		\$ 1,929,293,800
Federal revenues:		
Total federal revenues.....		7,746,100
Special revenue funds:		
Total local revenues		432,700
Total private revenues		0
Total other state restricted revenues		50,924,600
State general fund/general purpose		\$ 1,870,190,400

Sec. 102. EXECUTIVE

Full-time equated unclassified positions.....	21.0	
Full-time equated classified positions	12.0	
Unclassified positions—21.0 FTE positions		\$ 1,812,100
Executive direction—12.0 FTE positions		2,188,900
Neal, et al. settlement agreement		10,000,000
GROSS APPROPRIATION		\$ 14,001,000
Appropriated from:		
State general fund/general purpose		\$ 14,001,000

Sec. 103. PLANNING AND COMMUNITY SUPPORT

Full-time equated classified positions	73.0	
Planning and community development support—59.0 FTE positions		\$ 6,090,500
Mental health awareness training		100,000
Prisoner reintegration programs		56,605,700
Substance abuse testing and treatment services—14.0 FTE positions		19,191,500

	For Fiscal Year Ending Sept. 30, 2010
Residential services	\$ 18,075,500
Community corrections comprehensive plans and services	12,758,000
Public education and training	50,000
Regional jail program	100
Felony drunk driver jail reduction and community treatment program	1,740,100
County jail reimbursement program	16,572,100
County jail reimbursement program savings	(4,300,000)
GROSS APPROPRIATION	\$ 126,883,500
Appropriated from:	
Federal revenues:	
DOJ, office of justice programs, RSAT	143,500
DOJ, prisoner reintegration	1,035,000
Special revenue funds:	
Civil infraction fees	7,514,400
State general fund/general purpose	\$ 118,190,600
Sec. 104. OPERATIONS SUPPORT ADMINISTRATION	
Full-time equated classified positions	142.9
Operations support administration—50.0 FTE positions	\$ 4,799,000
New custody staff training	250,500
Compensatory buyout and union leave bank	100
Worker's compensation	14,330,800
Bureau of fiscal management—59.9 FTE positions	6,442,900
Office of legal services—23.0 FTE positions	2,583,700
Internal affairs—10.0 FTE positions	1,039,800
Rent	2,095,200
Equipment and special maintenance	2,425,500
Administrative hearings officers	3,549,600
Judicial data warehouse user fees	50,000
Sheriffs' coordinating and training office	500,000
Prosecutorial and detainer expenses	4,051,000
GROSS APPROPRIATION	\$ 42,118,100
Appropriated from:	
Interdepartmental grant revenues:	
IDG-MDSP, Michigan justice training fund	298,400
Special revenue funds:	
Local corrections officer training fund	500,000
Correctional industries revolving fund	110,400
State general fund/general purpose	\$ 41,209,300
Sec. 105. FIELD OPERATIONS ADMINISTRATION	
Full-time equated classified positions	2,174.9
Field operations—1,992.6 FTE positions	\$ 171,935,100
Parole board operations—63.0 FTE positions	5,584,900
Parole/probation services	2,243,500
Community re-entry centers—58.3 FTE positions	15,628,000
Electronic monitoring center—61.0 FTE positions	11,306,300
GROSS APPROPRIATION	\$ 206,697,800
Appropriated from:	
Special revenue funds:	
Local - community tether program reimbursement	432,700
Re-entry center offender reimbursements	136,800
Parole and probation oversight fees	8,300,000
Parole and probation oversight fees set-aside	2,643,500
Public works user fees	249,400
Tether program participant contributions	3,033,800
State general fund/general purpose	\$ 191,901,600

For Fiscal Year
Ending Sept. 30,
2010

Sec. 106. CORRECTIONAL FACILITIES ADMINISTRATION

Average population	210	
Full-time equated classified positions	1,503.6	
Correctional facilities administration—28.0 FTE positions		\$ 5,697,400
Prison food service—423.0 FTE positions.....		72,611,800
Transportation—215.6 FTE positions.....		23,351,600
Central records—53.5 FTE positions		4,589,100
DOJ psychiatric plan - MDCH mental health services		45,489,700
DOJ psychiatric plan - MDOC staff and services—149.7 FTE positions.....		14,622,500
Inmate legal services		1,004,900
Loans to parolees.....		179,400
Housing inmates in federal institutions		793,900
Prison store operations—75.0 FTE positions		4,800,000
Prison industries operations—219.0 FTE positions		20,358,300
Education services and federal education grants—10.0 FTE positions		3,420,500
Federal school lunch program		712,800
Leased beds and alternatives to leased beds		100
Inmate housing fund—26.3 FTE positions.....		4,432,200
Average population	210	
Correctional cost savings.....		(38,209,200)
MPRI education program—303.5 FTE positions		32,467,400
GROSS APPROPRIATION		\$ 196,322,400
Appropriated from:		
Interdepartmental grant revenues:		
IDG-MDCH, forensic center food service		593,500
Federal revenues:		
DAG-FNS, national school lunch		712,800
DED-OESE, title 1		522,900
DED-OVAE, adult education.....		893,000
DED-OSERS		108,000
DED, vocational education equipment.....		277,400
DED, youthful offender/Specter grant.....		1,292,100
DOJ-BOP, federal prisoner reimbursement		211,000
DOJ-OJP, serious and violent offender reintegration initiative		10,300
DOJ, prison rape elimination act grant		1,004,300
SSA-SSI, incentive payment		126,600
Special revenue funds:		
Correctional industries revolving fund		20,358,300
Resident stores.....		4,800,000
State general fund/general purpose		\$ 165,412,200

Sec. 107. HEALTH CARE

Full-time equated classified positions	1,170.0	
Health care administration—13.0 FTE positions		\$ 2,048,300
Prisoner health care services		95,881,400
Vaccination program.....		691,200
Northern region clinical complexes—249.8 FTE positions		29,481,200
Southeastern region clinical complexes—602.9 FTE positions		93,540,500
Southwestern region clinical complexes—304.3 FTE positions		38,004,700
GROSS APPROPRIATION		\$ 259,647,300
Appropriated from:		
Special revenue funds:		
Prisoner health care copayments		336,300
State general fund/general purpose		\$ 259,311,000

Sec. 108. NORTHERN REGION CORRECTIONAL FACILITIES

Average population	12,917	
Full-time equated classified positions	3,174.4	
Alger maximum correctional facility - Munising—268.0 FTE positions		\$ 27,231,400
Average population	889	

	For Fiscal Year Ending Sept. 30, 2010
Baraga maximum correctional facility - Baraga—332.1 FTE positions	\$ 31,363,100
Average population	884
Chippewa correctional facility - Kincheloe—475.3 FTE positions.....	47,349,800
Average population	2,282
Kinross correctional facility - Kincheloe—357.3 FTE positions	35,813,100
Average population	1,799
Marquette branch prison - Marquette—352.1 FTE positions.....	37,630,100
Average population	1,201
Newberry correctional facility - Newberry—281.9 FTE positions	26,846,800
Average population	978
Oaks correctional facility - Eastlake—309.0 FTE positions	33,808,200
Average population	1,156
Ojibway correctional facility - Marenisco—209.9 FTE positions	19,361,100
Average population	1,090
Pugsley correctional facility - Kingsley—218.0 FTE positions	20,300,600
Average population	1,158
Saginaw correctional facility - Freeland—314.8 FTE positions	31,177,000
Average population	1,480
Northern region administration and support—56.0 FTE positions	3,622,900
GROSS APPROPRIATION	\$ 314,504,100
Appropriated from:	
Special revenue funds:	
Public works user fees.....	512,900
State general fund/general purpose	\$ 313,991,200
Sec. 109. SOUTHEASTERN REGION CORRECTIONAL FACILITIES	
Average population	16,193
Full-time equated classified positions	4,017.0
Cooper street correctional facility - Jackson—275.9 FTE positions.....	\$ 28,503,700
Average population	1,752
G. Robert Cotton correctional facility - Jackson—405.5 FTE positions	38,843,000
Average population	1,854
Charles E. Egeler correctional facility - Jackson—357.3 FTE positions	39,222,400
Average population	1,376
Gus Harrison correctional facility - Adrian—450.7 FTE positions	45,323,300
Average population	2,342
Huron Valley correctional complex - Ypsilanti—651.6 FTE positions	67,180,900
Average population	1,872
Macomb correctional facility - New Haven—285.6 FTE positions	27,464,000
Average population	1,228
Maxey/Woodland Center correctional facility - Whitmore Lake—186.3 FTE positions	15,850,100
Average population	328
Mound correctional facility - Detroit—300.5 FTE positions	26,309,100
Average population	1,051
Parnall correctional facility - Jackson—260.8 FTE positions.....	26,377,800
Average population	1,712
Ryan correctional facility - Detroit—293.8 FTE positions	29,261,000
Average population	1,059
Thumb correctional facility - Lapeer—288.0 FTE positions	29,147,500
Average population	1,219
Special alternative incarceration program (Camp Cassidy Lake)—120.0 FTE positions	10,892,600
Average population	400
Southeastern region administration and support—141.0 FTE positions	21,461,400
GROSS APPROPRIATION	\$ 405,836,800
Appropriated from:	
Federal revenues:	
DOJ, state criminal alien assistance program.....	1,409,200

	For Fiscal Year Ending Sept. 30, 2010
Special revenue funds:	
Public works user fees.....	\$ 1,295,900
State general fund/general purpose	\$ 403,131,700
Sec. 110. SOUTHWESTERN REGION CORRECTIONAL FACILITIES	
Average population	16,113
Full-time equated classified positions	3,478.3
Bellamy Creek correctional facility - Ionia—399.4 FTE positions	\$ 36,767,300
Average population	1,850
Earnest C. Brooks correctional facility - Muskegon—454.2 FTE positions	45,346,500
Average population	2,440
Carson City correctional facility - Carson City—459.8 FTE positions	46,464,800
Average population	2,440
Richard A. Handlon correctional facility - Ionia—237.4 FTE positions	23,238,300
Average population	1,320
Ionia maximum correctional facility - Ionia—306.7 FTE positions	29,583,600
Average population	707
Lakeland correctional facility - Coldwater—473.8 FTE positions.....	46,167,900
Average population	2,392
Michigan reformatory - Ionia—311.1 FTE positions	26,179,100
Average population	1,338
Pine River correctional facility - St. Louis—211.7 FTE positions	20,713,200
Average population	1,200
St. Louis correctional facility - St. Louis—524.2 FTE positions	50,425,800
Average population	2,426
Southwestern region administration and support—100.0 FTE positions	16,706,200
GROSS APPROPRIATION	\$ 341,592,700
Appropriated from:	
Special revenue funds:	
Public works user fees.....	371,700
State general fund/general purpose	\$ 341,221,000
Sec. 111. INFORMATION TECHNOLOGY	
Information technology services and projects	\$ 22,582,000
GROSS APPROPRIATION	\$ 22,582,000
Appropriated from:	
Special revenue funds:	
Correctional industries revolving fund	154,900
Parole and probation oversight fees set-aside	606,300
State general fund/general purpose	\$ 21,820,800

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 2009-2010 is \$1,921,115,000.00 and state spending from state resources to be paid to local units of government for fiscal year 2009-2010 is \$93,287,000.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF CORRECTIONS

Field operations - assumption of county probation staff.....	\$ 48,783,900
Public service work projects	4,859,800
Community corrections comprehensive plans and services	12,758,000
Community corrections residential services	18,075,500
Community corrections public education and training.....	50,000
Felony drunk driver jail reduction and community treatment program	1,740,100
Community re-entry centers	2,019,600
Regional jail program	100
TOTAL.....	\$ 88,287,000

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) "DAG" means the United States department of agriculture.
- (b) "DAG-FNS" means the DAG food and nutrition service.
- (c) "DED" means the United States department of education.
- (d) "DED-OESE" means the DED office of elementary and secondary education.
- (e) "DED-OSERS" means the DED office of special education and rehabilitative services.
- (f) "DED-OVAE" means the DED office of vocational and adult education.
- (g) "Department" or "MDOC" means the Michigan department of corrections.
- (h) "DOJ" means the United States department of justice.
- (i) "DOJ-BOP" means the DOJ bureau of prisons.
- (j) "DOJ-OJP" means the DOJ office of justice programs.
- (k) "FTE" means full-time equated.
- (l) "GED" means general educational development certificate.
- (m) "GPS" means global positioning system.
- (n) "HIV" means human immunodeficiency virus.
- (o) "IDG" means interdepartmental grant.
- (p) "IDT" means intradepartmental transfer.
- (q) "MDCH" means the Michigan department of community health.
- (r) "Medicaid benefit" means a benefit paid or payable under a program for medical assistance under the social welfare act, 1939 PA 280, MCL 400.1 to 400.119b.
- (s) "MDSP" means the Michigan department of state police.
- (t) "MPRI" means the Michigan prisoner reentry initiative.
- (u) "OCC" means the office of community corrections.
- (v) "RSAT" means residential substance abuse treatment.
- (w) "SSA" means the United States social security administration.
- (x) "SSA-SSI" means SSA supplemental security income.

Sec. 204. The civil service commission 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 the hiring freeze when the state budget director believes that this hiring freeze will result in rendering a state department or agency unable to deliver basic services, cause loss of revenue to the state, result in the inability of the state to receive federal funds, or 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 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. 206. The department shall not take disciplinary action against an employee for communicating with a member of the legislature or his or her staff.

Sec. 207. At least 120 days before beginning any effort to privatize, except for the current effort to privatize and contract for prisoner mental health services which is necessitated by the critical need for prisoner mental health treatment staff, the department shall submit a complete project plan to the appropriate senate and house 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 appropriations subcommittees and the senate and house fiscal agencies within 30 months. In the case of the current effort to privatize and contract for prisoner mental health services, the department shall submit a complete project plan to the appropriate senate and house appropriations committee chairs and appropriate senate and house appropriations subcommittee chairs as well as the senate and house fiscal agency and state budget office 10 days prior to beginning the effort.

Sec. 207a. (1) Before privatizing any services or activities currently provided by state employees in the department, except for the privatization of prisoner mental health services which is necessitated by a critical shortage of mental health professional staff, the department shall submit to the senate and house appropriations committees a preprivatization cost-benefit analysis. This analysis shall utilize accurate, reliable, and objective data. Included in this analysis shall be a comparative estimate of the costs that will be incurred by this state over the life of the contract if 1 or both of the following occur:

- (a) The service or activity continues to be provided by state employees.

(b) The service or activity is privatized. The costs of privatizing these services shall include the costs of all necessary monitoring and oversight of the private entity by this state.

(2) The department shall not commence any efforts to privatize the services or activities currently provided by state employees under part 1, except for prisoner mental health services, until the cost-benefit analysis prescribed by subsection (1) has been sent to both the senate and house appropriations committees 14 days prior to the efforts to privatize, and proves a cost savings equivalent to the savings specified in civil service rules for disbursement for personal services outside the civil service. Before awarding a contract for the provision of prisoner mental health treatment services, a cost-benefit analysis shall be completed as specified in subsection (1) and submitted to the appropriate senate and house appropriations committee chairs and appropriate senate and house appropriations subcommittee chairs as well as the senate and house fiscal agency and state budget office not less than 7 days prior to awarding a contract.

(3) In all cases in which a service or activity is privatized, including the provision of prisoner mental health services, the private entity shall be adequately bonded, so as not to expose the state to any potential future liability or legal causes of action.

(4) A private contractor with a contract with this state that expends state or federal tax dollars shall have all records pertinent to state contracts, including all records detailing compliance with section 209, be subject to disclosure to the department or the department of management and budget.

(5) State employees shall be given the opportunity to bid on contracts that privatize services that are or were provided by state employees. If the contract is awarded to any state employee, he or she ceases being an employee of the state.

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 an Internet or Intranet site. There shall be at least 1 separate and distinct electronic file for each section that includes a reporting requirement.

Sec. 209. Funds appropriated in part 1 shall not be used for the purchase of foreign goods or services, or both, if comparable quality American goods or services, or both, that do not cost more than 5% greater than foreign goods or services are available. Preference shall be given to produce, goods or services, or both, grown, processed, manufactured, or provided by Michigan businesses if they are of comparable quality and do not cost more than 5% greater than non-Michigan manufactured or provided goods or services. In addition, preference shall 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) Individuals seeking employment with the department shall submit to a controlled substance test administered by the department under civil service rules and regulations and applicable collective bargaining agreements.

(2) The department shall deny employment to individuals seeking employment with the department who violate subsection (1) or who submit to testing under subsection (1) but test positive for the illicit use of a controlled substance.

Sec. 211. (1) The department may charge fees and collect revenues in excess of appropriations in part 1 not to exceed the cost of offender services and programming, employee meals, parolee loans, academic/vocational services, custody escorts, compassionate visits, and union steward activities. The revenues and fees collected are appropriated for all expenses associated with these services and activities.

(2) If a parolee or probationer has been ordered to pay restitution, the department shall ensure that payment is a condition of his or her community supervision. Restitution payments shall be made as provided in section 22 of chapter XV of the code of criminal procedure, 1927 PA 175, MCL 775.22. The department shall collect not more than 50% of all money collected from parolees and probationers for payments other than victim payments, as that term is defined in section 22 of chapter XV of the code of criminal procedure, 1927 PA 175, MCL 775.22.

Sec. 213. By February 15, 2010, the department shall provide the members of the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, and the state budget director with a report detailing non-general fund/general purpose sources of revenue, including, but not limited to, federal revenues, state restricted revenues, local and private revenues, offender reimbursements and other payments, revolving funds, and 1-time sources of revenue, whether or not those revenues were appropriated. The report shall include statements detailing for each account the total amount of revenue received during fiscal year 2008-2009, the amount by which the revenue exceeded any applicable appropriated fund source, the amount spent during fiscal year 2008-2009, the account balance at the close of fiscal year 2008-2009, and the projected revenues and expenditures for fiscal year 2009-2010.

Sec. 214. 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. These user fees shall be subject to provisions of an interagency agreement between the department and the department of information technology.

Sec. 215. Amounts appropriated in part 1 for information technology may be designated as work projects and carried forward to support department of corrections 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. 216. (1) Due to the current budgetary problems of this state, out-of-state travel for the fiscal year ending September 30, 2010 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 for similar reasons.

(c) The travel is necessary to produce budgetary savings or to increase state revenues, or both, 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) Not later than January 1, 2010, 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 senate and house 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. 217. 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 deprived and depressed communities for services, supplies, or both.

Sec. 219. Any contract for prisoner telephone services entered into after the effective date of this act shall include a condition that fee schedules for prisoner telephone calls, including rates and any surcharges other than those necessary to meet special equipment costs, be the same as fee schedules for calls placed from outside of correctional facilities.

Sec. 221. (1) The department shall report no later than March 1, 2010 on each specific policy change made to implement a public act affecting the department that took effect during the previous calendar year to the senate and house appropriations subcommittees on corrections, the joint committee on administrative rules, and the senate and house fiscal agencies.

(2) Funds appropriated in part 1 shall not be used 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. 222. 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. 223. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$10,000,000.00 for federal contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this 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 \$5,000,000.00 for state restricted contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this 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 \$2,000,000.00 for local contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this 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 \$2,000,000.00 for private contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this act under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

Sec. 224. By March 1, 2010, the department shall provide a litigation report to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, and the state budget director. The report shall identify all lawsuits adjudicated through the trial court phase in which the department or an employee acting on behalf of the

department was a defendant and in which trial court proceedings resulted in a decision of \$250,000.00 or more against the department.

Sec. 225. (1) The department shall make every effort to place employees displaced by any reductions in force within other positions in the department.

(2) It is the intent of the legislature that all employees displaced by any reductions in force who are not placed within other positions in the department be given priority in state programs for job retraining or education, such as the no worker left behind program.

Sec. 230. (1) From the funds appropriated in part 1, the department shall complete the study required by section 230 of 2008 PA 245. The study shall cover at least 1 county jail in each of the department's 3 administrative regions within the state and at a minimum shall be based on a representative random sample of county jail inmates. To the extent that such information would not conflict with state law on confidentiality for inmates included in the study, at a minimum, the study shall be sufficient to provide all of the information required by subsection (2). In the process of study design, development, and implementation, the department shall assure involvement of and consultation from counties, sheriffs, prosecutors, victims, and consumer, family, advocacy, provider, and professional groups concerned with mental health and justice issues. The methodological basis for the study shall include all of the following:

(a) Diagnostic clinical interviews with all of the inmates in the study.

(b) Reviews of the criminal history records of all of the inmates in the study.

(c) Reviews of the medical and mental health records of all of the inmates in the study, as available.

(2) By September 1, 2010, the department shall report to the senate and house appropriations subcommittees on corrections, the senate and house appropriations subcommittees on community health, the senate and house fiscal agencies, and the state budget director on the results and findings of the study, including, at a minimum, information on all of the following, to the extent that the information does not conflict with state law on confidentiality for the inmates included in the study:

(a) Study methodology, including information on the sample size and counties sampled.

(b) The proportion of county jail inmates with a primary diagnosis of mental illness, the proportion of inmates with a primary diagnosis of addiction disorder, and the proportion of inmates with a dual diagnosis of mental illness and addiction disorder.

(c) For each category of inmates listed in subdivision (b), all of the following information:

(i) The proportion considered to currently require treatment and the percentage in need of treatment who are currently receiving it. Information on inmates currently receiving treatment shall identify whether the inmates are receiving inpatient, residential, or outpatient treatment. Treatment information on inmates with a dual diagnosis shall identify whether inmates are receiving mental health inpatient, mental health residential, mental health outpatient, substance abuse residential, or substance abuse outpatient treatment.

(ii) Data indicating how many inmates previously had been hospitalized in a state or private psychiatric hospital for persons with mental illness.

(iii) Data indicating whether and with what frequency inmates previously had been incarcerated in a jail or committed to the department of corrections.

(iv) Data indicating whether inmates previously had received services managed by a community mental health program or substance abuse coordinating agency.

Sec. 231. The department shall not approve the travel of more than 1 departmental employee to a specific professional development conference or training seminar that is located outside of this state unless a professional development conference or training seminar is funded by a federal or private funding source and requires more than 1 person from a department to attend, or the conference or training seminar includes multiple issues in which 1 employee from the department does not have expertise.

Sec. 232. By April 1, 2010, the department shall report to the senate and house of representatives appropriations subcommittees on corrections, the senate and house fiscal agencies, and the state budget director with a listing of Michigan vendors whose contracts were canceled or reduced in favor of single-source contracts from vendors based outside of Michigan. The report shall provide information for fiscal years 2007-2008 and 2008-2009 and shall include pertinent contract amounts.

Sec. 233. (1) The negative appropriation for correctional cost savings in part 1 equates to an \$841.00 reduction in the department's cost per prisoner and shall be satisfied by cost savings realized through departmental savings and efficiencies directly or indirectly affecting its cost per offender.

(2) Appropriation authorization adjustments required due to negative appropriations for correctional cost savings shall be made only after the approval of transfers by the legislature under section 393 of the management and budget act, 1984 PA 431, MCL 18.1393.

(3) By March 1, 2010, the department shall report to the senate and house of representatives appropriations subcommittees on corrections, the senate and house fiscal agencies, and the state budget director on the status of actions taken to meet the savings identified in this section.

EXECUTIVE

Sec. 301. (1) For 3 years after a felony offender is released from the department's jurisdiction, the department shall maintain the offender's file on the offender tracking information system and make it publicly accessible in the same manner as the file of the current offender. However, the department shall immediately remove the offender's file from the offender tracking information system upon determination that the offender was wrongfully convicted and the offender's file is not otherwise required to be maintained on the offender tracking information system.

(2) Information removed from the offender tracking information system due to the expiration of 3 years following release of an offender from the department's jurisdiction shall be retained by the department and maintained in a password-protected archive. Effective October 1, 2009, information in the archive shall be made available upon payment of a fee as determined by the department. Revenue collected under this section is appropriated for the costs of the offender tracking information system, and any revenue collected in excess of the costs of maintaining the offender tracking information system is appropriated for information technology costs. The department shall report on March 1, 2010 to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, and the state budget director on the fees charged and revenue collected under this section.

Sec. 302. A report on the mental health study required under section 302 of 2007 PA 124, together with any recommendations contained in the study and response from the department, shall be provided to the members of the senate and house appropriations subcommittees on corrections and community health, the senate and house fiscal agencies, MDCH, and the state budget director no later than 30 days after the receipt of the completed study. The report shall include all of the information specified in section 302(2)(a) to (j) of 2007 PA 124. The report also shall include a plan by the department to implement those recommendations with which it agrees and an explanation of any disagreements with recommendations. It is the intent of the legislature to review the department's implementation plan and, in coordination with the department, to identify funds with which to implement the plan, as appropriate.

Sec. 303. It is the intent of the legislature that the quantity of database systems in use by the department be optimal for efficient data usage and communications. By March 1, 2010, the department shall report to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, and the state budget director on the status of the plan to implement secure, encrypted, Internet-based database systems that can electronically communicate with each other and with other law-enforcement-related databases by September 30, 2010.

Sec. 304. The director of the department shall maintain a staff savings initiative program to invite employees to submit suggestions for saving costs for the department. The department shall report semiannually to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, and the state budget director on the suggestions submitted under this section, the implementation plan for those suggestions with which the department agrees, and an explanation of any disagreements with suggestions.

Sec. 305. By March 1, 2010, the department shall report to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, and the state budget director on the number of prisoners who committed suicide during the previous calendar year. To the extent permitted by law, the report shall include all of the following information:

- (a) The prisoner's age, offense, sentence, and admission date.
- (b) Each prisoner's facility and unit.
- (c) A description of the circumstances of the suicide.
- (d) The date of the suicide.
- (e) Whether the suicide occurred in a housing unit, a segregation unit, a mental health unit, or elsewhere on the grounds of the facility.
- (f) Whether the prisoner had been denied parole and the date of any denial.
- (g) Whether the prisoner had received a mental health evaluation or assessment.
- (h) Details on the department's responses to each suicide, including immediate on-site responses and subsequent internal investigations.
- (i) A description of any monitoring and psychiatric interventions that had been undertaken prior to the prisoner's suicide, including any changes in placement or mental health care.
- (j) Whether the prisoner had previously attempted suicide.

PLANNING AND COMMUNITY SUPPORT

Sec. 401. The department shall submit 3-year and 5-year prison population projection updates by February 1, 2010 to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, and the state budget director. The report shall include explanations of the methodology and assumptions used in developing the projection updates.

Sec. 402. It is the intent of the legislature that the funds appropriated in part 1 for prisoner reintegration programs be expended for the purpose of reducing victimization by reducing repeat offending through the following prisoner reintegration programming:

- (a) The provision of employment or employment services and job training.
- (b) The provision of housing assistance.

- (c) Referral to mental health services.
- (d) Referral to substance abuse services.
- (e) Referral to public health services.
- (f) Referral to education.
- (g) Referral to any other services necessary for successful reintegration.

Sec. 403. By March 1, 2010, the department shall provide a report on MPRI expenditures and allocations to the members of the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, and the state budget director. At a minimum, the report shall include information on both of the following:

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

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

Sec. 403a. (1) In collaboration with a technical committee composed of representatives from the department, designees of the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, and the justice center of the council of state governments, the department shall develop a performance-based dashboard tracking and reporting system that establishes key indicators of the success and failure of offenders. Indicators shall reflect the status of and trends in key program elements, behavior improvements on the part of offenders, and whether targeted goals are being met.

(2) By April 1, 2010, the department shall report dashboard data to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, and the state budget director.

Sec. 404. (1) The department shall screen and assess each prisoner for alcohol and other drug involvement to determine the need for further treatment. The assessment process shall be designed to identify the severity of alcohol and other drug addiction and determine the treatment plan, if appropriate.

(2) The department shall provide substance abuse treatment to prisoners with priority given to those prisoners who are most in need of treatment and who can best benefit from program intervention based on the screening and assessment provided under subsection (1).

Sec. 405. (1) In expending residential substance abuse treatment services funds appropriated under this act, the department shall ensure to the maximum extent possible that residential substance abuse treatment services are available statewide.

(2) By March 1, 2010, the department shall report to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, and the state budget director on the allocation, distribution, and expenditure of all funds appropriated by the substance abuse testing and treatment line item during fiscal year 2008-2009 and projected for fiscal year 2009-2010. The report shall include, but not be limited to, an explanation of an anticipated year-end balance, the number of participants in substance abuse programs, and the number of offenders on waiting lists for residential substance abuse programs. Information required under this subsection shall, where possible, be separated by MDOC administrative region and by offender type, including, but not limited to, a distinction between prisoners, parolees, and probationers.

(3) By March 1, 2010, the department shall report to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, and the state budget director on substance abuse testing and treatment program objectives, outcome measures, and results, including program impact on offender behavior and success as defined in section 409.

Sec. 405a. It is the intent of the legislature that the department work cooperatively with MDCH and substance abuse coordinating agencies in referring offenders as appropriate to intensive substance abuse services, including residential services.

Sec. 407. (1) By June 30, 2010, the department shall place the 2009 statistical report on an Internet site. The statistical report shall include, but not be limited to, the information as provided in the 2004 statistical report.

(2) It is the intent of the legislature that starting with calendar year 2009, the statistical report be placed on an Internet site within 6 months after the end of each calendar year.

Sec. 408. The department shall measure the repeat offense rates of offenders using at least a 3-year period following their release from prison.

Sec. 409. The office of community corrections shall provide and coordinate the delivery and implementation of services in communities to facilitate successful offender reintegration into the community. Programs and services to be offered shall include, but are not limited to, technical assistance for comprehensive corrections plan development, new program start-up funding, program funding for those programs delivering services for eligible offenders in geographic areas identified by the office of community corrections as having a shortage of available services, technical assistance, referral services for education, employment services, and substance abuse and family counseling. As used in this act:

(a) "Alternative to incarceration in a state facility or jail" means a program that involves offenders who receive a sentencing disposition that appears to be in place of incarceration in a state correctional facility or jail based on historical local sentencing patterns or that amounts to a reduction in the length of sentence in a jail.

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

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

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

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

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

(g) “Offender who would likely be sentenced to imprisonment” means either of the following:

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

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

(h) “Success” means that an offender has done all of the following:

(i) Regularly reported to his or her assigned field agent.

(ii) Is participating in or has successfully completed all required substance abuse, mental health, sex offender, or other treatment as approved by the field agent.

(iii) Obtained employment, has enrolled or participated in a program of education or job training, or has investigated all bona fide employment opportunities.

(iv) Obtained housing.

(v) Obtained a state identification card.

(vi) Not sent or returned to prison for the conviction of a new crime or the revocation of probation or parole.

(vii) Not been sentenced to a jail term for a new criminal offense.

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

(a) Reduce admissions to prison of offenders who would have otherwise received an active sentence, including probation violators.

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

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

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

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

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

(3) Funds awarded for residential services in part 1 shall provide for a per diem reimbursement of not more than \$47.50.

Sec. 411. The comprehensive corrections plans shall also include, where appropriate, descriptive information on the full range of sanctions and services that are available and utilized within the local jurisdiction and an explanation of how jail beds, residential services, the special alternative incarceration program, probation detention centers, the electronic monitoring program for probationers, and treatment and rehabilitative services will be utilized to support the objectives and priorities of the comprehensive corrections plans and the purposes and priorities of section 8(4) of the community corrections act, 1988 PA 511, MCL 791.408, which contribute to the success of offenders. The plans shall

also include, where appropriate, provisions that detail how the local communities plan to respond to sentencing guidelines found in chapter XVII of the code of criminal procedure, 1927 PA 175, MCL 777.1 to 777.69, and use the county jail reimbursement program under section 414. The state community corrections board shall encourage local community corrections advisory boards to include in their comprehensive corrections plans strategies to collaborate with local alcohol and drug treatment agencies of the MDCH for the provision of alcohol and drug screening, assessment, case management planning, and delivery of treatment to alcohol- and drug-involved offenders.

Sec. 412. (1) As part of the March biannual report specified in section 12(2) of the community corrections act, 1988 PA 511, MCL 791.412, that requires an analysis of the impact of that act on prison admissions and jail utilization, the department shall submit to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, and the state budget director the following information for each county and counties consolidated for comprehensive corrections plans:

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

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

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

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

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

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

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

Sec. 413. (1) The department shall identify and coordinate information regarding the availability of and the demand for community corrections programs, jail-based community corrections programs, jail-based probation violation sanctions, and basic state-required jail data.

(2) The department is responsible for the collection, analysis, and reporting of state-required jail data.

(3) As a prerequisite to participation in the programs and services offered through the department, counties shall provide basic jail data to the department.

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

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

(a) The felon's sentencing guidelines recommended range upper limit is more than 18 months, the felon's sentencing guidelines recommended range lower limit is 12 months or less, the felon's prior record variable score is 35 or more points, and the felon's sentence is not for commission of a crime in crime class G or crime class H under chapter XVII of the code of criminal procedure, 1927 PA 175, MCL 777.1 to 777.69.

(b) The felon's minimum sentencing guidelines range minimum is more than 12 months.

(3) State reimbursement under this section for prisoner housing and custody expenses per diverted offender shall be \$43.50 per diem for up to a 1-year total.

(4) The department, the state budget office, the Michigan association of counties, and the Michigan sheriffs' association shall, if appropriate, recommend modification of the criteria for reimbursement contained in subsection (2) at meetings convened by the chairs of the house and senate appropriations subcommittees on corrections.

(5) The department shall reimburse counties for offenders in jail based upon the reimbursement eligibility criteria in place on the date the offender was originally sentenced for the reimbursable offense.

(6) County jail reimbursement program expenditures shall not exceed the amount appropriated in part 1 for the county jail reimbursement program. Payments to counties under the county jail reimbursement program shall be made in the order in which properly documented requests for reimbursements are received. A request shall be considered to be properly documented if it meets MDOC requirements for documentation. The department shall by October 15, 2008 distribute the documentation requirements to all counties.

Sec. 415. (1) As a condition of receipt of the funds appropriated in part 1 for community corrections plans and services and residential services, the department shall only award those funds requested under a properly prepared and approved comprehensive corrections plan submitted under section 8 of the community corrections act, 1988 PA 511, MCL 791.408, or directly applied for under section 10 of the community corrections act, 1988 PA 511, MCL 791.410.

(2) The department shall only halt funding for an entity funded under section 8 of the community corrections act, 1988 PA 511, MCL 791.408, in instances of substantial noncompliance during the period covered by the plan.

Sec. 416. (1) Funds included in part 1 for the felony drunk driver jail reduction and community treatment program are appropriated for and may be expended for any of the following purposes:

(a) To increase availability of treatment options to reduce drunk driving and drunk driving-related deaths by addressing the alcohol addiction of felony drunk drivers who otherwise likely would be sentenced to jail or a combination of jail and other sanctions.

(b) To divert from jail sentences or to reduce the length of jail sentences for felony drunk drivers who otherwise would have been sentenced to jail and whose recommended minimum sentence ranges under sentencing guidelines established under chapter XVII of the code of criminal procedure, 1927 PA 175, MCL 777.1 to 777.69, have upper limits of 18 months or less, through funding programs that may be used in lieu of incarceration and that increase the likelihood of rehabilitation.

(c) To provide a policy and funding framework to make additional jail space available for housing convicted felons whose recommended minimum sentence ranges under sentencing guidelines established under chapter XVII of the code of criminal procedure, 1927 PA 175, MCL 777.1 to 777.69, have lower limits of 12 months or less and who likely otherwise would be sentenced to prison, with the aim of enabling counties to meet or exceed amounts received through the county jail reimbursement program during fiscal year 2002-2003 and reducing the numbers of felons sentenced to prison.

(2) Expenditure of funds included in part 1 for the felony drunk driver jail reduction and community treatment program shall be by grant awards consistent with standards developed by a committee of the state community corrections advisory board. The chairperson of the committee shall be the board member representing county sheriffs. Remaining members of the committee shall be appointed by the chairperson of the board.

(3) In developing annual standards, the committee shall consult with interested agencies and associations. Standards developed by the committee shall include application criteria, performance objectives and measures, funding allocations, and allowable uses of the funds, consistent with the purposes specified in this section.

(4) Allowable uses of the funds shall include reimbursing counties for transportation, treatment costs, and housing felony drunk drivers during a period of assessment for treatment and case planning. Reimbursements for housing during the assessment process shall be at the rate of \$43.50 per day per offender, up to a maximum of 5 days per offender.

(5) The standards developed by the committee shall assign each county a maximum funding allocation based on the amount the county received under the county jail reimbursement program in fiscal year 2001-2002 for housing felony drunk drivers whose recommended minimum sentence ranges under the sentencing guidelines described in subsection (1)(c) had upper limits of 18 months or less.

(6) Awards of funding under this section shall be provided consistent with the local comprehensive corrections plans developed under the community corrections act, 1988 PA 511, MCL 791.401 to 791.414. Funds awarded under this section may be used in conjunction with funds awarded under grant programs established under that act. Due to the need for felony drunk drivers to be transitioned from county jails to community treatment services, it is the intent of the legislature that local units of government utilize funds received under this section to support county sheriff departments.

(7) As used in this section, "felony drunk driver" means a felon convicted of operating a motor vehicle under the influence of intoxicating liquor or a controlled substance, or both, third or subsequent offense, under section 625(9)(c) of the Michigan vehicle code, 1949 PA 300, MCL 257.625, or its predecessor statute, punishable as a felony.

Sec. 417. (1) By March 1, 2010, the department shall report to the members of the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, and the state budget director on each of the following programs from the previous fiscal year:

(a) The county jail reimbursement program.

(b) The felony drunk driver jail reduction and community treatment program.

(c) Any new initiatives to control prison population growth funded or proposed to be funded under part 1.

(2) For each program listed under subsection (1), the report shall include information on each of the following:

(a) Program objectives and outcome measures, including, but not limited to, the number of offenders who successfully completed the program, and the number of offenders who successfully remained in the community during the 3 years following termination from the program.

(b) Expenditures by location.

(c) The impact on jail utilization.

(d) The impact on prison admissions.

(e) Other information relevant to an evaluation of the program.

Sec. 418. (1) The department shall ensure that each prisoner make all reasonable efforts to obtain the documents necessary to obtain a state operator's license or state identification card prior to a prisoner's discharge or parole hearing. The process for prisoners to acquire this documentation shall be part of the department's operating procedure.

(2) The department shall cooperate with MDCH to maintain a process by which prisoners can obtain their birth certificates. By March 1, 2010, the department shall report to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, and the state budget director on the process developed under this section.

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

(2) The department shall provide monthly electronic mail reports to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, and the state budget director. The reports shall include information on end-of-month prisoner populations in county jails, the net operating capacity according to the most recent certification report, identified by date, and end-of-month data, year-to-date data, and comparisons to the prior year for the following:

- (a) Community residential program populations, separated by centers and electronic monitoring.
- (b) Parole populations.
- (c) Probation populations, with identification of the number in special alternative incarceration.
- (d) Prison and camp populations, with separate identification of the number in special alternative incarceration and the number of lifers.
- (e) Parole board activity, including the numbers and percentages of parole grants and parole denials.
- (f) Prisoner exits, identifying transfers to community placement, paroles from prisons and camps, paroles from community placement, total movements to parole, prison intake, prisoner deaths, prisoners discharging on the maximum sentence, and other prisoner exits.
- (g) Prison intake and returns, including probation violators, new court commitments, violators with new sentences, escaper new sentences, total prison intake, returns from court with additional sentences, community placement returns, technical parole violator returns, and total returns to prison and camp.

Sec. 420. By March 1, 2010, the department shall report to the senate and house appropriations subcommittees on corrections, the senate and house judiciary committees, the senate and house fiscal agencies, and the state budget director on performance data and efforts to improve efficiencies relative to departmental staffing, health care services, food service, prisoner transportation, mental health care services, and pharmaceutical costs.

Sec. 421. Of the funds appropriated in part 1, \$100,000.00 is appropriated for the purpose of providing an IDG to the MDSP for the purpose of providing grants for training teams of law enforcement officers and mental health treatment providers. The teams shall be trained in effective and safe ways of assisting people with mental illness during law enforcement contacts and directing people with mental illness to treatment programs. It is the intent of the legislature that mental health awareness training be incorporated into continuing education for all law enforcement officers in the state.

Sec. 422. It is the intent of the legislature that MPRI programs as measured by success as identified in section 409 are maintained as standard operating procedure in the department.

Sec. 424. (1) From the funds appropriated in part 1 for residential services, the department shall develop and implement, in collaboration with the judiciary and as approved by the state court administrative office, a demonstration project based on evidence-based practices related to judicial and case management interventions that have been proven to increase public safety for high-risk, high-need probationers as determined by a validated risk and need assessment instrument. As used in this section, "probationer" means a circuit court probationer serving a probation sentence for a crime.

(2) The demonstration project shall be implemented in 4 areas of the state identified jointly by the department and the state court administrative office. Preference shall be given to locations that are representative of areas with high rates of violent crimes as described in the council of state governments' justice center report on analyses of crime, community corrections, and sentencing policies in this state.

(3) The primary goal of the demonstration project is to reduce crime and revictimization by high-risk, high-need probationers. The secondary goal of the demonstration project is to reduce expenditures for long-term incarceration.

(4) The demonstration project may provide up to 6 months of residential services, and treatment methods, and interventions that are evidence-based, including, but not limited to, the following:

- (a) Risk/needs assessment.
- (b) Motivational techniques.
- (c) Type, intensity, and duration of treatment based on each probationer's risk and needs and delivered consistent with evidence-based practices.

(5) The department shall implement the evidence-based practice of collaborative case management and utilize the services of the department and of local community corrections consistent with the local comprehensive corrections plan developed under the community corrections act, 1988 PA 511, MCL 791.401 to 791.414.

(6) The department shall assign a probation officer to the demonstration project to supervise a specialized caseload for high-risk, high-need probationers. All probation officers supervising a specialized caseload under this section shall receive substantial education and training on issues of substance abuse, mental health, and drug and alcohol testing.

(7) The probation officer shall work in cooperation with the local judiciary and the community corrections advisory board in a collaborative effort toward the goals of promoting probationer success and reducing crime and revictimization.

(8) The probation officer assigned to the demonstration project shall comply with supervision requirements established for the demonstration project by the field operations administration deputy director.

(9) The department shall identify and coordinate information for each local jurisdiction selected for the demonstration project regarding the rate of incarceration of high-risk, high-need probationers to ensure that appropriate probationers are targeted for the demonstration project.

(10) From the funds appropriated in part 1 for public education and training, the department shall collaborate with the local judiciary, community corrections advisory board, and service providers to develop and provide appropriate training for all local stakeholders involved in the demonstration project described in this section.

(11) From the funds provided to the local jurisdiction for the demonstration project, the department shall collaborate with the local judiciary and the community corrections advisory board to develop and implement an evaluation of the demonstration project that will show the impact of the project on the arrests, convictions, technical violations, and commitments to prison of the demonstration project participants. This evaluation shall be performed in accordance with department of corrections policy and procedure on evaluation design in cooperation with the office of research and planning.

(12) By May 1, 2010, the department shall report to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, and the state budget director on the status of the demonstration project prescribed under this section, including information on all of the following:

- (a) Demonstration project locations and participating courts.
- (b) The number of probationers participating in the pilot categorized by location and offense.
- (c) Evaluation status and methodology.
- (d) Preliminary results, if any.

Sec. 426. It is the intent of the legislature that the department cooperate with nonprofit agencies to establish recycling programs for the purpose of employing at-risk youth and offenders on parole. The programs shall be administered by Michigan-chartered nonprofit corporations. The nonprofit corporations must have expertise in recycling and expertise in creating employment opportunities for parolees.

Sec. 429. It is the intent of the legislature that the department work with other state departments and agencies to implement the policy options provided to the state by the council of state governments in January 2009.

Sec. 430. The department shall ensure that each prisoner has the opportunity to meet with his or her transition team prior to release from prison. If applicable, community providers shall enter the prison to meet with the prisoner prior to release.

Sec. 431. The department shall ensure that prior to release from prison, each offender has possession of all of the following:

- (a) All documents necessary to obtain a state operator's license or state identification card.
- (b) A set of clothing that would be appropriate and suitable for wearing to an interview for employment.

Sec. 433. The department shall report quarterly on January 1, 2010, April 1, 2010, July 1, 2010, and September 30, 2010 to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, and the state budget director on the status of any contracts entered into under the June 2009 request for proposals for the re-entry initiative project for offenders with special needs. The report shall include information on all of the following:

- (a) The number of prisoners and participating parolees in each of the target population subgroups, including medically fragile, mentally ill, developmentally disabled, and youthful offenders.
- (b) Descriptions of the key services being provided to each subgroup under the contract or contracts.
- (c) Estimates of the average per-offender costs of services for each target population subgroup under each contract, compared to the average cost of prison incarceration for those populations.

Sec. 434. (1) The negative appropriation for county jail reimbursement program savings in part 1 shall be satisfied by savings realized through departmental savings and efficiencies.

(2) Appropriation authorization adjustments required due to negative appropriations for county jail reimbursement program savings shall be made only after the approval of transfers by the legislature according to section 393 of the management and budget act, 1984 PA 431, MCL 18.1393.

OPERATIONS AND SUPPORT ADMINISTRATION

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

Sec. 502. Funds included in part 1 for the sheriffs' coordinating and training office are appropriated for and may be expended to defray costs of continuing education, certification, recertification, decertification, and training of local corrections officers, the personnel and administrative costs of the sheriffs' coordinating and training office, the local corrections officers advisory board, and the sheriffs' coordinating and training council under the local corrections officers training act, 2003 PA 125, MCL 791.531 to 791.546.

Sec. 503. Funds appropriated in part 1 for administrative hearings officers are appropriated as an interdepartmental grant to the department of energy, labor, and economic growth for the purpose of funding administrative hearings officers for adjudication of grievances pertaining to the department of corrections. The department shall not expend appropriations from part 1 to satisfy charges from the department of energy, labor, and economic growth for administrative hearings officers in excess of the amount expressly appropriated by this act for the administrative hearings officers unless funding is transferred into this line under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

Sec. 504. Of the funds appropriated in part 1, \$50,000.00 is appropriated to provide an interdepartmental grant to the judiciary for use of the judicial data warehouse by department employees.

Sec. 505. The department shall train all custody staff in effective and safe ways of handling prisoners with mental illness and referring prisoners to mental health treatment programs. Mental health awareness training shall be incorporated into the training of new custody staff.

FIELD OPERATIONS ADMINISTRATION

Sec. 601. (1) From the funds appropriated in part 1, the department shall conduct a statewide caseload audit of field agents. The audit shall address public protection issues and assess the ability of the field agents to complete their professional duties. The results of the audit shall be submitted to the senate and house appropriations subcommittees on corrections and the senate and house fiscal agencies, and the state budget office by March 1, 2010.

(2) It is the intent of the legislature that the department maintain a number of field agents sufficient to meet supervision and workload standards.

Sec. 602. (1) Of the amount appropriated in part 1 for field operations, a sufficient amount shall be allocated for the community service work program and shall be used for salaries and wages and fringe benefit costs of community service coordinators employed by the department to supervise offenders participating in work crew assignments. Funds shall also be used to cover motor transport division rates on state vehicles used to transport offenders to community service work project sites.

(2) The community service work program shall provide offenders with community service work of tangible benefit to a community while fulfilling court-ordered community service work sanctions and other postconviction obligations.

(3) As used in this section, "community service work" means work performed by an offender in an unpaid position with a nonprofit or tax-supported or government agency for a specified number of hours of work or service within a given time period.

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

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

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

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

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

Sec. 604. Community-placement prisoners and parolees shall reimburse the department for the total costs of the program. As an alternative method of payment, the department may develop a community service work schedule for those individuals unable to meet reimbursement requirements established by the department.

Sec. 606. It is the intent of the legislature that the department shall ensure that parolees and probationers may timely contact their parole or probation agents and maintain procedures that preclude any necessity for an offender to have access to an agent's home telephone number or other personal information pertaining to the agent.

Sec. 608. By March 1, 2010, the department shall report to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, and the state budget director on the use of electronic monitoring. At a minimum, the report shall include all of the following:

(a) Details on the failure rate of parolees for whom GPS tether is utilized, including the number and rate of parolee technical violations, including specifying failures due to committing a new crime that is uncharged but leads to parole termination, and the number and rate of parolee violators with new sentences.

(b) Information on the factors considered in determining whether an offender is placed on active GPS tether, passive GPS tether, radio frequency tether, or some combination of these or other types of electronic monitoring.

(c) Monthly data on the number of offenders on active GPS tether, passive GPS tether, radio frequency tether, and any other type of tether.

Sec. 609. By March 1, 2010, the department shall report to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, and the state budget director on the use of kiosk reporting stations. At a minimum, the report shall include all of the following:

(a) Factors considered in determining whether an offender is assigned to report at a kiosk.

- (b) Information on the location, costs, safety features, and other features of kiosks used for offender reporting.
- (c) Information on demonstration project outcome measures.
- (d) An evaluation of the kiosk reporting demonstration project, including any need for improvement and an assessment of the potential for expanded use of kiosk reporting stations.

Sec. 611. The department shall prepare by March 1, 2010 individual reports for the community reentry program, the electronic tether program, and the special alternative to incarceration program. The reports shall be submitted to the house and senate appropriations subcommittees on corrections, the house and senate fiscal agencies, and the state budget director. Each program's report shall include information on all of the following:

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

Sec. 612. (1) The department shall review and revise as necessary policy proposals that provide alternatives to prison for offenders being sentenced to prison as a result of technical probation violations and technical parole violations. To the extent the department has insufficient policies or resources to affect the continued increase in prison commitments among these offender populations, the department shall explore other policy options to allow for program alternatives, including department or OCC-funded programs, local level programs, and programs available through private agencies that may be used as prison alternatives for these offenders.

(2) To the extent policies or programs described in subsection (1) are used, developed, or contracted for, the department may request that funds appropriated in part 1 be transferred under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393, for their operation.

(3) The department shall continue to utilize parole violator processing guidelines that require parole agents to utilize all available appropriate community-based, nonincarcerative postrelease sanctions and services when appropriate. The department shall periodically evaluate such guidelines for modification, in response to emerging information from the demonstration projects for substance abuse treatment provided under this act and applicable provisions of prior budget acts for the department.

(4) The department shall provide quarterly reports to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, and the state budget director on the number of all parolees returned to prison and probationers sentenced to prison for either a technical violation or new sentence during the preceding calendar quarter. The reports shall include the following information each for probationers, parolees after their first parole, and parolees who have been paroled more than once:

- (a) The numbers of parole and probation violators returned to or sent to prison for a new crime with a comparison of original versus new offenses by major offense type: assaultive, nonassaultive, drug, and sex.
- (b) The numbers of parole and probation violators returned to or sent to prison for a technical violation and the type of violation, including, but not limited to, zero gun tolerance and substance abuse violations. For parole technical rule violators, the report shall list violations by type, by length of time since release from prison, by the most recent violation, and by the number of violations occurring since release from prison.
- (c) The educational history of those offenders, including how many had a GED or high school diploma prior to incarceration in prison, how many received a GED while in prison, and how many received a vocational certificate while in prison.
- (d) The number of offenders who participated in the MPRI versus the number of those who did not.
- (e) The unduplicated number of offenders who participated in substance abuse treatment programs, mental health treatment programs, or both, while in prison, itemized by diagnosis.

Sec. 613. Subject to the appropriations in part 1, the department is encouraged to expand the use of continuous remote alcohol monitors for parolees and probationers who test positive for alcohol abuse or have alcohol-abuse-related violations of their community supervision.

Sec. 614. (1) As a condition of probation, community control, payment plan for the payment of a fine or restitution, or any other court-ordered supervision, the court may order the posting of a bond to secure the defendant's appearance at any subsequent court proceeding or to otherwise enforce the orders of the court. An appearance bond executed under this section shall be filed with the court or with the sheriff by a licensed professional bail agent who shall provide a copy of the bond to the clerk of court.

(2) The court may issue an order to produce the defendant sua sponte or upon notice by the clerk or the probation officer that the person has violated the terms of probation, community control, court-ordered supervision, or other applicable court order. The court or the clerk of the court shall give the bail agent not less than 72 hours to bring the defendant before the court. If the bail agent fails to produce the defendant in court or to the sheriff at the time noticed by the court or the clerk of court, the appearance bond required under subsection (1) shall be forfeited according to the procedures set forth in section 15 of chapter V of the code of criminal procedure, 1927 PA 175, MCL 765.15. The defendant's failure to appear shall be the sole grounds for forfeiture of the appearance bond.

HEALTH CARE

Sec. 801. The department shall not expend funds appropriated under part 1 for any surgery, procedure, or treatment to provide or maintain a prisoner's sex change unless it is determined medically necessary by the chief medical officer of the department.

Sec. 802. As a condition of expenditure of the funds appropriated in part 1, the department shall provide the senate and house of representatives appropriations subcommittees on corrections, the senate and house fiscal agencies, and the state budget director with all of the following:

(a) Quarterly reports on physical and mental health care detailing the average number of days between a prisoner's diagnosis and commencement of treatment for that diagnosis, quarterly and fiscal year-to-date expenditures itemized by vendor, allocations, status of payments from contractors to vendors, and projected year-end expenditures from accounts for prisoner health care, mental health care, pharmaceutical services, and durable medical equipment.

(b) Regular updates on progress on requests for proposals and requests for information pertaining to prisoner health care and mental health care, until the applicable contract is approved.

Sec. 804. (1) The department shall report quarterly to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, and the state budget director on prisoner health care utilization. The report shall include the number of inpatient hospital days, outpatient visits, and emergency room visits in the previous quarter and since October 1, 2009, by facility.

(2) By March 1, 2010, the department shall report to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, and the state budget director on prisoners receiving off-site inpatient medical care that would have received care in a state correctional facility if beds were available. The report shall include the number of prisoners receiving off-site inpatient medical care and average length of stay in an off-site facility during the period they would have received care in a state correctional facility if beds were available, by month and correctional facilities administration region.

Sec. 805. The bureau of health care services shall develop information on hepatitis C and HIV prevention and the risks associated with exposure to hepatitis C and HIV. The health care providers shall disseminate this information verbally and in writing to each prisoner at the health screening and full health appraisal conducted at admissions, at the annual health care screening 30 days before or after a prisoner's birthday, and prior to release to the community by parole, transfer to community residential placement, or discharge on the maximum sentence.

Sec. 806. (1) From the funds appropriated in part 1, the department shall require a hepatitis C antibody test and an HIV test for each prisoner prior to release to the community by parole, transfer to community residential placement, or discharge on the maximum sentence. The department shall require an HIV test and a hepatitis C risk factor screening for each prisoner at the health screening at admissions. If hepatitis C risk factors are identified, the department shall offer the prisoner a hepatitis C antibody test. An explanation of results of the tests shall be provided confidentially to the prisoner, and if appropriate based on the test results, the prisoner shall also be provided a recommendation to seek follow-up medical attention.

(2) By March 1, 2010, the department shall report to the senate and house appropriations subcommittees on corrections, the senate and house appropriations subcommittees on community health, the senate and house fiscal agencies, and the state budget director on the number of offenders tested and the number of offenders testing positive for HIV, the hepatitis C antibody, or both at prison admission and parole, transfer to community residential placement, or discharge on the maximum sentence. The department shall keep records of those offenders testing positive for HIV, the hepatitis C antibody, or both at prison admission, parole, transfer to community residential placement, and discharge. These records shall clearly state the date each test was performed.

(3) As a condition of expenditure of the funds appropriated in part 1, the department shall keep records of the following:

(a) The number of offenders testing positive for the hepatitis C antibody who do not receive treatment, by reason for not participating.

(b) The number of offenders achieving a sustained viral response from hepatitis C treatment.

(c) Cost and duration of treatment by offender.

Sec. 807. The department shall ensure that all medications for a prisoner be transported with that prisoner when the prisoner is transferred from 1 correctional facility to another. Prisoners being released shall be provided with a supply of medication to allow for continuity of care in the community.

Sec. 808. There are sufficient funds and FTEs appropriated in part 1 to provide a full complement of nurses for clinical complexes working regular pay hours, and it is the intent of the legislature that sufficient nurses be hired or retained to limit the use of overtime other-than-holiday pay.

Sec. 809. The department, in conjunction with efforts to implement the MPRI, shall cooperate with the MDCH to share data and information as they relate to prisoners being released who are HIV positive or positive for the hepatitis C antibody. By March 1, 2010, the department shall report to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, and the state budget director on all of the following:

(a) Programs and the location of programs implemented as a result of the work under this section.

(b) The number of prisoners released to the community by parole, discharge on the maximum sentence, or transfer to community residential placement who are HIV positive, positive for the hepatitis C antibody, or both.

(c) The number of offenders referred to the local public health department, by county.

Sec. 811. By February 1, 2010, the department shall report to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, and the state budget director on the status of efforts to implement continuous quality improvement for prisoner health care. At a minimum, the report shall identify the processes that were in place before the start of the fiscal year, the processes undertaken since the beginning of the fiscal year, and plans for future changes.

Sec. 812. (1) It is the intent of the legislature that the department continue to provide the department of human services with a monthly list of prisoners newly committed to the department of corrections. The department and the department of human services shall enter into an interagency agreement under which the department of human services provides the department of corrections with monthly lists of newly committed prisoners who are eligible for Medicaid benefits in order to maintain the process by which Medicaid benefits are suspended rather than terminated. The department shall assist prisoners who may be eligible for Medicaid benefits after release from prison with the Medicaid enrollment process prior to release from prison.

(2) The department shall provide the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, and the state budget director with regular updates on the utilization of Medicaid benefits for prisoners.

CORRECTIONAL FACILITIES ADMINISTRATION

Sec. 902. From the funds appropriated in part 1, the department shall allocate sufficient funds to develop a demonstration children's visitation program. The demonstration program shall teach parenting skills and arrange for day visitation at these facilities for parents and their children, except for the families of prisoners convicted of a crime involving criminal sexual conduct in which the victim was less than 18 years of age or involving child abuse.

Sec. 903. Except as otherwise provided in this section, the department shall prohibit prisoners' access to or use of the Internet or any similar system. Under adequate supervision and with security precautions that ensure appropriate computer use by prisoners, the department may allow a prisoner access to or use of the Internet for the purposes of educational programming, employment training, job searches, or other Internet-based programs and services consistent with programming objectives, efficient operations, and the safety and security of the institution.

Sec. 904. Any department employee who, in the course of his or her job, is determined by a physician to have had a potential exposure to the hepatitis B virus, shall receive a hepatitis B vaccination upon request.

Sec. 905. (1) The inmate housing fund shall be used for the custody, treatment, clinical, and administrative costs associated with the housing of prisoners other than those specifically budgeted for elsewhere in this act. Funding in the inmate housing fund is appropriated into a separate control account. Funding in the control account shall be distributed as necessary into separate accounts created to separately identify costs for specific purposes.

(2) Quarterly reports on all expenditures from the inmate housing fund shall be submitted by the department to the state budget director, the senate and house appropriations subcommittees on corrections, and the senate and house fiscal agencies.

Sec. 906. (1) The department shall establish a uniform rate to be paid by public and private agencies that benefit from public work services provided by special alternative incarceration participants and prisoners.

(2) It is the intent of the legislature that to the degree consistent with public safety and the safety and security of the institutions, public works projects be continued at the level provided in 2006 PA 331.

(3) It is the intent of the legislature that public works fee schedules be maintained at half the rates in effect on September 30, 2008.

(4) The department shall maintain a list of the number of prisoners available for public works crews at each department facility, and the number of prisoners necessary to fulfill current public works contracts at each department facility. The department shall place the list on a publicly accessible Internet site and update the list weekly.

(5) It is the intent of the legislature that pay rates for prisoners classified to public works assignments be increased by 50 cents per day from the rates in effect on September 30, 2009.

Sec. 907. The department shall report quarterly to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, and the state budget director on academic/vocational programs. The report shall

provide information relevant to an assessment of the department's academic and vocational programs, including, but not limited to, the following:

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

Sec. 908. By February 1, 2010, the department shall report to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, and the state budget director, the percent of offenders included in the prison population intake for fiscal years 2007-2008 and 2008-2009 who have a high school diploma or a GED.

Sec. 909. As a condition of expending funds appropriated for academic/vocational programs under part 1, the department shall by January 31, 2009 provide a plan to contract with intermediate school districts for GED and high school diploma programs at correctional facilities to the members of the senate and house appropriations committees, the senate and house fiscal agencies, and the state budget director. The plan shall include detailed information on the development of the curriculum, how the program will be administered, how the program will improve employability, and how the program will be evaluated.

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

Sec. 911. (1) From the appropriations in part 1, the department shall ensure that all prisoner activities shall include the presence of a sufficient number of correctional officers needed to maintain the safety and security of the institution.

(2) By March 1, 2010, the department shall report to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, and the state budget director the number of critical incidents occurring each month by type and the number and severity of assaults occurring each month at each facility during calendar year 2009.

(3) The department shall not reduce the ratio of custody officers to prisoners at any correctional facility below the levels that existed October 1, 2008. Any correctional facility that reduces its security level after October 1, 2008 shall not have a ratio of custody officers to prisoners below that of a comparable facility. The department shall report to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, and the state budget director if it is unable to comply with this section. The report shall include all of the following:

- (a) A list of the correctional facilities that reduced their ratio of custody officers to prisoners in violation of this subsection.
- (b) An explanation of why the department is unable to comply with this subsection.
- (c) A plan to maintain the safety and security of the facilities or units.
- (4) Subsection (3) does not apply to facilities or portions of facilities that have closed.

Sec. 912. The department shall report to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, and the state budget director by March 1, 2010 on the ratio of correctional officers to prisoners for each correctional institution, the ratio of shift command staff to line custody staff, and the ratio of noncustody institutional staff to prisoners for each correctional institution.

Sec. 913. The department shall develop and maintain a statewide waiting list for offenders referred for assessment for the assaultive offender program for parole eligibility and, if possible, shall transfer prisoners into facilities where assaultive offender programs are available in order to facilitate timely participation and completion prior to parole eligibility hearings. Nothing in this section should be deemed to make parole denial appealable in court.

Sec. 916. The department shall conduct a feasibility study focusing on the budgetary impact of converting the law library collections at correctional facilities to an electronic medium. The department shall report its findings to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, and the state budget director by April 1, 2010.

Sec. 917. From the funds appropriated in part 1, the department shall allocate sufficient funds to implement evidence-based demonstration projects that change offenders' behaviors, values, beliefs, and attitudes toward victims and the community.

Sec. 918. Following receipt of an auditor general performance audit on offender transportation, the department, in conjunction with the department of management and budget, shall issue a request for information on the possible bidding of all offender transportation services. State employees shall be given the opportunity to respond to a request for information on offender transportation services. Any response to the request for information shall include an explanation of how savings of at least 5% over existing costs of offender transportation would be realized.

Sec. 919. (1) As a condition of expending funds appropriated in part 1 for prison food service, the department shall comply with the provisions of sections 207 and 207a, including, but not limited to, all of the following criteria:

(a) Providing a complete project plan at least 120 days prior to issuing a request for proposals or an invitation to bid for all or a substantial portion of food service, including a contract for food procurement.

(b) Conducting a preprivatization cost-benefit analysis as described by section 207a.

(c) Providing a copy of the cost-benefit analysis to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, and the state budget director before the earliest of the following:

(i) Issuance of a request for proposals or invitation to bid.

(ii) Filing a contract change request with the state administrative board.

(iii) Entering into a contract for all or a substantial portion of prison food service.

(2) As a condition of expending funds appropriated in part 1 for prison food service, any contract for prison food service or prison food procurement shall identify all of the following:

(a) How savings equivalent to the savings specified in civil service rules for personal services outside the civil service would be realized.

(b) How the department will comply with the requirements of sections 209 and 212.

(c) How food quality will be maintained in conjunction with any cost savings.

(d) The impact on local vendors, growers, and processors, identified by facility or region, as appropriate, compared to prior-year purchases.

Sec. 920. The department shall make every effort to operate a garden or horticultural operation at each correctional facility, where practical, in order to provide food for correctional facilities and not-for-profit organizations.

Sec. 921. (1) By April 30, 2010, the department shall report to the chairs of the senate and house appropriations committees, the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, and the state budget director on the following:

(a) The actual savings realized between October 1, 2009 and April 1, 2010 as a result of closing correctional facilities and correctional camps between June 1, 2009 and January 1, 2010, itemized by correctional facility or correctional camp.

(b) The projected fiscal year 2009-2010 savings by closing correctional facilities and correctional camps between June 1, 2009 and January 1, 2010, itemized by correctional facility or correctional camp.

(2) The report in subsection (1) shall include information on all of the following:

(a) The savings realized or projected to be realized, itemized by program or type of expenditure.

(b) Any cost of field supervision, field operations programs, or prisoner reintegration programs related to the closure of correctional facilities and correctional camps between June 1, 2009 and January 1, 2010.

Sec. 922. It is the intent of the legislature that all prisoners work 40 hours per week in the correctional facility, as part of a public works crew or in private enterprise, or participate in vocational or training programs. Prisoners may be enrolled in GED or education programs in combination with employment. Prisoners not employed shall be enrolled in GED or other educational programs for not less than 20 hours per week. This section does not apply to prisoners classified in level V or administrative segregation.

Sec. 923. The department shall cooperate with the department of education to evaluate the feasibility of local school districts providing education programming to targeted prisoners under the age of 20 who have not received a high school diploma. By June 1, 2010, the department shall report to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, and the state budget director on any plans or evaluations developed under this section.

Sec. 924. The department shall evaluate all prisoners at intake for substance abuse disorders, developmental disorders, and serious mental illness. Prisoners with serious mental illness shall not be confined in administrative segregation due to behavior that is symptomatic of serious mental illness. Under the supervision of a mental health professional, a prisoner with serious mental illness may be secluded in a therapeutic environment for the safety of the prisoner or others. A prisoner in seclusion shall be evaluated every 12 hours by a mental health professional in order to remain in seclusion. As used in this section:

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

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

Sec. 925. By March 1, 2010, the department shall report to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, and the state budget director on the annual number of prisoners in administrative segregation between October 1, 2003 and September 30, 2009, and the annual number of prisoners in administrative segregation between October 1, 2003 and September 30, 2009 who at any time during the current or prior prison term were diagnosed with serious mental illness or have a developmental disorder and the number of days each of the prisoners with serious mental illness or a developmental disorder have been confined to administrative segregation. As used in this section:

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

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

Sec. 927. It is the intent of the legislature that the department of corrections and the department of human services examine the potential of entering into an intergovernmental agreement to place offenders less than 19 years of age who are committed to the department of corrections in underutilized units of the W.J. Maxey training school. The facilities shall be used to house offenders less than 19 years of age who are currently committed to the department of corrections.

Sec. 928. Funding appropriated in part 1 for consent decree line items is appropriated into separate control accounts created for each line item. Funding in each control account shall be distributed as necessary into separate accounts created for the purpose of separately identifying costs and expenditures associated with each consent decree.

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

(a) Ensure that any inmate care and control staff in contact with prisoners less than 19 years of age are adequately trained with regard to the developmental and mental health needs of prisoners less than 19 years of age.

(b) Provide appropriate placement for prisoners less than 19 years of age who have serious mental illness or a developmental disorder and who need to be housed separately from the general population. Prisoners less than 19 years of age who have serious mental illness or a developmental disorder shall not be placed in administrative segregation due to behavior that is symptomatic of serious mental illness. Under the supervision of a mental health professional, a prisoner less than 19 years of age with serious mental illness may be secluded in a therapeutic environment for the safety of the prisoner or others. A prisoner in seclusion shall be evaluated every 12 hours by a mental health professional in order to remain in seclusion. As used in this section:

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

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

(c) Implement a specialized re-entry program that recognizes the needs of prisoners less than 19 years old for supervised re-entry.

Sec. 930. The department shall not have a shooting range located on property east of 3760 Foco Road, Standish, Michigan.

Sec. 931. (1) Included in the annual cost per prisoner are funds appropriated in part 1 for the following:

(a) Northern, southeastern, and southwestern region correctional facilities.

(b) Northern, southeastern, and southwestern region administration and support.

(c) Northern, southeastern, and southwestern region clinical complexes.

(d) Prisoner health care services.

(e) Health care administration.

(f) Vaccination program.

(g) Prison food service and federal school lunch program.

(h) Transportation.

(i) Inmate legal services.

(j) Correctional facilities administration.

(k) Central records.

(l) DOJ psychiatric plan.

(m) Workers compensation.

(n) New custody staff training.

(o) Housing inmates in federal institutions.

(p) Prison store operations.

(q) Education services and federal education grants.

(r) MPRI education program.

(2) It is the intent of the legislature that the department reduce the annual cost per prisoner by \$841.00 in comparison to the annual cost per prisoner in fiscal year 2008-2009.

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

A bill to make appropriations for the department of corrections and certain state purposes related to corrections for the fiscal year ending September 30, 2010; to provide for the expenditure of the appropriations; to provide for reports; to provide for the creation of certain advisory committees and boards; to prescribe certain powers and duties of the department of corrections, certain other state officers and agencies, and certain advisory committees and boards; to provide for the collection of certain funds; and to provide for the disposition of fees and other income received by certain state agencies.

Alma Wheeler Smith
Fred Durhal, Jr.
John Proos
Conferees for the House

Alan L. Cropsey
Roger Kahn
Conferees for the Senate

Pending the order that, under joint rule 9, the conference report be laid over one day,

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 conference report,

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

Roll Call No. 496

Yeas—23

Allen	Cropsey	Jelinek	Richardville
Anderson	Garcia	Kahn	Sanborn
Birkholz	George	Kuipers	Stamas
Bishop	Gilbert	McManus	Switalski
Brown	Hardiman	Pappageorge	Van Woerkom
Cassis	Jansen	Patterson	

Nays—14

Barcia	Clark-Coleman	Jacobs	Scott
Basham	Clarke	Olshove	Thomas
Brater	Gleason	Prusi	Whitmer
Cherry	Hunter		

Excused—0

Not Voting—0

In The Chair: President

Senator Cropsey moved to reconsider the vote by which the conference report was adopted.

The question being on the motion to reconsider,

Senator Cropsey moved that further consideration of the bill be postponed temporarily.

The motion prevailed.

Protest

Senator Brater, under her constitutional right of protest (Art. 4, Sec. 18), protested against the adoption of the first conference report on House Bill No. 4437 and moved that the statement she made during the discussion of the conference report be printed as her reasons for voting “no.”

The motion prevailed.

Senator Brater's statement is as follows:

First of all, I want to express my appreciation to the good Senator from the 33rd District, the chairman of this budget. It is always a pleasure to work with him on this budget and in other matters, and I appreciate his collegiality and courtesy throughout this process.

I did not sign this conference report. I am concerned that there is a deeper level of cuts than this department is able to absorb and still deliver correctional functions in a humane and responsible manner and a constitutional manner, for that matter.

The administration of that department has been directed to find savings to the tune of \$38.2 million, which equates to \$841 per prisoner. They are supposed to look for savings in educational programs, legal services for prisoners, facilities, health care, transportation, and food services. No doubt some efficiencies can and will be found, but there are still 47,500 people incarcerated in the prison system. The Governor's goal, I believe, is to reduce this population to 45,000. I think with proper adjustments to sentencing guidelines and use of proper parole policy, we could get to that goal. Meanwhile, we have a responsibility to properly care for the people who are in this system. There will be, in my opinion, an underfunding of the MPRI program under this scenario. We have to make sure people coming out to the community do so successfully.

Because of the closure of so many mental hospitals in this state in the 1990s, a number of people ended up being transinstitutionalized from our hospitals to our prisons very inappropriately, as I have stated many times on this floor. So we have a number of people who are people with mental illness in this prison system. We also, unfortunately, have a number of juveniles, children who were sentenced as adults, which is legal under the statutes of the state of Michigan. There are some of these children—a large percentage of them—who are there because they were subject to untreated emotional disorders.

Some of these children when they are in an acute state are in our acute psychiatric facility within the prison system. Because of the rules that there be sight and sound separation between the children and the adults, these children are being kept in 23-hour lockdown because they are in need of mental health care. Now what is wrong with this picture? Their situation can only be greatly exacerbated. Their condition is only going to get worse under these circumstances. I can't imagine how I could sleep at night if a child of mine were living under these conditions. I, myself, can barely sleep at night thinking about this, even though they are not my children, because I think as legislators we have responsibility to care for the most vulnerable people in our state. Unfortunately, many of them are getting "care" right now in our prison system.

Now when I discussed this situation with the director of the department, she stated that she would like to do this differently, but the department did not have sufficient funding to address this problem differently. So, therefore, if we are asking her to absorb another \$38.2 million in cuts, how is she going to be able to treat these children and the adults under her care in a more humane and responsible manner? We are already operating under a number of lawsuits and settlements because of our failure to comply with federal law in certain circumstances. So I am afraid that we are only asking for more of the same under these same circumstances.

So, Mr. President, unfortunately, I am unable to support this budget, and I urge my colleagues not to support it.

Recess

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

The motion prevailed, the time being 8:27 p.m.

9:40 p.m.

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

By unanimous consent the Senate returned to consideration of the following bill:

Senate Bill No. 253, entitled

An act to make appropriations for the department of state police and certain other state purposes for the fiscal year ending September 30, 2010; 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; to provide for the powers and duties of certain committees, certain state agencies, and certain employees; and to provide for the acquisition and disposition of certain real and personal property.

(The conference report was not adopted earlier today, and the motion to reconsider the vote postponed. See p. 1707.)

The question being on the motion to reconsider the vote by which the conference report was not adopted,

The motion prevailed.

The question being on the adoption of the conference report,

The first conference report was not adopted, a majority of the members serving not voting therefor, as follows:

Roll Call No. 497**Yeas—17**

Allen
Birkholz
Bishop
Cropsey
Garcia

Gilbert
Hardiman
Jacobs
Jansen

Jelinek
Kahn
Kuipers
McManus

Pappageorge
Richardville
Stamas
Van Woerkom

Nays—10

Anderson
Brown
Cassis

George
Hunter
Patterson

Prusi
Sanborn

Switalski
Thomas

Excused—0**Not Voting—10**

Barcia
Basham
Brater

Cherry
Clark-Coleman
Clarke

Gleason
Olshove

Scott
Whitmer

In The Chair: Richardville

Senator Cropsey moved that rule 3.311 be suspended to permit reconsideration of the vote by which the conference report was not adopted.

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

Senator Cropsey moved to reconsider the vote by which the conference report was not adopted.

The motion prevailed.

The President, Lieutenant Governor Cherry, resumed the Chair.

The question being on the adoption of the conference report,

Senator Cropsey moved that further consideration of the bill be postponed temporarily.

The motion prevailed.

By unanimous consent the Senate returned to the order of

Messages from the House**Senate Bill No. 237, entitled**

A bill to make appropriations for the department of agriculture for the fiscal year ending September 30, 2010; to provide for the expenditure of the appropriations; to create funds; to provide for the imposition of fees; to require reports, audits, and plans; to authorize certain transfers by certain state agencies; and to provide for the disposition of fees and other income received by certain state agencies.

(For Conference Report, see Senate Journal No. 76, p. 1568.)

The House of Representatives has adopted the report of the Committee of Conference.

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

Senate Bill No. 243, entitled

A bill to make appropriations for the department of energy, labor, and economic growth and certain other state purposes for the fiscal year ending September 30, 2010; 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.

(For Conference Report, see Senate Journal No. 75, p. 1539.)

The House of Representatives has adopted the report of the Committee of Conference.

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

The recommendation was not concurred in, 2/3 of the members serving not voting therefor.

Senator Cropsey requested the yeas and nays.

The yeas and nays were ordered, 1/5 of the members present voting therefor.

The recommendation was not concurred in, 2/3 of the members serving not voting therefor, as follows:

Roll Call No. 498**Yeas—21**

Allen	Garcia	Jelinek	Patterson
Birkholz	George	Kahn	Richardville
Bishop	Gilbert	Kuipers	Sanborn
Brown	Hardiman	McManus	Stamas
Cassis	Jansen	Pappageorge	Van Woerkom
Cropsey			

Nays—16

Anderson	Cherry	Hunter	Scott
Barcia	Clark-Coleman	Jacobs	Switalski
Basham	Clarke	Olshove	Thomas
Brater	Gleason	Prusi	Whitmer

Excused—0**Not Voting—0**

In The Chair: President

Senator Cropsey moved that the bill be given immediate effect.

The question being on the motion to give the bill immediate effect,

Senator Cropsey moved that further consideration of the bill be postponed temporarily.

The motion prevailed.

By unanimous consent the Senate returned to the order of

Motions and Communications

Senator Cropsey moved that the Committee on Finance be discharged from further consideration of the following bill:

Senate Bill No. 798, entitled

A bill to amend 1967 PA 281, entitled "Income tax act of 1967," by amending section 51 (MCL 206.51), as amended by 2007 PA 94.

The motion prevailed, a majority of the members serving voting therefor, and the bill was placed on the order of General Orders.

Senator Cropsey moved that the rules be suspended and that the following bill now on the order of General Orders, be placed on the order of Third Reading of Bills for consideration today:

Senate Bill No. 798

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

By unanimous consent the Senate returned to the order of
Messages from the House

Senate Bill No. 249, entitled

A bill to make appropriations for the judicial branch for the fiscal year ending September 30, 2010; to provide for the expenditure of these appropriations; to place certain restrictions on the expenditure of these appropriations; to prescribe the powers and duties of certain state and local departments, officials, and employees; to require certain reports; and to provide for the disposition of fees and other income received by the judicial branch.

(For Conference Report, see Senate Journal No. 75, p. 1523.)

The House of Representatives has adopted the report of the Committee of Conference.

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

Senate Bill No. 250, entitled

A bill to make appropriations for the department of military and veterans affairs for the fiscal year ending September 30, 2010; 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.

(For Conference Report, see Senate Journal No. 75, p. 1530.)

The House of Representatives has adopted the report of the Committee of Conference.

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

Senate Bill No. 254, entitled

A bill to make appropriations for the state transportation department and certain transportation purposes for the fiscal year ending September 30, 2010; to provide for the imposition of fees; to provide for reports; to create certain funds and programs; to prescribe requirements for certain railroad and bus facilities; to prescribe certain powers and duties of certain state departments and officials and local units of government; and to provide for the expenditure of the appropriations.

(For Conference Report, see p. 1690.)

The House of Representatives has adopted the report of the Committee of Conference.

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

Senate Bill No. 248, entitled

A bill to make appropriations for the department of human services and certain state purposes related to public welfare services for the fiscal year ending September 30, 2010; to provide for the expenditure of the appropriations; to create funds; to provide for the imposition of fees; to provide for reports; to provide for the disposition of fees and other income received by the state agency; and to provide for the powers and duties of certain individuals, local governments, and state departments, agencies, and officers.

(For Conference Report, see Senate Journal No. 78, p. 1645.)

The House of Representatives has adopted the report of the Committee of Conference.

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

The recommendation was not concurred in, 2/3 of the members serving not voting therefor.

Senator Cropsey requested the yeas and nays.

The yeas and nays were ordered, 1/5 of the members present voting therefor.

The recommendation was not concurred in, 2/3 of the members serving not voting therefor, as follows:

Roll Call No. 499**Yeas—21**

Allen
Birkholz
Bishop
Brown
Cassis
Cropsey

Garcia
George
Gilbert
Hardiman
Jansen

Jelinek
Kahn
Kuipers
McManus
Pappageorge

Patterson
Richardville
Sanborn
Stamas
Van Woerkom

Nays—16

Anderson
Barcia
Basham
Brater

Cherry
Clark-Coleman
Clarke
Gleason

Hunter
Jacobs
Olshove
Prusi

Scott
Switalski
Thomas
Whitmer

Excused—0**Not Voting—0**

In The Chair: President

Senator Cropsey moved that the bill be given immediate effect.

The question being on the motion to give the bill immediate effect,

Senator Cropsey moved that further consideration of the bill be postponed temporarily.

The motion prevailed.

By unanimous consent the Senate returned to the order of

Conference Reports

By unanimous consent the Senate returned to consideration of the following bill:

House Bill No. 4446, entitled

A bill to make appropriations for the department of conservation for the fiscal year ending September 30, 2010; to provide for the expenditure of those appropriations; to create funds and accounts; to require reports; to prescribe certain powers and duties of certain state agencies and officials; to authorize certain transfers by certain state agencies; and to provide for the disposition of fees and other income received by the various state agencies.

(The conference report was adopted earlier today, and the motion to reconsider the vote postponed. See p. 1736.)

The question being on the motion to reconsider of the vote by which the conference report was adopted,

Senator Cropsey withdrew the motion.

Senator Cropsey moved that the bill be given immediate effect.

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

By unanimous consent the Senate returned to consideration of the following bill:

House Bill No. 4441, entitled

A bill to make appropriations for the state institutions of higher education and certain state purposes related to education for the fiscal year ending September 30, 2010; to provide for the expenditures of those appropriations; and to prescribe the powers and duties of certain state departments, institutions, agencies, employees, and officers.

(The conference report was adopted earlier today, and the motion to reconsider the vote postponed. See p. 1803.)

The question being on the motion to reconsider the vote by which the conference report was adopted,

Senator Cropsey withdrew the motion.

Senator Cropsey moved that the bill be given immediate effect.
 The motion did not prevail, 2/3 of the members serving not voting therefor.
 Senator Cropsey requested the yeas and nays.
 The yeas and nays were ordered, 1/5 of the members present voting therefor.
 The motion did not prevail, 2/3 of the members serving not voting therefor, as follows:

Roll Call No. 500**Yeas—22**

Allen	Garcia	Kahn	Richardville
Birkholz	George	Kuipers	Sanborn
Bishop	Gilbert	McManus	Stamas
Brown	Hardiman	Pappageorge	Switalski
Cassis	Jansen	Patterson	Van Woerkom
Cropsey	Jelinek		

Nays—15

Anderson	Cherry	Hunter	Scott
Barcia	Clark-Coleman	Jacobs	Thomas
Basham	Clarke	Olshove	Whitmer
Brater	Gleason	Prusi	

Excused—0**Not Voting—0**

In The Chair: President

Senator Cropsey moved that the bill be given immediate effect.
 The question being on the motion to give the bill immediate effect,
 Senator Cropsey moved that further consideration of the bill be postponed temporarily.
 The motion prevailed.

By unanimous consent the Senate returned to consideration of the following bill:

House Bill No. 4437, entitled

A bill to make appropriations for the department of corrections and certain state purposes related to corrections for the fiscal year ending September 30, 2010; to provide for the expenditure of the appropriations; to provide for reports; to provide for the creation of certain advisory committees and boards; to prescribe certain powers and duties of the department of corrections, certain other state officers and agencies, and certain advisory committees and boards; to provide for the collection of certain funds; and to provide for the disposition of fees and other income received by certain state agencies.

(The conference report was adopted earlier today, and the motion to reconsider the vote postponed. See p. 1821.)

The question being on the motion to reconsider the vote by which the conference report was adopted,

Senator Cropsey withdrew the motion.

Senator Cropsey moved that the bill be given immediate effect.

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

By unanimous consent the Senate returned to consideration of the following bill:

House Bill No. 4436, entitled

A bill to make appropriations for the department of community health and certain state purposes related to mental health, public health, and medical services for the fiscal year ending September 30, 2010; to provide for the expenditure

of those appropriations; to create funds; to require and provide for reports; to prescribe the powers and duties of certain local and state agencies and departments; and to provide for disposition of fees and other income received by the various state agencies.

(The conference report was adopted earlier today, and the motion to reconsider the vote postponed. See p. 1762.)

The question being on the motion to reconsider the vote by which the conference report was adopted,

Senator Cropsey withdrew the motion.

Senator Cropsey moved that the bill be given immediate effect,

The motion did not prevail, 2/3 of the members serving not voting therefor.

Senator Cropsey requested the yeas and nays.

The yeas and nays were ordered, 1/5 of the members present voting therefor.

The motion did not prevail, 2/3 of the members serving not voting therefor, as follows:

Roll Call No. 501

Yeas—22

Allen	Cropsey	Jelinek	Patterson
Barcia	Garcia	Kahn	Richardville
Birkholz	George	Kuipers	Sanborn
Bishop	Gilbert	McManus	Stamas
Brown	Hardiman	Pappageorge	Van Woerkom
Cassis	Jansen		

Nays—15

Anderson	Clark-Coleman	Jacobs	Switalski
Basham	Clarke	Olshove	Thomas
Brater	Gleason	Prusi	Whitmer
Cherry	Hunter	Scott	

Excused—0

Not Voting—0

In The Chair: President

Senator Cropsey moved that the bill be given immediate effect.

The question being on the motion to give the bill immediate effect,

Senator Cropsey moved that further consideration of the bill be postponed temporarily.

The motion prevailed.

By unanimous consent the Senate returned to consideration of the following bill:

House Bill No. 4435, entitled

A bill to make appropriations for community colleges and certain state purposes related to education for the fiscal year ending September 30, 2010; to provide for the expenditure of those appropriations; to establish or continue certain funds, programs, and categories; and to prescribe the powers and duties of certain state departments, institutions, agencies, employees, and officers.

(The conference report was adopted earlier today, and the motion to reconsider the vote postponed. See p. 1721.)

The question being on the motion to reconsider the vote by which the conference report was adopted,

Senator Cropsey withdrew the motion.

By unanimous consent the Senate returned to consideration of the following bill:

House Bill No. 4438, entitled

A bill to make appropriations for the department of education and certain other purposes relating to education for the fiscal year ending September 30, 2010; to provide for the expenditure of the appropriations; and to provide for the disposition of fees and other income received by the state agency.

(The conference report was adopted earlier today, and the motion to reconsider the vote postponed. See p. 1728.)

The question being on the motion to reconsider the vote by which the conference report was adopted,
Senator Cropsey withdrew the motion.

By unanimous consent the Senate returned to the order of

Third Reading of Bills

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

Senate Bill No. 798

The motion prevailed.

The following bill was read a third time:

Senate Bill No. 798, entitled

A bill to amend 1967 PA 281, entitled "Income tax act of 1967," by amending section 51 (MCL 206.51), as amended by 2007 PA 94.

The question being on the passage of the bill,

Senator Cropsey moved that the previous question be ordered.

The motion prevailed.

The question being on the passage of the bill,

The bill was defeated, a majority of the members serving not voting therefor, as follows:

Roll Call No. 502

Yeas—2

Brater

Gleason

Nays—33

Allen
Anderson
Barcia
Basham
Birkholz
Bishop
Brown
Cassis
Cherry

Clark-Coleman
Clarke
Cropsey
Garcia
George
Gilbert
Hardiman
Hunter

Jacobs
Jansen
Jelinek
Kahn
Kuipers
McManus
Olshove
Pappageorge

Patterson
Richardville
Sanborn
Stamas
Switalski
Thomas
Van Woerkom
Whitmer

Excused—0

Not Voting—2

Prusi

Scott

In The Chair: President

Protests

Senators Switalski, Cherry, Hunter, Basham, Jacobs, Clark-Coleman and Patterson, under their constitutional right of protest (Art. 4, Sec. 18), protested against the passage of Senate Bill No. 798.

Senator Switalski's statement, in which Senators Cherry, Hunter, Basham, Jacobs and Clark-Coleman concurred, is as follows:

Well, I hope that wasn't the kind of promised revenue vote that has been discussed all summer. That is the type of revenue that I don't think anyone has seriously considered. In fact, if we were going to address income taxes, much more realistic would be a discussion about freezing the personal exemption, which would raise about \$50 million. That is not what was up there, and I think consistently the executive, Senate Democrats, House Democrats, Senate Republicans, and House Republicans have all kind of said, "We don't think this is a time for a general tax increase."

So to put one up doesn't really advance us. I would say that the discussion about budgets being passed and us getting our work done is pretty accurate. We are pretty close to being done, and there are a couple of very difficult ones left. There has been a lot of discussions about, gee, if we have a couple of tough ones hanging out there undone, would we do a continuation? Is that a reasonable thing to do? That is at the center of these immediate effect votes.

So I would think if cooler heads would prevail, we could work through that. There is a way to get this done tonight or get very close to getting it done and making sure that we don't have a shutdown and continuing Michigan government at 12:01 a.m. So I hope we concentrate on that because that would be a much more productive use of our last one and a half hours.

Senator Patterson's statement is as follows:

I would like my "no" vote explanation to be based upon my belief that the good people of Michigan cannot afford yet another tax or even an increase in rates. To balance state spending on the good people's backs is unconscionable.

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

The motion prevailed.

Senator Bishop's statement is as follows:

Before you is a general income tax increase which would take our state's income tax from 4.35 percent to 4.8 percent. That was the solution that was presented by the Senate Democrats.

Since we have been here tonight, we have passed several budgets. The Senate Republicans have been able to do that without the assistance of Senate Democrats. We have now finished the vast majority of our budgets with the exception of three. All that remains are immediate effect votes. We can take that right to the Governor, and things begin right away and the government doesn't shut down—business as usual. But, speaking of gamesmanship, the Senate Democrats are using the Senate Rules to block immediate effect votes and have effectively blocked four of our budgets and every service underneath that department.

The bill before you is an income tax, and I presume that your solution—if you don't like the budgets before you—is to raise revenue. If this is not your solution, then what is your solution? If you are not presenting a solution tonight, you are part of the problem. We have put solutions on the table, and you are blocking our ability to move this body forward and this state forward. That is pure gamesmanship.

Now, if revenues are what you want that will solve problem, then vote for this. It's about \$800 million in new taxes. If that is what you want to get us over the finish line, then have the courage to put up a vote. But if that is not it, then step up and do what you are supposed to do and balance this budget, and stop playing with the people of this state and the essential services of this state.

Recess

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

The motion prevailed, the time being 10:34 p.m.

11:54 p.m.

The Senate was called to order by the President, Lieutenant Governor Cherry.

By unanimous consent the Senate returned to the order of
Motions and Communications

Senator Cropsey moved that when the Senate adjourns today, it stand adjourned until Thursday, October 1, at 12:15 a.m.

The motion prevailed.

Committee Reports

The Committee on Commerce and Tourism reported

House Bill No. 5100, entitled

A bill to amend 1984 PA 270, entitled "Michigan strategic fund act," by amending section 88b (MCL 125.2088b), as amended by 2008 PA 175.

With the recommendation that the substitute (S-2) be adopted and that the bill then pass.

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

Jason E. Allen
Chairperson

To Report Out:

Yeas: Senators Allen, Gilbert and Stamas

Nays: Senator Clarke

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

COMMITTEE ATTENDANCE REPORT

The Committee on Commerce and Tourism submitted the following:

Meeting held on Tuesday, September 29, 2009, at 9:00 a.m., Room 100, Farnum Building

Present: Senators Allen (C), Gilbert, Stamas and Clarke

Excused: Senator Hunter

COMMITTEE ATTENDANCE REPORT

The Committee on Judiciary submitted the following:

Meeting held on Tuesday, September 29, 2009, at 1:00 p.m., Room 210, Farnum Building

Present: Senators Kuipers (C), Cropsey, Stamas, Whitmer, Clarke and Basham

Excused: Senators Sanborn and Patterson

COMMITTEE ATTENDANCE REPORT

The Conference Committee on Transportation (SB 254) submitted the following:

Meeting held on Wednesday, September 30, 2009, at 8:30 a.m., Senate Hearing Room, Ground Floor, Boji Tower

Present: Senators Hardiman (C), Cropsey and Anderson

Scheduled Meetings

Legislative Commission on Government Efficiency - Wednesday, October 14, 9:00 a.m., Room 426, Capitol Building (373-0212)

Legislative Retirement Board of Trustees - Thursday, December 3, 2:00 p.m., Room H-252, Capitol Building (373-0575)

Senator Cropsey moved that the Senate adjourn.

The motion did not prevail.

Senator Cropsey requested the yeas and nays.

The yeas and nays were ordered, 1/5 of the members present voting therefor.

The motion prevailed, a majority of the members voting therefor, as follows, the time being 11:57 p.m.:

Roll Call No. 503**Yeas—20**

Allen	Cropsey	Jansen	Pappageorge
Birkholz	Garcia	Jelinek	Patterson
Bishop	George	Kahn	Richardville
Brown	Gilbert	Kuipers	Sanborn
Cassis	Hardiman	McManus	Van Woerkom

Nays—16

Anderson	Cherry	Hunter	Scott
Barcia	Clark-Coleman	Jacobs	Switalski
Basham	Clarke	Olshove	Thomas
Brater	Gleason	Prusi	Whitmer

Excused—0**Not Voting—1**

Stamas

In The Chair: President

In pursuance of the order previously made, the President, Lieutenant Governor Cherry, declared the Senate adjourned until Thursday, October 1, 2009, at 12:15 a.m.

CAROL MOREY VIVENTI
Secretary of the Senate