SUBSTITUTE FOR

SENATE BILL NO. 148

A bill to make appropriations for the department of talent and economic development for the fiscal year ending September 30, 2020; and to provide for the expenditure of the appropriations.

	THE PEOPLE OF THE STATE OF MICHIGAN ENACT:
1	PART 1
2	LINE-ITEM APPROPRIATIONS
3	Sec. 101. There is appropriated for the department of talent
4	and economic development for the fiscal year ending September 30,
5	2020, from the following funds:
6	DEPARTMENT OF TALENT AND ECONOMIC DEVELOPMENT
7	(1) APPROPRIATION SUMMARY
8	Full-time equated unclassified positions 6.0
9	Full-time equated classified positions 1,450.0

GROSS APPROPRIATION..... \$ 1,107,257,100

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1	Interdepartmental grant revenues:		
2	Total interdepartmental grants and intradepartmental		
3	transfers		0
4	ADJUSTED GROSS APPROPRIATION	\$	1,107,257,100
5	Federal revenues:		
6	Total federal revenues		762,145,800
7	Special revenue funds:		
8	Total local revenues		500,000
9	Total private revenues		5,628,300
10	Total other state restricted revenues		193,074,600
11	State general fund/general purpose	\$	145,908,400
12	(2) DEPARTMENTAL ADMINISTRATION AND SUPPORT		
13	Full-time equated unclassified positions 6.0		
14	Full-time equated classified positions 32.0		
15	Unclassified positions6.0 FTE positions	\$	1,153,200
16	Executive direction and operations32.0 FTE positions	_	7,120,000
17	GROSS APPROPRIATION	\$	8,273,200
18	Appropriated from:		
19	Federal revenues:		
20	DOL-ETA, unemployment insurance		1,759,100
21	DOL, federal funds		3,201,600
22	Federal funds		2,500,000
23	Special revenue funds:		
24	Michigan state housing development authority fees and		
25	charges		608,500
26	State general fund/general purpose	\$	204,000
27	(3) MICHIGAN STRATEGIC FUND		

Full-time equated classified positions 157.0		
Administrative services37.0 FTE positions	\$	3,082,600
Arts and cultural program		10,150,000
Business attraction and community revitalization		102,629,900
Community college skilled trades equipment program deb	t	
service		4,600,000
Community development block grants		47,000,000
Entrepreneurship ecosystem		13,650,000
Facility for rare isotope beams debt service		7,300,000
Job creation services120.0 FTE positions		22,695,200
Pure Michigan		37,500,000
Michigan enhancement grants		100
GROSS APPROPRIATION	\$	248,607,800
Appropriated from:		
Federal revenues:		
HUD-CPD, community development block grant		49,773,300
NFAH-NEA, promotion of the arts, partnership		
agreements		1,050,000
Special revenue funds:		
Private - special project advances		250,000
Private - Michigan council for the arts fund		100,000
21st century jobs trust fund		75,000,000
Contingent fund, penalty and interest		4,600,000
Michigan film promotion fund		402,200
Michigan state housing development authority fees		
and charges		4,616,600
State general fund/general purpose	\$	112,815,700
	Administrative services37.0 FTE positions Arts and cultural program Business attraction and community revitalization Community college skilled trades equipment program debu service Community development block grants Entrepreneurship ecosystem Facility for rare isotope beams debt service Job creation services120.0 FTE positions Pure Michigan Michigan enhancement grants GROSS APPROPRIATION Appropriated from: Federal revenues: HUD-CPD, community development block grant NFAH-NEA, promotion of the arts, partnership agreements Special revenue funds: Private - special project advances Private - Michigan council for the arts fund Contingent fund, penalty and interest Michigan film promotion fund Michigan state housing development authority fees and charges	Administrative services37.0 FTE positions \$ Arts and cultural program Business attraction and community revitalization Community college skilled trades equipment program debt service Community development block grants Facility for rare isotope beams debt service Job creation services120.0 FTE positions Pure Michigan enhancement grants

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(4) TALENT INVESTMENT AGENCY

2 Full-time equated classified positions..... 962.0

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3	At-risk youth grants	\$	4,000,000
4	Community ventures		4,000,000
5	Executive direction14.0 FTE positions		3,498,500
6	Going pro talent fund		37,920,700
7	Information technology services and projects - TIA		22,721,300
8	Michigan Works!		130,800,000
9	Unemployment insurance agency743.0 FTE positions		136,006,400
10	Unemployment insurance agency advocacy assistance		1,500,000
11	Workforce development programs		248,924,900
12	Workforce program administration205.0 FTE positions	_	36,262,100
13	GROSS APPROPRIATION	\$	625,633,900
14	Appropriated from:		
15	Federal revenues:		
16	DAG, employment and training		4,000,400
17	DED-OESE, GEAR-UP		4,730,700
18	DED-OVAE, adult education		20,000,000
19	DED-OVAE, basic grants to states		19,000,000
20	DOL, federal funds		107,401,100
21	DOL-ETA, unemployment insurance		140,242,000
22	DOL-ETA, workforce investment act		173,488,600
23	Federal funds		3,440,200
24	Social security act, temporary assistance to needy		
25	families		63,698,800
26	Special revenue funds:		
27	Local revenues		500,000

1	Private funds		5,278,300
2	Contingent fund, penalty and interest account		52,287,500
3	Defaulted loan collection fees		170,000
4	State general fund/general purpose	\$	31,396,300
5	(5) LAND BANK FAST TRACK AUTHORITY		
6	Full-time equated classified positions		
7	Land bank fast track authority9.0 FTE positions	\$_	4,290,800
8	GROSS APPROPRIATION	\$	4,290,800
9	Appropriated from:		
10	Federal revenues:		
11	Federal revenues		1,000,000
12	Special revenue funds:		
13	Land bank fast track fund		1,798,400
14	State general fund/general purpose	\$	1,492,400
15	(6) MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY		
16	Full-time equated classified positions 290.0		
17	Housing and rental assistance290.0 FTE positions	\$	46,022,200
18	Lighthouse preservation program		307,500
19	Michigan state housing development authority		
20	technology services and projects		3,651,800
21	Payments on behalf of tenants		166,860,000
22	Property management	_	3,609,900
23	GROSS APPROPRIATION	\$	220,451,400
24	Appropriated from:		
25	Federal revenues:		
26	HUD, lower income housing assistance		166,860,000
27	Special revenue funds:		

5	PART 2
6	PROVISIONS CONCERNING APPROPRIATIONS
7	FOR FISCAL YEAR 2019-2020
8	GENERAL SECTIONS
9	Sec. 201. In accordance with section 30 of article IX of
10	the state constitution of 1963, total state spending from state
11	sources under part 1 for fiscal year 2019-2020 is \$338,983,000.00
12	and state spending from state sources to be paid to local units of
13	government for fiscal year 2019-2020 is \$37,598,800.00. The
14	itemized statement below identifies appropriations from which
15	spending to local units of government will occur:
16	DEPARTMENT OF TALENT AND ECONOMIC DEVELOPMENT
17	Arts and cultural program\$ 1,000,000
18	Going pro
19	Welfare-to-work programs 10,680,000
20	TOTAL \$ 37,598,800
21	Sec. 202. The appropriations authorized under this part and
22	part 1 are subject to the management and budget act, 1984 PA 431,
23	MCL 18.1101 to 18.1594.
24	Sec. 203. As used in this part and part 1:
25	(a) "DED" means the United States Department of Education.

(b) "DED-OESE" means the DED Office of Elementary and
 Secondary Education.

3 (c) "DED-OPSE" means the DED Office of Postsecondary4 Education.

5 (d) "DED-OVAE" means the DED Office of Vocational and Adult6 Education.

7 (e) "Department" means the department of talent and economic8 development.

9 (f) "Director" means the director of the department.

10 (g) "DOE-OEERE" means the United States Department of Energy,11 Office of Energy Efficiency and Renewable Energy.

12 (h) "DOL" means the United States Department of Labor.

13 (i) "DOL-ETA" means the United States Department of Labor,14 Employment and Training Administration.

15 (j) "FTE" means full-time equated.

16 (k) "Fund" means the Michigan strategic fund.

17 (*l*) "GEAR-UP" means gaining early awareness and readiness for18 undergraduate programs.

19 (m) "GED" means a general educational development certificate.

20 (n) "GF/GP" means general fund/general purpose.

21 (o) "HHS" means the United States Department of Health and22 Human Services.

23 (p) "HHS-OS" means the HHS Office of the Secretary.

(q) "HHS-SSA" means the HHS Social Security Administration.

25 (r) "HUD" means the United States Department of Housing and26 Urban Development.

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(s) "HUD-CPD" means the United States Department of Housing

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1 and Urban Development - Community Planning and Development.

2 (t) "IDG" means interdepartmental grant.

3 (u) "MCL" means the Michigan Compiled Laws.

4 (v) "MDE" means the Michigan department of education.

5 (w) "MDHHS" means the Michigan department of health and human6 services.

7 (x) "MEDC" means the Michigan economic development corporation, which is the public body corporate created under 8 section 28 of article VII of the state constitution of 1963 and the 9 urban cooperation act of 1967, 1967 (Ex Sess) PA 7, MCL 124.501 to 10 11 124.512, by contractual interlocal agreement effective April 5, 12 1999, between local participating economic development corporations 13 formed under the economic development corporations act, 1974 PA 338, MCL 125.1601 to 125.1636, and the Michigan strategic fund. 14 (y) "MEGA" means the Michigan economic growth authority. 15 (z) "MSF" means the Michigan strategic fund. 16 17 (aa) "MSHDA" means the Michigan state housing development 18 authority. (bb) "NFAH-NEA" means the National Foundation of the Arts and 19 20 the Humanities - National Endowment for the Arts. (cc) "PA" means public act. 21 (dd) "PATH" means Partnership. Accountability. Training. Hope. 22 23 (ee) "RFP" means a request for a proposal. 24 (ff) "SIGMA" means statewide integrated governmental 25 management applications. 26 (gg) "WDA" means the workforce development agency. 27 Sec. 204. The departments and agencies receiving

1 appropriations in part 1 shall use the internet to fulfill the 2 reporting requirements of this part. This requirement may include 3 transmission of reports via electronic mail to the recipients 4 identified for each reporting requirement, or it may include 5 placement of reports on an internet or intranet site.

6 Sec. 205. Funds appropriated in part 1 shall not be used for 7 the purchase of foreign goods or services, or both, if competitively priced and of comparable quality American goods or 8 services, or both, are available. Preference shall be given to 9 goods or services, or both, manufactured or provided by Michigan 10 11 businesses, if they are competitively priced and of comparable 12 quality. In addition, preference should be given to goods or services, or both, that are manufactured or provided by Michigan 13 14 businesses owned and operated by veterans, if they are competitively priced and of comparable quality. 15

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

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

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1 funds appropriated in the department's budget. The report shall be
2 submitted to the house and senate standing committees on
3 appropriations, the chairpersons of the relevant appropriations
4 subcommittees, the house and senate fiscal agencies, and the state
5 budget director. The report shall include the following
6 information:

7

(a) The dates of each travel occurrence.

8 (b) The transportation and related costs of each travel
9 occurrence, including the proportion funded with state GF/GP
10 revenues, the proportion funded with state restricted revenues, the
11 proportion funded with federal revenues, and the proportion funded
12 with other revenues.

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

19 Sec. 209. Not later than November 30, the state budget office 20 shall prepare and transmit a report that provides for estimates of 21 the total GF/GP appropriation lapses at the close of the prior 22 fiscal year. This report shall summarize the projected year-end 23 GF/GP appropriation lapses by major departmental program or program areas. The report shall be transmitted to the chairpersons of the 24 25 senate and house appropriations committees and the senate and house 26 fiscal agencies.

Sec. 211. The department shall cooperate with the department

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of technology, management, and budget to maintain a searchable
 website that is updated at least quarterly and that is accessible
 by the public at no cost that includes, but is not limited to, all
 of the following for each department or agency:

5

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

6

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

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

10 (d) The number of active department employees by job11 classification.

12 (e) Job specifications and wage rates.

13 Sec. 212. Within 14 days after the release of the executive 14 budget recommendation, the department shall cooperate with the state budget director to provide the senate and house of 15 16 representatives standing committees on appropriations, the relevant 17 senate and house of representatives subcommittees, and the senate 18 and house fiscal agencies with an annual report on estimated state 19 restricted fund balances, state restricted fund projected revenues, 20 and state restricted fund expenditures for the fiscal years ending 21 September 30, 2019 and September 30, 2020.

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

26 Sec. 214. Total authorized appropriations from all sources27 under part 1 for legacy costs for the fiscal year ending September

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30, 2020 are \$28,950,500.00. From this amount, total agency
 appropriations for pension-related legacy costs are estimated at
 \$14,073,500.00. Total agency appropriations for retiree health care
 legacy costs are estimated at \$14,877,000.00.

5 Sec. 215. Federal pass-through funds to local institutions and governments that are received in amounts in addition to those 6 included in part 1 and that do not require additional state 7 matching funds are appropriated for the purposes intended. The 8 9 department may carry forward into the succeeding fiscal year unexpended federal pass-through funds to local institutions and 10 11 governments that do not require additional state matching funds. 12 The department shall report the amount and source of the funds to 13 the relevant senate and house appropriation subcommittees, the senate and house fiscal agencies, and the state budget office 14 within 10 business days after receiving any additional pass-through 15 16 funds.

Sec. 216. The department shall receive and retain copies of all reports funded from appropriations in part 1. Federal and state guidelines for short-term and long-term retention of records shall be followed. The department may electronically retain copies of reports unless otherwise required by federal and state guidelines.

Sec. 217. General fund appropriations in part 1 shall not be expended for items in cases where federal funding or private grant funding is available for the same expenditures.

25 Sec. 218. A department or state agency shall not take
26 disciplinary action against an employee for communicating with a
27 member of the legislature or his or her staff.

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

8 Sec. 222. As a condition of receiving funds in part 1, the 9 department shall utilize SIGMA as an appropriation and expenditure 10 reporting system to track all financial transactions with 11 individual vendors, contractual partners, grantees, recipients of 12 business incentives, and recipients of other economic assistance. 13 The department shall report encumbrances and expenditures in a 14 timely manner.

Sec. 223. From the funds appropriated in part 1, the department of talent and economic development, Michigan strategic fund, and Michigan state housing development authority shall not use funds for broadband construction, expansion, repairs, or upgrades or to issue or refinance bonds for broadband construction, expansion, repairs, or upgrades.

21 MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY

Sec. 390. MSHDA shall annually present a report to the state budget office and the subcommittees on the status of the authority's housing production goals under all financing programs established or administered by the authority. The report shall give special attention to efforts to raise affordable multifamily housing production goals.

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Sec. 394. In addition to the funds appropriated in part 1, the funds collected by state historic preservation programs for document reproduction and services and application fees are appropriated for all expenses necessary to provide the required services. These funds are available for expenditure when they are received and may be carried forward into the succeeding fiscal year.

8 LAND BANK FAST TRACK AUTHORITY

9 Sec. 395. In addition to the amounts appropriated in part 1, 10 the land bank fast track authority may expend revenues received 11 under the land bank fast track act, 2003 PA 258, MCL 124.751 to 12 124.774, for the purposes authorized by the act, including, but not 13 limited to, the acquisition, lease, management, demolition, 14 maintenance, or rehabilitation of real or personal property, payment of debt service for notes or bonds issued by the authority, 15 16 and other expenses to clear or quiet title property held by the 17 authority.

18 MICHIGAN STRATEGIC FUND

19 Sec. 404. As a condition of receiving funds appropriated in 20 part 1, the MSF shall provide all information required to be 21 transmitted in the activities report required under section 9 of 22 the Michigan strategic fund act, 1984 PA 270, MCL 125.2009, to the 23 chairpersons of the senate and house of representatives standing 24 committees on appropriations, the relevant chairpersons of the 25 senate and house of representatives standing committees on 26 appropriations subcommittees, the senate and house fiscal agencies,

14

1 and the state budget office by March 15.

2 Sec. 405. In addition to the appropriations in part 1, Travel Michigan may receive and expend private revenue related to the use 3 4 of "Pure Michigan" and all other copyrighted slogans and images. 5 This revenue may come from the direct licensing of the name and 6 image or from the royalty payments from various merchandise sales. Revenue collected is appropriated for the marketing of the state as 7 a travel destination. The funds are available for expenditure when 8 9 they are received by the department of treasury. If the fund receives revenues from the use of "Pure Michigan", the fund shall 10 11 provide a report that lists the revenues by source received from the use of "Pure Michigan" and all other copyrighted slogans and 12 13 images. The fund shall include in the report a detailed list of expenditures of revenues received under this section. The fund 14 15 shall provide the report to the chairpersons of the senate and 16 house of representatives standing committees on appropriations, the 17 relevant house and senate appropriations subcommittees, the house and senate fiscal agencies, and the state budget office by March 1. 18 19 Sec. 406. (1) As a condition of receiving funds appropriated 20 in part 1, the fund shall provide a report of all approved 21 amendments to projects for the immediately preceding year under 22 sections 88r and 90b of the Michigan strategic fund act, 1984 PA 23 270, MCL 125.2088r and 125.2090b. The report shall provide a description of each amendment, by award, that includes, but is not 24 25 limited to, the following:

26 (a) The amended award amount relative to the prior award27 amount.

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

3 (c) The amended amount of qualified investment committed
4 relative to the prior amount of qualified investment committed.
5 (d) A description of any change in scope of the project.
6 (e) A description of any change in project benchmarks,

7 deadlines, or completion dates.

8

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

9 (2) In addition to being posted online, the fund shall
10 distribute the report to the chairpersons of the senate and house
11 of representatives standing committees on appropriations, the
12 chairpersons of the relevant senate and house of representatives
13 appropriations subcommittees, the senate and house fiscal agencies,
14 and the state budget office by March 15.

Sec. 407. (1) As a condition of receiving funds appropriated in part 1, the fund shall request the following information from the MEDC:

(a) Approved budget from the MEDC executive committee for the
current fiscal year and actual budget expenditures for the
preceding fiscal years.

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

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

25 (d) A reporting of activities, programs, and grants consistent26 with the preceding fiscal year budget.

27

(2) Information received by the fund under this section shall

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be posted online and distributed to the chairpersons of the senate and house of representatives standing committees on appropriations, the chairpersons of the relevant senate and house of representatives standing committees on appropriations subcommittees, the senate and house fiscal agencies, and the state budget office by March 15.

7 Sec. 408. As a condition of receiving funds under part 1, any 8 interlocal agreement entered into by the fund shall include 9 language that states that if a local unit of government has a 10 contract or memorandum of understanding with a private economic 11 development agency, the MEDC will work cooperatively with that 12 private organization in that local area.

Sec. 409. (1) Of the funds appropriated to the fund or through grants to the MEDC, funds shall not be expended for the purchase of options on land or the purchase of land unless at least 1 of the following conditions applies:

17

(a) The land is located in an economically distressed area.

(b) The land is obtained through a purchase or exercise of anoption at the invitation of the local unit of government and localeconomic development agency.

(2) Consideration may be given to purchases where the proposed use of the land is consistent with a regional land use plan, will result in the redevelopment of an economically distressed area, can be supported by existing infrastructure, and will not cause shifts in population away from the area's population centers.

26 (3) If land or options on land are purchased under subsection27 (1), the fund shall provide a report to the senate and house of

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representatives standing committees on appropriations, the relevant senate and house of representatives appropriations subcommittees, the senate and house fiscal agencies, and the state budget office that provides a list of all properties purchased, all options on land purchased, the location of the land purchased, and the purchase price if the fund purchases options on land or land. The report must be submitted before March 15.

8 (4) As used in this section, "economically distressed area"
9 means an area in a city, village, or township that has been
10 designated as blighted; a city, village, or township that shows
11 negative population change from 1970 and a poverty rate and
12 unemployment rate greater than the statewide average; or an area
13 certified as a neighborhood enterprise zone under the neighborhood
14 enterprise zone act, 1992 PA 147, MCL 207.771 to 207.786.

Sec. 410. As a condition for receiving funds in part 1, not 15 later than March 15, the fund shall provide a report for the 16 17 immediately preceding fiscal year on the jobs for Michigan investment fund, created in section 88h of the Michigan strategic 18 19 fund act, 1984 PA 270, MCL 125.2088h. The fund shall submit the 20 report to the chairpersons of the senate and house of 21 representatives standing committees on appropriations, the 22 chairpersons of the relevant senate and house of representatives 23 appropriations subcommittees, the senate and house fiscal agencies, 24 and the state budget office. The report shall include, but is not 25 limited to, all of the following:

26 (a) A detailed listing of revenues, by fund source, to the27 jobs for Michigan investment fund, including the manner and reason

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for which the funds were appropriated to the jobs for Michigan
 investment fund.

3 (b) A detailed listing of expenditures, by project, from the4 jobs for Michigan investment fund.

5 (c) A fiscal year-end balance of the jobs for Michigan6 investment fund.

Sec. 411. (1) From the appropriations in part 1 to the fund
and granted or transferred to the MEDC, any unexpended or
unencumbered balance shall be disposed of in accordance with the
requirements in the management and budget act, 1984 PA 431, MCL
18.1101 to 18.1594, unless carryforward authorization has been
otherwise provided for.

13 (2) Any encumbered funds, including encumbered funds
14 subsequently unobligated, shall be used for the same purposes for
15 which funding was originally appropriated in this part and part 1.

16 (3) For funds appropriated in part 1 to the fund, any 17 carryforward authorization subsequently created through a work 18 project shall be preserved until a cash or accrued expenditure has 19 been executed or the allowable work project time period has 20 expired.

Sec. 412. (1) As a condition of receiving funds under part 1, the fund shall ensure that the MEDC and the fund comply with all of the following:

24 (a) The freedom of information act, 1976 PA 442, MCL 15.231 to
25 15.246.

26 (b) The open meetings act, 1976 PA 267, MCL 15.261 to 15.275.
27 (c) Annual audits of all financial records by the auditor

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1 general or his or her designee.

2 (d) All reports required by law to be submitted to the3 legislature.

4 (2) If the MEDC is unable for any reason to perform duties5 under this part, the fund may exercise those duties.

Sec. 413. As a condition for receiving the appropriations in
part 1, any staff of the MEDC involved in private fund-raising
activities shall not be party to any decisions regarding the
awarding of grants, incentives, or tax abatements from the fund,
the MEDC, or the Michigan economic growth authority.

Sec. 424. From the funds appropriated in part 1 for business attraction and community revitalization, not less than \$20,000,000.00 shall be granted by the fund board for brownfield redevelopment and historic preservation projects under the community revitalization program authorized by chapter 8C of the Michigan strategic fund act, 1984 PA 270, MCL 125.2090 to 125.2090d.

18 Sec. 432. (1) The fund shall report to the chairpersons of the 19 senate and house of representatives standing committees on 20 appropriations, the relevant house and senate appropriations 21 subcommittees, the state budget office, and the senate and house fiscal agencies on the status of the film incentives at the same 22 23 time as it submits the annual report required under section 455 of the Michigan business tax act, 2007 PA 36, MCL 208.1455. The 24 25 department of treasury shall provide the fund with the data 26 necessary to prepare the report. The fund shall include all of the 27 following incentives in the report:

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

3 (b) The tax credit provided under section 457 of the Michigan4 business tax act, 2007 PA 36, MCL 208.1457.

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

7 (d) The amount of any tax credit claimed under former section
8 367 of the income tax act of 1967, 1967 PA 281.

9 (e) Any tax credits provided for film and digital media
10 production under the Michigan economic growth authority act, 1995
11 PA 24, MCL 207.801 to 207.810.

(f) Loans to an eligible production company or film and digital media private equity fund authorized under section 88d(3), (4), and (5) of the Michigan strategic fund act, 2005 PA 225, MCL 15 125.2088d.

16 (2) The fund shall include all of the following information in17 the report under subsection (1):

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

(b) For credits authorized under section 455 of the Michigan
business tax act, 2007 PA 36, MCL 208.1455, for productions
completed by December 31, the expenditures of each production
eligible for the credit that has filed a request for certificate of

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completion with the film office, broken down into expenditures for 1 2 goods, services, or salaries and wages and showing separately expenditures in each local unit of government, including 3 4 expenditures for personnel, whether or not they were made to a 5 Michigan entity, and whether or not they were taxable under the laws of this state. For loans, the report shall include the number 6 of loans that have been fully repaid, with principal and interest 7 shown separately, and the number of loans that are delinquent or in 8 9 default, and the amount of principal that is delinquent or is in default. 10

(c) For each of the tax credit incentives and loan incentives listed in subsection (1), a breakdown for each project or production showing each of the following:

14

(*i*) The number of temporary jobs created.

15 (*ii*) The number of permanent jobs created.

16 (*iii*) The number of persons employed in Michigan as a result17 of the incentive, on a full-time equated basis.

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

(a) Indicate how the information would describe the commercialand financial operations or intellectual property of the company.

24 (b) Attest that the information has not been publicly25 disseminated at any time.

26 (c) Describe how disclosure of the information may put the27 company at a competitive disadvantage.

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

7 Sec. 433. As a condition of receiving funds in part 1, not later than March 15, the fund shall provide a report on the 8 9 activities of the Michigan film and digital media office for the 10 immediately preceding fiscal year. The fund shall submit the report 11 to the chairpersons of the senate and house of representatives 12 standing committees on appropriations, the chairpersons of the 13 senate and house of representatives subcommittees on general 14 government, the senate and house fiscal agencies, and the state 15 budget office. The report shall include, but not be limited to, a 16 listing of all projects the Michigan film and digital media office 17 provided assistance on, a listing of the services provided for each project, and an estimate of investment leveraged. 18

19 Sec. 434. Each business incubator or accelerator that received 20 an award from the fund shall maintain and update a dashboard of 21 indicators to measure the effectiveness of the business incubator 22 and accelerator programs. Indicators shall include the direct jobs 23 created, new companies launched as a direct result of business 24 incubator or accelerator involvement, businesses expanded as a 25 direct result of business incubator or accelerator involvement, 26 direct investment in client companies, private equity financing 27 obtained by client companies, grant funding obtained by client

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1 companies, and other measures developed by the recipient business 2 incubators and accelerators in conjunction with the MEDC. Dashboard indicators shall be reported for the prior fiscal year and 3 4 cumulatively, if available. Each recipient shall submit a copy of their dashboard indicators to the fund by March 1. The fund shall 5 6 transmit the local reports to the chairpersons of the senate and house of representatives standing committees on appropriations, the 7 relevant senate and house of representatives appropriations 8 9 subcommittees, the senate and house fiscal agencies, and the state 10 budget office by March 15.

Sec. 435. (1) From the appropriations in part 1, the Michigan council for arts and cultural affairs shall administer an arts and cultural grant program that maintains an equitable geographic distribution of funding and utilizes past arts and cultural grant programs as a guideline for administering this program. The council shall do all of the following:

17 (a) On or before October 1, the council shall publish proposed
18 application criteria, instructions, and forms for use by eligible
19 applicants. The council shall provide at least a 2-week period for
20 public comment before finalizing the application criteria,
21 instructions, and forms.

(b) A nonrefundable application fee may be assessed for each application. Application fees shall be deposited in the council for the arts fund and are appropriated for expenses necessary to administer the programs. These funds are available for expenditure when they are received and may be carried forward to the following fiscal year.

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(c) Grants are to be made to public and private arts and
 cultural entities.

3 (d) Within 1 business day after the award announcements, the
4 council shall provide to each member of the legislature and the
5 fiscal agencies a list of all grant recipients and the total award
6 given to each recipient, sorted by county.

7 (e) In addition to the information in subdivision (d), the
8 council shall report on the number of applications received, number
9 of grants awarded, total amount requested from applications
10 received, and total amount of grants awarded.

11 (2) The appropriation in part 1 for arts and cultural program12 shall not be used for the administration of the grant program.

Sec. 436. (1) The general fund/general purpose funds appropriated in part 1 to the fund for business attraction and community revitalization shall be transferred to the 21st century jobs trust fund per section 90b(3) of the Michigan strategic fund act, 1984 PA 270, MCL 125.2090b.

18 (2) Funds transferred to the 21st century jobs trust fund
19 under subsection (1) are appropriated and available for allocation
20 as authorized in the Michigan strategic fund act, 1984 PA 270, MCL
21 125.2001 to 125.2094.

Sec. 437. From the funds appropriated in part 1 for business attraction and community revitalization, the fund shall request the transfer by the state treasurer of not more than 60% of the funds prior to April 1.

Sec. 442. For the funds appropriated in part 1 for businessattraction and community revitalization, the fund shall report

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quarterly on the amount of funds considered appropriated, pre-1 2 encumbered, encumbered, and expended. The report shall also include 3 a listing of all previous appropriations for business attraction 4 and community revitalization, or a predecessor, that were 5 considered appropriated, pre-encumbered, encumbered, or expended 6 that have lapsed back to the fund for any purpose. The fund shall submit the report to the chairpersons of the senate and house of 7 representatives standing committees on appropriations, the 8 chairpersons of the relevant senate and house of representatives 9 10 appropriations subcommittees, the senate and house fiscal agencies, 11 and the state budget office.

12 Sec. 443. (1) The fund, in conjunction with the department of 13 treasury, shall report to the chairpersons of the senate and house 14 of representatives standing committees on appropriations, the relevant senate and house of representatives appropriations 15 16 subcommittees, the senate and house fiscal agencies, and the state 17 budget office by November 1 on the annual cost of the Michigan 18 economic growth authority tax credits. The report shall include for 19 each year the board-approved credit amount, adjusted for credit 20 amendments where applicable, and the actual and projected value of 21 tax credits for each year from 1995 to the expiration of the credit 22 program. For years for which credit claims are complete, the report 23 shall include the total of actual certificated credit amounts. For 24 years for which claims are still pending or not yet submitted, the report shall include a combination of actual credits where 25 26 available and projected credits. Credit projections shall be based 27 on updated estimates of employees, wages, and benefits for eligible

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1 companies.

2 (2) In addition to the report under subsection (1), the fund, in conjunction with the department of treasury, shall report to the 3 4 relevant senate and house of representatives appropriations 5 subcommittees, the senate and house fiscal agencies, and the state budget office by November 1 on the annual cost of all other 6 certificated credits by program, for each year until the credits 7 expire or can no longer be collected. The report shall include 8 estimates on the brownfield redevelopment credit, film credits, 9 10 MEGA photovoltaic technology credit, MEGA polycrystalline silicon 11 manufacturing credit, MEGA vehicle battery credit, and other 12 certificated credits.

13 Sec. 444. As a condition of receiving appropriations in part 1, prior to authorizing the transfer of any previously authorized 14 tax credit that would increase the liability to this state, the 15 fund, on behalf of the Michigan strategic fund board, shall notify 16 17 the chairpersons of the senate and house of representatives standing committees on appropriations, the chairpersons of the 18 19 relevant appropriations subcommittees, the senate and house fiscal 20 agencies, and the state budget office not fewer than 30 days prior to the authorization of the tax credit transfer. 21

Sec. 447. From the funds appropriated in part 1 for Michigan enhancement grants, \$100.00 shall be awarded to a public museum in a county with a population between 400,000 and 450,000 and in a city with a population over 100,000 according to the most recent federal decennial census.

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Sec. 450. (1) From the funds appropriated in part 1 for

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business attraction and community revitalization, the fund shall
 identify specific outcomes and performance measures, including, but
 not limited to, the following:

4 (a) Total verified jobs created by the business attraction5 program during the fiscal year ending September 30, 2020.

6 (b) Total private investment obtained through the business
7 attraction and community revitalization programs during the fiscal
8 year ending September 30, 2020.

9 (c) Amount of private and public square footage created and
10 reactivated through the community revitalization program during the
11 fiscal year ending September 30, 2020.

12 (2) The fund must submit a report to the chairpersons of the 13 senate and house of representatives standing committees on 14 appropriations, the relevant house and senate appropriations subcommittees, the senate and house fiscal agencies, and the state 15 budget office by March 15. The report must describe the specific 16 17 outcomes and measures required in subsection (1) and provide the 18 results and data related to these outcomes and measures for the 19 prior fiscal year if related information is available for the prior 20 fiscal year.

Sec. 453. From the funds appropriated in part 1 for Pure Michigan, up to \$500,000.00 shall be used for last dollars to fund the gap between the total cost of hosting a national conference for a national council that currently receives association dues from this state and the total amount privately raised.

26 TALENT INVESTMENT AGENCY

27

Sec. 560. The talent investment agency shall administer the

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PATH training program in accordance with the requirements of
 section 407(d) of title IV of the social security act, 42 USC 607,
 the social welfare act, 1939 PA 280, MCL 400.1 to 400.119b, and all
 other applicable laws and regulations.

5 Sec. 561. From the funds appropriated in part 1 for workforce 6 programs subgrantees, the talent investment agency may allocate 7 funding for grants to nonprofit organizations that offer programs under the workforce innovation and opportunity act, 29 USC 3101 to 8 9 3361, eligible youth focusing on apprenticeship readiness, pre-10 apprenticeship and apprenticeship activities, entrepreneurship, 11 work-readiness skills, job shadowing, and financial literacy. 12 Organizations eligible for funding under this section must have the capacity to provide similar programs in urban areas, as determined 13 14 by the United States Bureau of the Census according to the most recent federal decennial census. Additionally, programs eligible 15 for funding under this section must include the participation of 16 17 local business partners. The talent investment agency shall develop 18 other appropriate eligibility requirements to ensure compliance 19 with applicable federal rules and regulations.

Sec. 562. The talent investment agency shall make available, in person or by telephone, 1 disabled veterans outreach program specialist or local veterans employment representative to Michigan Works! service centers, as resources permit, during hours of operation, and shall continue to make the appropriate placement of veterans and disabled veterans a priority.

Sec. 563. (1) In addition to the funds appropriated in part 1,any unencumbered and unrestricted federal workforce innovation and

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opportunity act, 29 USC 3101 to 3361, or trade adjustment
 assistance funds available from prior fiscal years are appropriated
 for the purposes originally intended.

4 (2) The talent investment agency shall report by February 15
5 to the relevant senate and house appropriations subcommittees, the
6 fiscal agencies, and the state budget director on the amount by
7 fiscal year of federal workforce innovation and opportunity act, 29
8 USC 3101 to 3361, funds appropriated under this section.

Sec. 564. As a condition of receiving funds appropriated in 9 10 part 1 for going pro talent fund, the talent investment agency 11 shall provide a report on going pro expenditures, by program or 12 grant type, for the prior fiscal year. In addition, the report 13 shall include projected expenditures, by program or grant type, for 14 the current fiscal year. The report shall be posted online and distributed to the chairpersons of the senate and house of 15 representatives standing committees on appropriations, the 16 17 chairpersons of the relevant senate and house of representatives 18 appropriations subcommittees, the senate and house fiscal agencies, 19 and the state budget office by March 15.

Sec. 565. The talent investment agency shall publish data and reports on March 15 and September 30 on the agency website concerning the status of career technology and going pro talent fund funded in part 1. The report shall include the following:

24 (a) The number of awardees participating in the program and25 the names of those awardees organized by major industry group.

26 (b) The amount of funding received by each awardee under the27 program.

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1 2 (c) Amount of funding leveraged from each awardee.

(d) Training models established by each awardee.

3 (e) The number of individuals enrolled in classroom training,4 on-the-job training, or new USDOL registered apprentices.

5 (f) The number of individuals who completed the program and6 were hired by awardee.

7 (g) The number of applications received and the number of8 grants awarded for each region.

9 (h) The talent investment agency shall expand workforce
10 training and reemployment services to better connect workers to in11 demand jobs and identify specific outcomes with performance metrics
12 for this initiative, including, but not limited to, new
13 apprenticeships, individuals to be hired and trained, current
14 employees trained, training completed, and employment retention
15 rate at 6 months, and hourly wage at 6 months.

Sec. 566. As a condition of receiving funds in part 1 for going pro and the going pro talent fund, the talent investment agency shall administer the program as follows:

(a) The talent investment agency shall work cooperatively with
grantees to maximize the amount of funds from part 1 that are
available for direct training.

(b) The talent investment agency, workforce development
partners, including regional Michigan Works! agencies, and
employers shall collaborate and work cooperatively to prioritize
and streamline the expenditure of the funds appropriated in part 1.
The talent investment agency shall ensure that going pro provides a
collaborative statewide network of workforce and employee skill

development partners that addresses the employee talent needs
 throughout this state.

3 (c) The talent investment agency shall ensure that grants are
4 utilized for individual skill enhancement and to address in-demand
5 talent needs in this state.

(d) The talent investment agency shall develop program goals 6 and detailed guidance for prospective participants to follow to 7 qualify under the program. The program goals and detailed guidance 8 shall be posted on the talent investment agency website and 9 distributed to workforce development partners, including local 10 11 Michigan Works! agencies, by October 1. Periodic assessments of 12 employer and employee needs shall be evaluated on a regional basis, and the talent investment agency shall identify solutions and goals 13 14 to be implemented to satisfy those needs. The talent investment agency shall notify the senate and house of representatives 15 appropriations, the relevant senate and house of representatives 16 17 standing committees on appropriations subcommittees, the senate and house fiscal agencies, and the state budget office on any program 18 19 goal, solution, or guidance changes not fewer than 14 days prior to 20 the finalization and publication of the changes. Revenue received 21 by the talent investment agency for going pro may be expended for 22 the purpose of those programs.

(e) Up to \$5,000,000.00 of the funds may be expended to match
federal funds. The intent of these funds will involve improving and
increasing the skill level of employees in skilled trades in the
automotive industry and the manufacturing processes within the
changing manufacturing environment.

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Sec. 567. The appropriation in part 1 for the going pro talent fund shall be deposited into the restricted going pro talent fund created under section 5 of the going pro talent fund act, 2018 PA 260, MCL 408.155. All funds in the going pro talent fund are appropriated and available for expenditure to support the going pro talent program pursuant to sections 7 and 9 of the going pro talent fund act, 2018 PA 260, MCL 408.157 to 408.159.

8 Sec. 568. (1) Of the funds appropriated in part 1 for Michigan
9 Works!, the talent investment agency shall provide a report by
10 March 15 to the relevant senate and house of representatives
11 appropriations subcommittees, the state budget director, and the
12 fiscal agencies on the status of the workforce training programs.
13 The report shall include the following:

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

17 (b) The number of participants enrolled in education or18 training programs by each Michigan Works! agency.

19 (c) The average duration of training for training program20 participants by each Michigan Works! agency.

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

24 (e) The number of participants enrolled in programs at 2-year25 institutions.

26 (f) The number of participants enrolled in programs at 4-year27 institutions.

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

3 (h) The number of participants that have completed education4 or training programs.

5 (i) The number of participants who secured employment in this6 state within 1 year of completing a training program.

7 (j) The number of participants who completed a training
8 program and secured employment in a field related to their
9 training.

10 (k) The average wage earned by participants who completed a11 training program and secured employment within 1 year.

12 (*l*) The actual revenues received by the fund source and fund13 appropriated for each discrete workforce development program area.

14 (2) Data collection for the report shall be for the prior15 state fiscal year.

Sec. 571. From the funds appropriated in part 1 for at-risk youth grants, \$4,000,000.00 must be awarded to the Michigan franchise holder of the national Jobs for America's Graduates program.

20 Sec. 576. The department shall provide a quarterly report to 21 the members of the senate and house committees on appropriations, 22 the senate and house fiscal agencies, and the state budget director 23 that includes, but is not limited to, the following:

(a) The number of new fraudulent and noncompliant cases that
have been identified or issued by the unemployment insurance
agency, classified by employer or claimant, during the quarter.
(b) The total amount of penalties and interest issued on

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1 fraudulent and noncompliant cases during the quarter.

2 (c) The total amount of penalties and interest dollars
3 received during the guarter by employer or claimant.

4 (d) The total amount of penalties and interest still owed to5 the state by employer or claimant.

6 (e) The number of fraudulent and noncompliant cases that have7 been appealed by an employer or claimant during the quarter.

8 Sec. 578. (1) From the funds appropriated in part 1 for the 9 unemployment insurance agency, the talent investment agency shall 10 maintain customer service standards for employers and claimants 11 making use of the various means by which they can access the 12 system.

13 (2) The talent investment agency shall identify specific
14 outcomes and performance metrics for this initiative, including,
15 but not limited to, the following:

16 (a) Unemployment benefit fund balance.

17 (b) Process improvement - fiscal integrity.

18 (c) Process improvement - determination timeliness.

19 (d) Process improvement - determination quality.

20 Sec. 579. (1) The talent investment agency shall extend the 21 interagency agreement with the department of health and human 22 services for the duration of the current fiscal year, which 23 concerns TANF funding to provide job readiness and welfare-to-work 24 programming. The interagency agreement shall include specific 25 outcome and performance reporting requirements as described in this 26 section. TANF funding provided to the talent investment agency in 27 the current fiscal year is contingent on compliance with the data

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1 and reporting requirements described in this section. The

2 interagency agreement shall require the talent investment agency to3 provide all of the following items for the previous year to the

4 senate and house appropriations committees by January 1 of the 5 current fiscal year:

6 (a) An itemized spending report on TANF funding, including all7 of the following:

8 (i) Direct services to clients.

9

(*ii*) Administrative expenditures.

10 (b) The number of family independence program clients served11 through the TANF funding, including all of the following:

12 (i) The number and percentage who obtained employment through13 Michigan Works!.

14 (*ii*) The number and percentage who fulfilled their TANF work15 requirement through other job readiness programming.

16 (*iii*) Average TANF spending per client.

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

20 (2) Not later than March 15 of the current fiscal year, the 21 department shall provide to the senate and house appropriations 22 subcommittees on the department budget, the senate and house fiscal 23 agencies, and the senate and house policy offices an annual report 24 on the following matters itemized by Michigan Works! agency: the 25 number of referrals to Michigan Works! job readiness programs, the 26 number of referrals to Michigan Works! job readiness programs who 27 became a participant in the Michigan Works! job readiness programs,

the number of participants who obtained employment, and the cost
 per participant case.

3 Sec. 580. (1) From the funds appropriated in part 1 for 4 community ventures, the talent investment agency may expend not 5 more than \$2,000,000.00 of the funds as matching funds upon the 6 commitment of matching dollars from private sources. For every 7 \$1.00 the talent investment agency elects to receive from a private source for the purposes of a community ventures program match, the 8 9 talent investment agency shall expend \$1.00 from the appropriation 10 in part 1 up to \$2,000,000.00. Funds received from private sources 11 for a community ventures program match are appropriated upon 12 receipt and shall be expended for the purposes of the community 13 ventures program.

14 (2) The talent investment agency shall identify specific
15 outcomes and performance measures for this initiative, including,
16 but not limited to, the following:

17 (a) The number of commitments from private sources, including18 the dollar amount committed and source.

19

(b) Additional participants served with challenge funds.

20 (c) Jobs created and the average wage.

Sec. 583. From the funds appropriated in part 1 for Michigan Works!, \$866,000.00 shall be awarded for a retirement funding shortfall at an association established to provide services and support to Michigan's workforce development system located in a county with a population of between 16,000 and 17,000 according to the most recent federal decennial census.

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