

**SUBSTITUTE FOR
HOUSE BILL NO. 4328**

A bill to make, supplement, adjust, and consolidate appropriations for various state departments and agencies, the judicial branch, and the legislative branch for the fiscal year ending September 30, 2014 and other fiscal years; to provide for certain conditions on appropriations; to provide for the expenditure of the appropriations; and to repeal acts and parts of acts.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

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ARTICLE I

DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT

PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. There is appropriated for the department of

1 agriculture and rural development for the fiscal year ending
 2 September 30, 2014, from the following funds:

3 **DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT**

4 APPROPRIATION SUMMARY

5	Full-time equated unclassified positions.....	6.0	
6	Full-time equated classified positions.....	434.0	
7	GROSS APPROPRIATION.....		\$ 80,183,300
8	Interdepartmental grant revenues:		
9	IDG from LARA (LCC), liquor quality testing fees		214,100
10	IDG from MDNR, forest development fund.....		200,000
11	IDG from MDEQ, biosolids.....		110,200
12	Total interdepartmental grants and intradepartmental		
13	transfers		524,300
14	ADJUSTED GROSS APPROPRIATION.....		\$ 79,659,000
15	Federal revenues:		
16	USDA, multiple grants.....		5,814,900
17	Department of interior.....		240,000
18	EPA, multiple grants.....		1,601,800
19	HHS-FDA.....		2,304,200
20	Total federal revenues.....		9,960,900
21	Special revenue funds:		
22	Total local revenues.....		0
23	Private - slow-the-spread foundation.....		20,400
24	Private - commodity group revenue.....		76,500
25	Total private revenues.....		96,900
26	Agricultural preservation fund.....		1,624,500

1	Agriculture equine industry development fund.....		3,855,500
2	Agriculture licensing and inspection fees.....		4,075,000
3	Animal welfare fund.....		214,900
4	Commodity inspection fees.....		432,000
5	Consumer and industry food safety education fund.....		314,800
6	Dairy and food safety fund.....		3,329,600
7	Freshwater protection fund.....		5,173,000
8	Gasoline inspection and testing fund.....		2,723,700
9	Grain dealer fee fund.....		696,900
10	Horticulture fund.....		37,900
11	Industry support funds.....		443,600
12	Migratory labor housing fund.....		162,600
13	Nonretail liquor fees.....		797,700
14	Refined petroleum fund.....		4,012,000
15	Renewable fuels fund.....		51,200
16	Testing fees.....		285,000
17	Weights and measures regulation fees.....		791,000
18	Total other state restricted revenues.....		29,020,900
19	State general fund/general purpose.....	\$	40,580,300
20	State general fund/general purpose schedule:		
21	Ongoing state general fund/general purpose		37,180,300
22	One-time state general fund/general purpose		3,400,000
23	Sec. 102. DEPARTMENTWIDE		
24	Full-time equated unclassified positions.....	6.0	
25	Full-time equated classified positions.....	27.0	
26	Commissions and boards.....	\$	23,800
27	Unclassified positions.....		707,000

1	Executive direction--9.0 FTE positions	1,360,200
2	Operational services--15.0 FTE positions	1,041,700
3	Statistical reporting service--1.0 FTE position	148,700
4	Emergency management--2.0 FTE positions	800,700
5	Accounting service center	948,400
6	Rent and building occupancy	<u>1,061,600</u>
7	GROSS APPROPRIATION	\$ 6,092,100
8	Appropriated from:	
9	Federal revenues:	
10	USDA, multiple grants	240,400
11	EPA, multiple grants	186,300
12	HHS-FDA	574,500
13	Special revenue funds:	
14	Private - commodity group revenue	76,500
15	Agricultural preservation fund	24,300
16	Agriculture licensing and inspection fees	181,600
17	Freshwater protection fund	35,900
18	Industry support funds	52,200
19	Nonretail liquor fees	39,600
20	Refined petroleum fund	320,300
21	State general fund/general purpose	\$ 4,360,500
22	Sec. 103. INFORMATION AND TECHNOLOGY	
23	Information technology services and projects	\$ <u>1,444,700</u>
24	GROSS APPROPRIATION	\$ 1,444,700
25	Appropriated from:	
26	Interdepartmental grant revenues:	
27	IDG from LARA (LCC), liquor quality testing fees	3,100

1	Special revenue funds:		
2	Agricultural preservation fund.....		200
3	Agriculture equine industry development fund.....		83,700
4	Agriculture licensing and inspection fees.....		31,900
5	Freshwater protection fund.....		100
6	Gasoline inspection testing fund.....		30,900
7	Nonretail liquor fees.....		500
8	State general fund/general purpose.....	\$	1,294,300
9	Sec. 104. FOOD AND DAIRY		
10	Full-time equated classified positions.....	101.0	
11	Food safety and quality assurance--75.0 FTE positions	\$	10,881,200
12	Milk safety and quality assurance--26.0 FTE positions		<u>3,821,300</u>
13	GROSS APPROPRIATION.....	\$	14,702,500
14	Appropriated from:		
15	Federal revenues:		
16	USDA, multiple grants.....		318,800
17	HHS-FDA.....		961,400
18	Special revenue funds:		
19	Consumer and industry food safety education fund.....		314,800
20	Dairy and food safety fund.....		3,329,600
21	State general fund/general purpose.....	\$	9,777,900
22	Sec. 105. ANIMAL INDUSTRY		
23	Full-time equated classified positions.....	60.0	
24	Animal disease prevention and response--60.0 FTE		
25	positions	\$	8,706,100
26	Indemnification - livestock depredation.....		<u>50,000</u>
27	GROSS APPROPRIATION.....	\$	8,756,100

1	Appropriated from:	
2	Federal revenues:	
3	USDA, multiple grants.....	513,400
4	HHS-FDA.....	45,400
5	Special revenue funds:	
6	Agriculture licensing and inspection fees.....	11,700
7	Animal welfare fund.....	214,900
8	State general fund/general purpose.....	\$ 7,970,700
9	Sec. 106. PESTICIDE AND PLANT PEST MANAGEMENT	
10	Full-time equated classified positions.....	86.0
11	Pesticide and plant pest management--81.0 FTE	
12	positions	\$ 10,996,300
13	Producer security/grain dealers--5.0 FTE positions ...	<u>736,700</u>
14	GROSS APPROPRIATION.....	\$ 11,733,000
15	Appropriated from:	
16	Federal revenues:	
17	USDA, multiple grants.....	822,200
18	Department of interior.....	120,000
19	EPA, multiple grants.....	719,400
20	HHS-FDA.....	116,900
21	Special revenue funds:	
22	Private - slow-the-spread foundation.....	20,400
23	Agriculture licensing and inspection fees.....	3,773,300
24	Commodity inspection fees.....	432,000
25	Grain dealers fee fund.....	696,900
26	Horticulture fund.....	37,900
27	Industry support funds.....	240,300

1	State general fund/general purpose.....	\$	4,753,700
2	Sec. 107. ENVIRONMENTAL STEWARDSHIP		
3	Full-time equated classified positions.....		55.0
4	Environmental stewardship--18.0 FTE positions.....	\$	6,140,400
5	Michigan agriculture environmental assurance program--		
6	7.0 FTE positions		1,668,800
7	Farmland and open space preservation--9.0 FTE		
8	positions		1,300,000
9	Private forest development program--5.0 FTE positions		200,000
10	Local conservation districts.....		100
11	Migrant labor housing--9.0 FTE positions.....		1,198,500
12	Right-to-farm--3.0 FTE positions.....		571,400
13	Intercounty drain--4.0 FTE positions.....		<u>468,300</u>
14	GROSS APPROPRIATION.....	\$	11,547,500
15	Appropriated from:		
16	Interdepartmental grant revenues:		
17	IDG from MDNR, forest development fund.....		200,000
18	IDG from MDEQ, biosolids.....		110,200
19	Federal revenues:		
20	USDA, multiple grants.....		912,500
21	Department of interior.....		120,000
22	EPA, multiple grants.....		304,100
23	Special revenue funds:		
24	Agricultural preservation fund.....		1,300,000
25	Freshwater protection fund.....		5,137,000
26	Migratory labor housing fund.....		162,600
27	State general fund/general purpose.....	\$	3,301,100

1	Sec. 108. LABORATORY PROGRAM		
2	Full-time equated classified positions.....	90.0	
3	Laboratory services--36.0 FTE positions.....		\$ 5,571,300
4	USDA monitoring--13.0 FTE positions.....		1,586,000
5	Consumer protection program--41.0 FTE positions.....		<u>6,016,100</u>
6	GROSS APPROPRIATION.....		\$ 13,173,400
7	Appropriated from:		
8	Interdepartmental grant revenues:		
9	IDG from LARA (LCC), liquor quality testing fees.....		211,000
10	Federal revenues:		
11	USDA, multiple grants.....		1,586,900
12	EPA, multiple grants.....		392,000
13	HHS-FDA.....		606,000
14	Special revenue funds:		
15	Agriculture equine industry development fund.....		604,600
16	Agriculture licensing and inspection fees.....		76,500
17	Gasoline inspection and testing fund.....		2,692,800
18	Refined petroleum fund.....		3,691,700
19	Renewable fuels fund.....		51,200
20	Testing fees.....		285,000
21	Weights and measures regulation fees.....		791,000
22	State general fund/general purpose.....		\$ 2,184,700
23	Sec. 109. AGRICULTURE DEVELOPMENT		
24	Full-time equated classified positions.....	14.0	
25	Agriculture development--11.0 FTE positions.....		\$ 2,712,600
26	Food and agriculture industry growth initiative.....		1,000,000
27	Grape and wine program--3.0 FTE positions.....		802,600

1	Rural development value-added grants		<u>1,050,000</u>
2	GROSS APPROPRIATION.....	\$	5,565,200
3	Appropriated from:		
4	Federal revenues:		
5	USDA, multiple grants.....		1,420,700
6	Special revenue funds:		
7	Industry support funds.....		151,100
8	Nonretail liquor fees.....		757,600
9	State general fund/general purpose.....	\$	3,235,800
10	Sec. 110. FAIRS AND EXPOSITIONS		
11	Full-time equated classified positions.....	1.0	
12	Fairs and racing--1.0 FTE position.....	\$	356,600
13	County fairs capital improvement grants.....		301,600
14	Purses and supplements - fairs/licensed tracks.....		708,300
15	Licensed tracks - light horse racing.....		40,300
16	Light horse racing - breeders' awards.....		20,000
17	Standardbred breeders' awards.....		285,900
18	Standardbred purses and supplements - licensed tracks		527,800
19	Standardbred sire stakes.....		239,000
20	Thoroughbred supplements - licensed tracks.....		385,900
21	Thoroughbred breeders' awards.....		358,600
22	Thoroughbred sire stakes.....		<u>244,800</u>
23	GROSS APPROPRIATION.....	\$	3,468,800
24	Appropriated from:		
25	Special revenue funds:		
26	Agriculture equine industry development fund.....		3,167,200
27	State general fund/general purpose.....	\$	301,600

1 DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT

2 Environmental stewardship..... \$ 3,500,000

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

6 Sec. 203. As used in this article:

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

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

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

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

13 (e) "HHS-FDA" means the United States department of health and
14 human services - food and drug administration.

15 (f) "IDG" means interdepartmental grant.

16 (g) "LARA" means the Michigan department of licensing and
17 regulatory affairs.

18 (h) "LCC" means the Michigan liquor control commission.

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

21 (j) "MDNR" means the Michigan department of natural resources.

22 (k) "MOU" means memorandum of understanding.

23 (l) "TB" means tuberculosis.

24 (m) "USDA" means the United States department of agriculture.

25 Sec. 206. (1) In addition to the funds appropriated in part 1,
26 there is appropriated an amount not to exceed \$5,000,000.00 for
27 federal contingency funds. These funds are not available for

1 expenditure until they have been transferred to another line item
2 in part 1 under section 393(2) of the management and budget act,
3 1984 PA 431, MCL 18.1393.

4 (2) In addition to the funds appropriated in part 1, there is
5 appropriated an amount not to exceed \$6,000,000.00 for state
6 restricted contingency funds. These funds are not available for
7 expenditure until they have been transferred to another line item
8 in part 1 under section 393(2) of the management and budget act,
9 1984 PA 431, MCL 18.1393.

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

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

22 Sec. 207. The department shall cooperate with the department
23 of technology, management, and budget to maintain a searchable
24 website accessible by the public at no cost that includes, but is
25 not limited to, all of the following:

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

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

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

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

6 (e) Job specifications and wage rates.

7 Sec. 208. Unless otherwise specified, the department shall use
8 the Internet to fulfill the reporting requirements of this part.
9 This requirement may include transmission of reports via electronic
10 mail to the recipients identified for each reporting requirement,
11 or it may include placement of reports on an Internet or Intranet
12 site.

13 Sec. 209. Funds appropriated in part 1 shall not be used for
14 the purchase of foreign goods or services, or both, if
15 competitively priced and of comparable quality American goods or
16 services, or both, are available. Preference shall be given to
17 goods or services, or both, manufactured or provided by Michigan
18 businesses, if they are competitively priced and of comparable
19 quality. In addition, preference shall be given to goods or
20 services, or both, that are manufactured or provided by Michigan
21 businesses owned and operated by veterans, if they are
22 competitively priced and of comparable quality.

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

1 depressed and deprived communities for services, supplies, or both.

2 Sec. 212. The department and agencies receiving appropriations
3 in part 1 shall receive and retain copies of all reports funded
4 from appropriations in part 1. Federal and state guidelines for
5 short-term and long-term retention of records shall be followed.
6 The department may electronically retain copies of reports unless
7 otherwise required by federal and state guidelines.

8 Sec. 215. The department shall not take disciplinary action
9 against an employee for communicating with a member of the
10 legislature or his or her staff.

11 Sec. 218. The departments and agencies receiving
12 appropriations in part 1 shall prepare a report on out-of-state
13 travel expenses not later than January 1 of each year. The travel
14 report shall be a listing of all travel by classified and
15 unclassified employees outside this state in the immediately
16 preceding fiscal year that was funded in whole or in part with
17 funds appropriated in the department's budget. The report shall be
18 submitted to the house and senate appropriations committees, the
19 house and senate fiscal agencies, and the state budget director.
20 The report shall include the following information:

21 (a) The dates of each travel occurrence.

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

27 Sec. 228. Not later than November 30, the state budget office

1 shall prepare and transmit a report that provides for estimates of
2 the total general fund/general purpose appropriation lapses at the
3 close of the fiscal year. This report shall summarize the projected
4 year-end general fund/general purpose appropriation lapses by major
5 departmental program or program areas. The report shall be
6 transmitted to the office of the state budget, the chairpersons of
7 the senate and house of representatives standing committees on
8 appropriations, and the senate and house fiscal agencies.

9 Sec. 229. Within 14 days after the release of the executive
10 budget recommendation, the department shall cooperate with the
11 state budget office to provide the senate and house appropriations
12 chairs, the senate and house appropriations subcommittees on
13 agriculture and rural development, respectively, and the senate and
14 house fiscal agencies with an annual report on estimated state
15 restricted fund balances, state restricted fund projected revenues,
16 and state restricted fund expenditures for the fiscal years ending
17 September 30, 2013 and September 30, 2014.

18 Sec. 230. Funds appropriated in part 1 shall not be used by a
19 principal executive department, state agency, or authority to hire
20 a person to provide legal services that are the responsibility of
21 the attorney general. This prohibition does not apply to legal
22 services for bonding activities and for those outside services that
23 the attorney general authorizes.

24 Sec. 231. The department shall maintain, on a publicly
25 accessible website, a department scorecard that identifies, tracks,
26 and regularly updates key metrics that are used to monitor and
27 improve the agency's performance.

1 **DEPARTMENTWIDE**

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

7 (a) Management services publications.

8 (b) Management services audit and licensing functions.

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

11 (d) Pesticide and plant pest management grading services.

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

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

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

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

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

25 (2) The department shall notify the senate and house
26 appropriations subcommittees on agriculture and rural development

1 and the senate and house fiscal agencies 30 days prior to proposing
2 changes in fees authorized under this section or under section 5 of
3 1915 PA 91, MCL 285.35.

4 (3) Annually, before February 1, the department shall provide
5 a report to the senate and house appropriations subcommittees on
6 agriculture and rural development and the senate and house fiscal
7 agencies detailing all the fees charged by the department under the
8 authorization provided in this section, including, but not limited
9 to, rates, number of individuals paying each fee, and the revenue
10 generated by each fee in the previous fiscal year.

11 Sec. 302. Of the funds appropriated in part 1 that are other
12 than line-item grants, the department shall not provide grants to
13 local government agencies, institutions of higher education, or
14 nonprofit organizations unless the department provides notice of
15 the grant to the senate and house appropriations subcommittees on
16 agriculture and rural development at least 10 days before the grant
17 is issued. The grants shall be used to support research or other
18 related activities for the purpose of enhancing the agricultural
19 industries in this state.

20 **FOOD AND DAIRY**

21 Sec. 402. Not later than April 1, the department shall provide
22 a report to the senate and house appropriations subcommittees on
23 agriculture and rural development and the senate and house fiscal
24 agencies describing significant food-borne outbreaks and
25 emergencies, including any enforcement actions taken related to
26 food safety during the 2012-2013 fiscal year.

1 **ANIMAL INDUSTRY**

2 Sec. 451. From the funds appropriated in part 1 for bovine
3 tuberculosis, the department shall pay for all whole herd testing
4 costs and individual animal testing costs in the modified
5 accredited zone to maintain split-state status requirements. These
6 costs include indemnity and compensation for injury causing death
7 or downer to animals.

8 Sec. 453. (1) Of the funds appropriated in part 1, the
9 department may provide for indemnity as provided for pursuant to
10 the animal industry act, 1988 PA 466, MCL 287.701 to 287.746, not
11 to exceed \$100,000.00 per order from any line item for the fiscal
12 year ending September 30, 2013. Before the department provides for
13 an indemnification under this section, the department shall report
14 the reason for the indemnification, the amount of the
15 indemnification, and to whom the indemnification is to be paid. The
16 report shall be given to each member of the senate and house
17 appropriations subcommittees on agriculture and rural development
18 and to the senate and house fiscal agencies and to the state budget
19 director.

20 (2) The department of agriculture and rural development shall
21 make an indemnification payment for the fair market value of
22 livestock killed by a wolf, coyote, or cougar, if the kill is
23 verified by the department of natural resources. The fair market
24 value of the livestock shall be determined pursuant to the
25 indemnification procedures prescribed in the animal industry act,
26 1988 PA 466, MCL 287.701 to 287.745.

1 (3) The funds appropriated in part 1 for indemnification -
2 livestock depredation are appropriated for indemnification payments
3 and related department costs under subsection (2). On or before
4 March 1 of the current fiscal year, the department shall report to
5 the house and senate appropriations subcommittees on agriculture
6 and rural development, and the house and senate fiscal agencies, on
7 costs incurred in the 2011-2012 and 2012-2013 fiscal years for
8 indemnification payments to producers made under subsection (2) and
9 related department costs.

10 Sec. 454. The department shall use its resources to
11 collaborate with the USDA to obtain TB-free status for the area of
12 the Lower Peninsula that is zoned as modified accredited advanced.
13 The department shall also aggressively work toward eradicating
14 bovine TB in the modified accredited zone. The department shall
15 also convene a workgroup to work toward eradicating bovine TB in
16 the modified accredited zone.

17 Sec. 456. Of the funds appropriated in part 1, no funds shall
18 be used to enforce the mandatory electronic animal identification
19 program for any domestic animals other than cattle until specific
20 procedures and guidelines for electronic animal identification are
21 outlined in statute.

22 Sec. 457. On or before October 15 of the current fiscal year
23 and on a quarterly basis thereafter, the department shall report to
24 the senate and house agriculture committees, the senate and house
25 appropriations subcommittees on agriculture and rural development,
26 and the senate and house fiscal agencies on the department's
27 progress toward meeting the USDA requirements as outlined in the

1 March 2007 bovine TB program review. The report shall include, but
2 is not limited to, information and data on: wildlife risk
3 mitigation plan implementation in the modified accredited zone;
4 implementation of a movement certificate process; progress toward
5 annual surveillance test requirements set out in the June 2007 MOU;
6 efforts to work with slaughter facilities in Michigan, as well as
7 those that slaughter a significant number of animals from Michigan;
8 educational programs and information for Michigan's livestock
9 community; any other item the legislature should be aware of that
10 will promote or hinder efforts to achieve bovine TB-free status for
11 Michigan.

12 Sec. 458. From the funds appropriated in part 1 for animal
13 industry, the department shall provide inspection and testing of
14 aquaculture facilities and aquaculture researchers as provided
15 under section 7 of the Michigan aquaculture development act, 1996
16 PA 199, MCL 286.877. It is the intent of the legislature that the
17 department shall work with aquaculture facilities and aquaculture
18 researchers to identify, contain, and eradicate viral hemorrhagic
19 septicemia in this state.

20 **ENVIRONMENTAL STEWARDSHIP**

21 Sec. 601. The part 1 appropriation line item environmental
22 stewardship shall be used to support department agriculture
23 pollution prevention programs, including groundwater and freshwater
24 protection programs under part 87 of the Michigan natural resources
25 and environmental protection act, 1994 PA 451, MCL 324.8701 to
26 324.8717, and technical assistance in implementing conservation

1 grants available under the federal farm bill of 2008.

2 Sec. 607. (1) It is the intent of the legislature that the
3 department continue its activities in support of intercounty
4 drainage districts as provided in chapter 5 of the drain code of
5 1956, 1956 PA 40, MCL 280.101 to 280.106.

6 (2) The department shall work with representatives of
7 intercounty drainage districts to develop a mutually agreeable
8 method of funding department costs associated with the intercounty
9 drainage program.

10 **AGRICULTURE DEVELOPMENT**

11 Sec. 701. (1) The department shall establish and administer a
12 rural development value-added grant program. The program shall
13 promote the expansion of value-added agricultural production,
14 processing, and access within the state.

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

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

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

4 (5) The unexpended portion of the rural development value-
5 added grant program is considered a work project appropriation in
6 accordance with the management and budget act, 1984 PA 431, MCL
7 18.1101 to 18.1594.

8 (6) The department shall provide an interim report no later
9 than March 15 of the current fiscal year and year-end report no
10 later than September 30 of the current fiscal year to the senate
11 and house appropriations subcommittees on agriculture and rural
12 development and the senate and house fiscal agencies, including the
13 grantees, award amount, match funding, and project outcomes.

14 Sec. 706. Not later than April 1 of the current fiscal year,
15 the department shall provide a report to the senate and house
16 appropriations subcommittees on agriculture and rural development
17 and the senate and house fiscal agencies describing the
18 department's agriculture development and export market development
19 activities. The report shall identify grants awarded during the
20 prior fiscal year, including a description of federal or private
21 funds made available as a result of department activities.

22 Sec. 709. (1) Not later than April 1 of the current fiscal
23 year, the department shall provide a report to the senate and house
24 appropriations subcommittees on agriculture and rural development
25 and the senate and house fiscal agencies describing the activities
26 of the grape and wine industry council established under section
27 303 of the Michigan liquor control act of 1998, 1998 PA 58, MCL

1 436.1303.

2 (2) The report shall include all of the following:

3 (a) Council activities and accomplishments for the previous
4 fiscal year.

5 (b) Council expenditures for the previous fiscal year by
6 category of administration, industry support, research and
7 education grants, and promotion and consumer education.

8 (c) Grants awarded during the prior fiscal year and the
9 results of research grant projects completed during the prior
10 fiscal year.

11 Sec. 711. (1) The department shall establish and administer
12 the food and agriculture industry growth initiative. The program
13 shall use a grant process to support research, education, and
14 technical assistance efforts focused on removing barriers and
15 leveraging opportunities identified by those in the food and
16 agriculture industry as critical to business development and growth
17 within the state.

18 (2) In addition to the funds appropriated in part 1, the
19 department of agriculture and rural development may receive and
20 expend funds received from Michigan strategic fund or the Michigan
21 economic development corporation for the food and agriculture
22 industry growth initiative.

23 (3) The director shall establish a consortium of interested
24 parties including those involved in the food and agriculture
25 industry sector to develop the program priorities described in
26 subsection (1).

27 (4) The department shall award grants from the funds

1 appropriated in part 1 or received from the Michigan strategic fund
2 or the Michigan economic development corporation under subsection
3 (2) for food and agriculture industry growth initiative grants.

4 Grantees will be required to identify measurable project outcomes.

5 (5) A joint evaluation committee selected by the director
6 shall evaluate applications and provide recommendations to the
7 director for final approval of grant awards.

8 (6) The department may expend money from the funds
9 appropriated in part 1 for the food and agriculture industry growth
10 initiative for administering the program.

11 **FAIRS AND EXPOSITIONS**

12 Sec. 801. All appropriations from the agriculture equine
13 industry development fund shall be spent on equine-related
14 purposes. No funds from the agriculture equine industry development
15 fund shall be expended for nonequine-related purposes without prior
16 approval of the legislature.

17 Sec. 802. All appropriations from the agriculture equine
18 industry development fund, except for the racing commission and
19 laboratory analysis program appropriations, shall be reduced
20 proportionately if revenues to the agriculture equine industry
21 development fund decline during the fiscal year ending September
22 30, 2013 to a level lower than the amounts appropriated in section
23 110.

24 Sec. 803. In the event there is no live thoroughbred race meet
25 in 2013 or 2014, all purse money and program money appropriated for
26 the thoroughbred industry in fiscal year 2012-2013 and fiscal year

1 2013-2014 shall be held in escrow for a period not to exceed 18
2 months, or until a thoroughbred race meet license is applied for
3 and granted by the Michigan gaming control board. In the event
4 there is no thoroughbred meet in 2013 or 2014, the purse pool
5 distribution order to be issued by the Michigan gaming control
6 board in 2014 that delineates distribution between the thoroughbred
7 meet that has been held at pinnacle race course and the joint
8 thoroughbred/quarterhorse meet held in Mt. Pleasant shall be the
9 same distribution formula as issued in 2013, with the thoroughbred
10 portion being held in escrow.

11 Sec. 804. The Michigan gaming control board shall use actual
12 expenditure data in determining the actual regulatory costs of
13 conducting racing dates and shall provide that data to the senate
14 and house of representatives appropriations subcommittees on
15 agriculture and rural development and general government and the
16 senate and house fiscal agencies by November 1 of the current
17 fiscal year. The Michigan gaming control board shall not be
18 reimbursed for more than the actual regulatory cost of conducting
19 race dates. If a certified horsemen's organization funds more than
20 the actual regulatory cost, the balance shall remain in the
21 agriculture equine industry development fund to be used to fund
22 subsequent race dates conducted by race meeting licensees with
23 which the certified horsemen's organization has contracts. If a
24 certified horsemen's organization funds less than the actual
25 regulatory costs of the additional horse racing dates, the Michigan
26 gaming control board shall reduce the number of future race dates
27 conducted by race meeting licensees with which the certified

1 horsemen's organization has contracts. Prior to the reduction in
2 the number of authorized race dates due to budget deficits, the
3 executive director of the Michigan gaming control board shall
4 provide notice to the certified horsemen's organizations with an
5 opportunity to respond with alternatives. In determining actual
6 costs, the Michigan gaming control board shall take into account
7 that each specific breed may require different regulatory
8 mechanisms.

9 Sec. 805. (1) The department shall establish and administer a
10 county fairs capital improvement grant program. The program shall
11 assist in the promotion of building improvements or other capital
12 improvements at county fairgrounds of the state.

13 (2) The department shall award grants on a competitive basis
14 to county fair organizations from the funds appropriated in part 1
15 for county fairs capital improvements grants. Grantees will be
16 required to provide a dollar-for-dollar cash match with grant
17 awards and identify measurable project outcomes.

18 (3) The department shall identify criteria, evaluate
19 applications, and provide recommendations to the director for final
20 approval of grant awards.

21 (4) The department may expend money from the funds
22 appropriated in part 1 for the county fairs capital improvement
23 grants for administering the program.

24 (5) The unexpended portion of the county fairs capital
25 improvement grant program is considered a work project
26 appropriation in accordance with the management and budget act,
27 1984 PA 431, MCL 18.1101 to 18.1594.

1 (6) The department shall provide a year-end report no later
2 than September 30 of the current fiscal year to the senate and
3 house appropriations subcommittees on agriculture and rural
4 development and the senate and house fiscal agencies, including the
5 grantees, award amount, match funding, and project outcomes.

6 CAPITAL OUTLAY

7 Sec. 1002. (1) The director shall allocate lump-sum
8 appropriations made in this article consistent with statutory
9 provisions and the purposes for which funds were appropriated.
10 Lump-sum allocations shall address priority program or facility
11 needs and may include, but are not limited to, design,
12 construction, remodeling and addition, special maintenance, major
13 special maintenance, energy conservation, and demolition.

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

21 Sec. 1003. The appropriations in part 1 for capital outlay
22 shall be carried forward at the end of the fiscal year consistent
23 with the provisions of section 248 of the management and budget
24 act, 1984 PA 431, MCL 18.1248.

25 ONE-TIME BASIS ONLY APPROPRIATIONS

1	Interdepartmental grant revenues:	
2	Total interdepartmental grants and intradepartmental	
3	transfers	10,056,100
4	ADJUSTED GROSS APPROPRIATION.....	\$ 15,375,292,500
5	Federal revenues:	
6	Total federal revenues.....	9,896,101,600
7	Social security act, temporary assistance for needy	
8	families	19,545,400
9	Special revenue funds:	
10	Total local revenues.....	251,820,200
11	Total private revenues.....	126,342,400
12	Merit award trust fund.....	85,834,700
13	Total other state restricted revenues.....	2,079,601,100
14	State general fund/general purpose.....	\$ 2,916,047,100
15	Sec. 102. DEPARTMENTWIDE ADMINISTRATION	
16	Full-time equated unclassified positions..... 6.0	
17	Full-time equated classified positions..... 186.7	
18	Director and other unclassified--6.0 FTE positions ...	\$ 707,000
19	Departmental administration and management--176.7 FTE	
20	positions	26,250,700
21	Worker's compensation program.....	6,963,000
22	Rent and building occupancy.....	9,791,300
23	Developmental disabilities council and projects--10.0	
24	FTE positions	<u>3,024,700</u>
25	GROSS APPROPRIATION.....	\$ 46,736,700
26	Appropriated from:	
27	Federal revenues:	

1	Total federal revenues.....		15,196,600
2	Special revenue funds:		
3	Total private revenues.....		35,200
4	Total other state restricted revenues.....		792,700
5	State general fund/general purpose.....	\$	30,712,200
6	Sec. 103. BEHAVIORAL HEALTH PROGRAM ADMINISTRATION		
7	AND SPECIAL PROJECTS		
8	Full-time equated classified positions..... 104.0		
9	Behavioral health program administration--103.0 FTE		
10	positions	\$	19,689,400
11	Gambling addiction--1.0 FTE position.....		3,002,800
12	Protection and advocacy services support.....		194,400
13	Community residential and support services.....		992,100
14	Federal and other special projects.....		3,111,200
15	Family support subsidy.....		19,364,900
16	Housing and support services.....		<u>11,322,500</u>
17	GROSS APPROPRIATION.....	\$	57,677,300
18	Appropriated from:		
19	Federal revenues:		
20	Total federal revenues.....		19,926,000
21	Social security act, temporary assistance for needy		
22	families		19,545,400
23	Special revenue funds:		
24	Total private revenues.....		200,000
25	Total other state restricted revenues.....		3,002,800
26	State general fund/general purpose.....	\$	15,003,100
27	Sec. 104. BEHAVIORAL HEALTH SERVICES		

1	Full-time equated classified positions.....	9.5	
2	Medicaid mental health services.....		\$ 2,152,917,100
3	Community mental health non-Medicaid services.....		283,688,700
4	Medicaid adult benefits waiver.....		31,989,600
5	Mental health services for special populations.....		8,842,800
6	Medicaid substance abuse services.....		46,184,400
7	CMHSP, purchase of state services contracts.....		137,761,600
8	Civil service charges.....		1,499,300
9	Federal mental health block grant--2.5 FTE positions.		15,440,000
10	State disability assistance program substance abuse		
11	services		2,018,800
12	Community substance abuse prevention, education, and		
13	treatment programs		80,093,000
14	Children's waiver home care program.....		21,544,900
15	Nursing home PAS/ARR-OBRA--7.0 FTE positions.....		12,252,100
16	Children with serious emotional disturbance waiver ...		<u>12,651,000</u>
17	GROSS APPROPRIATION.....		\$ 2,806,883,300
18	Appropriated from:		
19	Interdepartmental grant revenues:		
20	Interdepartmental grant from the department of human		
21	services		6,194,900
22	Federal revenues:		
23	Total federal revenues.....		1,595,325,300
24	Special revenue funds:		
25	Total local revenues.....		25,228,900
26	Total other state restricted revenues.....		22,276,700
27	State general fund/general purpose.....		\$ 1,157,857,500

1	Sec. 105. STATE PSYCHIATRIC HOSPITALS AND FORENSIC		
2	MENTAL HEALTH SERVICES		
3	Total average population	893.0	
4	Full-time equated classified positions.....	2,130.9	
5	Caro Regional Mental Health Center - psychiatric		
6	hospital - adult--461.3 FTE positions.....		\$ 55,019,700
7	Average population	185.0	
8	Kalamazoo Psychiatric Hospital - adult--466.1 FTE		
9	positions		63,649,300
10	Average population	189.0	
11	Walter P. Reuther Psychiatric Hospital - adult--420.8		
12	FTE positions		54,087,000
13	Average population	234.0	
14	Hawthorn Center - psychiatric hospital - children and		
15	adolescents--226.4 FTE positions.....		28,433,800
16	Average population	75.0	
17	Center for forensic psychiatry--556.3 FTE positions ..		71,187,800
18	Average population	210.0	
19	Revenue recapture.....		750,000
20	IDEA, federal special education.....		120,000
21	Special maintenance.....		332,500
22	Purchase of medical services for residents of		
23	hospitals and centers		445,600
24	Gifts and bequests for patient living and treatment		
25	environment		<u>1,000,000</u>
26	GROSS APPROPRIATION.....		\$ 275,025,700
27	Appropriated from:		

1	Federal revenues:	
2	Total federal revenues.....	34,529,300
3	Special revenue funds:	
4	CMHSP, purchase of state services contracts.....	137,761,600
5	Other local revenues.....	19,163,800
6	Total private revenues.....	1,000,000
7	Total other state restricted revenues.....	16,733,800
8	State general fund/general purpose.....	\$ 65,837,200
9	Sec. 106. PUBLIC HEALTH ADMINISTRATION	
10	Full-time equated classified positions..... 102.9	
11	Public health administration--7.3 FTE positions.....	\$ 1,549,500
12	Health and wellness initiatives--11.7 FTE positions..	8,189,800
13	Minority health grants and contracts--2.5 FTE	
14	positions	612,700
15	Vital records and health statistics--81.4 FTE	
16	positions	<u>11,370,600</u>
17	GROSS APPROPRIATION.....	\$ 21,722,600
18	Appropriated from:	
19	Interdepartmental grant revenues:	
20	Interdepartmental grant from the department of human	
21	services	1,199,200
22	Federal revenues:	
23	Total federal revenues.....	4,224,400
24	Special revenue funds:	
25	Total other state restricted revenues.....	11,970,700
26	State general fund/general purpose.....	\$ 4,328,300
27	Sec. 107. HEALTH POLICY	

1	Full-time equated classified positions.....	64.8	
2	Emergency medical services program--23.0 FTE positions		\$ 6,187,400
3	Health policy administration--24.1 FTE positions		4,377,600
4	Health innovation grants		1,500,000
5	Nurse education and research program--3.0 FTE		
6	positions		769,900
7	Certificate of need program administration--12.3 FTE		
8	positions		2,763,700
9	Rural health services--1.0 FTE position		1,531,500
10	Michigan essential health provider		2,491,300
11	Primary care services--1.4 FTE positions		<u>3,731,300</u>
12	GROSS APPROPRIATION		\$ 23,352,700
13	Appropriated from:		
14	Interdepartmental grant revenues:		
15	Interdepartmental grant from the department of		
16	licensing and regulatory affairs		2,066,400
17	Interdepartmental grant from the department of		
18	treasury, Michigan state hospital finance authority.		114,900
19	Federal revenues:		
20	Total federal revenues		7,164,000
21	Special revenue funds:		
22	Total private revenues		255,000
23	Total other state restricted revenues		7,536,600
24	State general fund/general purpose		\$ 6,215,800
25	Sec. 108. INFECTIOUS DISEASE CONTROL		
26	Full-time equated classified positions.....	49.5	
27	AIDS prevention, testing, and care programs--15.7 FTE		

1	positions	\$	69,164,400
2	Immunization program--12.8 FTE positions		14,999,000
3	Pediatric AIDS prevention and control--1.0 FTE		
4	position		1,233,100
5	Sexually transmitted disease control program--20.0 FTE		
6	positions		<u>6,213,800</u>
7	GROSS APPROPRIATION.....	\$	91,610,300
8	Appropriated from:		
9	Federal revenues:		
10	Total federal revenues.....		42,783,000
11	Special revenue funds:		
12	Total private revenues.....		38,278,400
13	Total other state restricted revenues.....		7,696,700
14	State general fund/general purpose.....	\$	2,852,200
15	Sec. 109. LABORATORY SERVICES		
16	Full-time equated classified positions..... 100.0		
17	Laboratory services--100.0 FTE positions.....	\$	<u>18,167,000</u>
18	GROSS APPROPRIATION.....	\$	18,167,000
19	Appropriated from:		
20	Interdepartmental grant revenues:		
21	Interdepartmental grant from the department of		
22	environmental quality		480,700
23	Federal revenues:		
24	Total federal revenues.....		2,271,300
25	Special revenue funds:		
26	Total other state restricted revenues.....		8,728,000
27	State general fund/general purpose.....	\$	6,687,000

1	Sec. 110. EPIDEMIOLOGY		
2	Full-time equated classified positions.....	115.1	
3	AIDS surveillance and prevention program.....		\$ 2,254,100
4	Bioterrorism preparedness--55.0 FTE positions		35,466,400
5	Epidemiology administration--41.6 FTE positions		12,257,200
6	Healthy homes program--8.0 FTE positions		4,212,400
7	Newborn screening follow-up and treatment services--		
8	10.5 FTE positions		6,026,100
9	Tuberculosis control and prevention.....		<u>867,000</u>
10	GROSS APPROPRIATION.....		\$ 61,083,200
11	Appropriated from:		
12	Federal revenues:		
13	Total federal revenues.....		50,165,300
14	Special revenue funds:		
15	Total private revenues.....		238,000
16	Total other state restricted revenues		7,416,800
17	State general fund/general purpose		\$ 3,263,100
18	Sec. 111. LOCAL HEALTH ADMINISTRATION AND GRANTS		
19	Full-time equated classified positions.....	2.0	
20	Essential local public health services		\$ 39,386,100
21	Implementation of 1993 PA 133, MCL 333.17015		20,000
22	Local health services--2.0 FTE positions		533,300
23	Medicaid outreach cost reimbursement to local health		
24	departments		<u>9,000,000</u>
25	GROSS APPROPRIATION.....		\$ 48,939,400
26	Appropriated from:		
27	Federal revenues:		

1	Total federal revenues.....		9,533,300
2	Special revenue funds:		
3	Total local revenues.....		5,150,000
4	State general fund/general purpose.....	\$	34,256,100
5	Sec. 112. CHRONIC DISEASE AND INJURY PREVENTION AND		
6	HEALTH PROMOTION		
7	Full-time equated classified positions.....	63.3	
8	Cancer prevention and control program--11.0 FTE		
9	positions		\$ 14,987,100
10	Chronic disease control and health promotion		
11	administration--29.4 FTE positions.....		6,273,100
12	Diabetes and kidney program--8.0 FTE positions		1,885,600
13	Injury control intervention project		1,450,000
14	Smoking prevention program--12.0 FTE positions		2,576,800
15	Violence prevention--2.9 FTE positions		<u>2,170,600</u>
16	GROSS APPROPRIATION.....	\$	29,343,200
17	Appropriated from:		
18	Federal revenues:		
19	Total federal revenues.....		25,000,900
20	Special revenue funds:		
21	Total private revenues.....		500,000
22	Total other state restricted revenues		728,400
23	State general fund/general purpose.....	\$	3,113,900
24	Sec. 113. FAMILY, MATERNAL, AND CHILDREN'S HEALTH		
25	SERVICES		
26	Full-time equated classified positions.....	53.6	
27	Childhood lead program--2.5 FTE positions		\$ 1,243,200

1	Dental programs--3.0 FTE positions	1,643,800
2	Dental program for persons with developmental	
3	disabilities	151,000
4	Family, maternal, and children's health services	
5	administration--41.6 FTE positions.....	7,245,200
6	Family planning local agreements.....	9,085,700
7	Local MCH services.....	7,018,100
8	Pregnancy prevention program.....	602,100
9	Prenatal care outreach and service delivery support--	
10	4.0 FTE positions	11,301,400
11	Special projects--2.5 FTE positions.....	7,927,700
12	Sudden infant death syndrome program.....	<u>321,300</u>
13	GROSS APPROPRIATION.....	\$ 46,539,500
14	Appropriated from:	
15	Federal revenues:	
16	Total federal revenues.....	36,619,400
17	Special revenue funds:	
18	Total local revenues.....	75,000
19	Total private revenues.....	874,500
20	State general fund/general purpose.....	\$ 8,970,600
21	Sec. 114. WOMEN, INFANTS, AND CHILDREN FOOD AND	
22	NUTRITION PROGRAM	
23	Full-time equated classified positions..... 45.0	
24	Women, infants, and children program administration	
25	and special projects--45.0 FTE positions.....	\$ 17,832,600
26	Women, infants, and children program local agreements	
27	and food costs	<u>256,285,000</u>

1	GROSS APPROPRIATION.....	\$	274,117,600
2	Appropriated from:		
3	Federal revenues:		
4	Total federal revenues.....		213,039,700
5	Special revenue funds:		
6	Total private revenues.....		61,077,900
7	State general fund/general purpose.....	\$	0
8	Sec. 115. CHILDREN'S SPECIAL HEALTH CARE SERVICES		
9	Full-time equated classified positions.....		46.8
10	Children's special health care services		
11	administration--44.0 FTE positions.....	\$	5,506,600
12	Bequests for care and services--2.8 FTE positions....		1,524,100
13	Outreach and advocacy.....		5,510,000
14	Nonemergency medical transportation.....		1,505,900
15	Medical care and treatment.....		<u>147,545,600</u>
16	GROSS APPROPRIATION.....	\$	161,592,200
17	Appropriated from:		
18	Federal revenues:		
19	Total federal revenues.....		71,632,800
20	Special revenue funds:		
21	Total private revenues.....		1,005,900
22	Total other state restricted revenues.....		3,854,600
23	State general fund/general purpose.....	\$	85,098,900
24	Sec. 116. CRIME VICTIM SERVICES COMMISSION		
25	Full-time equated classified positions.....		13.0
26	Grants administration services--13.0 FTE positions...	\$	2,099,100
27	Justice assistance grants.....		19,106,100

1	Crime victim rights services grants	<u>16,570,000</u>
2	GROSS APPROPRIATION.....	\$ 37,775,200
3	Appropriated from:	
4	Federal revenues:	
5	Total federal revenues.....	23,494,800
6	Special revenue funds:	
7	Total other state restricted revenues.....	14,280,400
8	State general fund/general purpose.....	\$ 0
9	Sec. 117. OFFICE OF SERVICES TO THE AGING	
10	Full-time equated classified positions..... 40.0	
11	Office of services to aging administration--40.0 FTE	
12	positions	\$ 6,389,200
13	Community services.....	36,614,400
14	Nutrition services.....	37,244,000
15	Foster grandparent volunteer program.....	2,233,600
16	Retired and senior volunteer program.....	627,300
17	Senior companion volunteer program.....	1,604,400
18	Employment assistance.....	3,500,000
19	Respite care program.....	<u>5,868,700</u>
20	GROSS APPROPRIATION.....	\$ 94,081,600
21	Appropriated from:	
22	Federal revenues:	
23	Total federal revenues.....	58,154,600
24	Special revenue funds:	
25	Total private revenues.....	677,500
26	Merit award trust fund.....	4,068,700
27	Total other state restricted revenues.....	1,800,000

1	State general fund/general purpose.....	\$	29,380,800
2	Sec. 118. MEDICAL SERVICES ADMINISTRATION		
3	Full-time equated classified positions.....		458.5
4	Medical services administration--434.5 FTE positions .	\$	69,509,000
5	Facility inspection contract.....		132,800
6	MIChild administration.....		4,327,800
7	Electronic health record incentive program--24.0 FTE		
8	positions		<u>144,193,800</u>
9	GROSS APPROPRIATION.....	\$	218,163,400
10	Appropriated from:		
11	Federal revenues:		
12	Total federal revenues.....		192,216,000
13	Special revenue funds:		
14	Total local revenues.....		105,900
15	Total private revenues.....		100,000
16	Total other state restricted revenues.....		330,000
17	State general fund/general purpose.....	\$	25,411,500
18	Sec. 119. MEDICAL SERVICES		
19	Hospital services and therapy.....	\$	1,186,608,000
20	Hospital disproportionate share payments.....		45,000,000
21	Physician services.....		451,403,600
22	Medicare premium payments.....		427,208,000
23	Pharmaceutical services.....		289,310,900
24	Home health services.....		5,000,000
25	Hospice services.....		115,000,000
26	Transportation.....		23,935,800
27	Auxiliary medical services.....		9,000,000

1	Dental services.....	190,697,600
2	Ambulance services.....	11,775,900
3	Long-term care services.....	1,780,000,000
4	Integrated care organization services.....	100
5	Medicaid home- and community-based services waiver...	299,895,900
6	Adult home help services.....	318,684,800
7	Personal care services.....	12,891,900
8	Program of all-inclusive care for the elderly.....	50,254,300
9	Autism services.....	35,171,800
10	Health plan services.....	4,746,202,000
11	MIChild program.....	69,720,100
12	Plan first family planning waiver.....	13,628,100
13	Medicaid adult benefits waiver.....	105,877,700
14	Special indigent care payments.....	95,738,900
15	Federal Medicare pharmaceutical program.....	183,628,900
16	Maternal and child health.....	20,279,500
17	Subtotal basic medical services program.....	10,486,913,800
18	School-based services.....	131,502,700
19	Special Medicaid reimbursement.....	337,217,600
20	Subtotal special medical services payments.....	<u>468,720,300</u>
21	GROSS APPROPRIATION.....	\$ 10,955,634,100
22	Appropriated from:	
23	Federal revenues:	
24	Total federal revenues.....	7,430,724,800
25	Special revenue funds:	
26	Total local revenues.....	64,335,000
27	Total private revenues.....	2,100,000

1	Merit award trust fund.....	81,766,000
2	Total other state restricted revenues.....	1,970,475,600
3	State general fund/general purpose.....	\$ 1,406,232,700
4	Sec. 120. INFORMATION TECHNOLOGY	
5	Information technology services and projects.....	\$ 36,763,300
6	Michigan Medicaid information system.....	<u>50,201,100</u>
7	GROSS APPROPRIATION.....	\$ 86,964,400
8	Appropriated from:	
9	Federal revenues:	
10	Total federal revenues.....	45,235,900
11	Special revenue funds:	
12	Total private revenues.....	20,000,000
13	Total other state restricted revenues.....	1,977,300
14	State general fund/general purpose.....	\$ 19,751,200
15	Sec. 121. ONE-TIME BASIS ONLY APPROPRIATIONS	
16	Hospital services and therapy - graduate medical	
17	education	\$ 4,314,200
18	Michigan Medicaid information system.....	18,300,000
19	Primary care services - island health clinics.....	325,000
20	Mental health innovation.....	5,000,000
21	University autism centers and services.....	<u>2,000,000</u>
22	GROSS APPROPRIATION.....	\$ 29,939,200
23	Appropriated from:	
24	Federal revenues:	
25	Total federal revenues.....	18,864,200
26	State general fund/general purpose.....	\$ 11,075,000

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PART 2
PROVISIONS CONCERNING APPROPRIATIONS
FOR FISCAL YEAR 2013-2014

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 2013-2014 is \$5,081,482,900.00 and state spending from state resources to be paid to local units of government for fiscal year 2013-2014 is \$1,227,298,200.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF COMMUNITY HEALTH

BEHAVIORAL HEALTH PROGRAM ADMINISTRATION

Community residential and support services	\$	451,500
Housing and support services		77,500

BEHAVIORAL HEALTH SERVICES

State disability assistance program substance abuse services	\$	2,018,000
Community substance abuse prevention, education, and treatment programs		14,555,400
Medicaid mental health services		696,836,700
Community mental health non-Medicaid services		283,688,700
Mental health services for special populations		8,842,800
Medicaid adult benefits waiver		10,774,100
Medicaid substance abuse services		15,555,300
Children's waiver home care program		5,871,900

1	Nursing home PAS/ARR-OBRA.....		2,721,700
2	HEALTH POLICY		
3	Primary care services.....	\$	88,900
4	INFECTIOUS DISEASE CONTROL		
5	AIDS prevention, testing, and care programs.....	\$	1,041,100
6	Sexually transmitted disease control program.....		174,500
7	LABORATORY SERVICES		
8	Laboratory services.....	\$	2,800
9	LOCAL HEALTH ADMINISTRATION AND GRANTS		
10	Implementation of 1993 PA 133, MCL 333.17015.....	\$	5,700
11	Essential local public health services.....		34,236,100
12	CHRONIC DISEASE AND INJURY PREVENTION AND HEALTH PROMOTION		
13	Cancer prevention and control program.....	\$	94,700
14	FAMILY, MATERNAL, AND CHILDREN'S HEALTH SERVICES		
15	Prenatal care outreach and service delivery support ..	\$	2,100,000
16	CHILDREN'S SPECIAL HEALTH CARE SERVICES		
17	Medical care and treatment.....	\$	585,300
18	Outreach and advocacy.....		1,250,800
19	CRIME VICTIM SERVICES COMMISSION		
20	Crime victim rights services grants.....	\$	6,180,200
21	OFFICE OF SERVICES TO THE AGING		
22	Community services.....	\$	12,229,300
23	Nutrition services.....		8,783,000
24	Foster grandparent volunteer program.....		536,400
25	Retired and senior volunteer program.....		147,300
26	Senior companion volunteer program.....		183,400
27	Respite care program.....		5,115,000

1	MEDICAL SERVICES	
2	Dental services.....	\$ 1,364,200
3	Long-term care services.....	80,798,400
4	Transportation.....	3,583,000
5	Medicaid adult benefits waiver.....	10,481,900
6	Hospital services and therapy.....	2,489,000
7	Physician services.....	<u>14,433,600</u>
8	TOTAL OF PAYMENTS TO LOCAL UNITS	
9	OF GOVERNMENT.....	\$ 1,227,298,200

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

13 Sec. 203. As used in this article:

14 (a) "AIDS" means acquired immunodeficiency syndrome.

15 (b) "CMHSP" means a community mental health services program
 16 as that term is defined in section 100a of the mental health code,
 17 1974 PA 258, MCL 330.1100a.

18 (c) "Current fiscal year" means the fiscal year ending
 19 September 30, 2014.

20 (d) "Department" means the department of community health.

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

22 (f) "DSH" means disproportionate share hospital.

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

25 (h) "Federal health care reform legislation" means the patient
 26 protection and affordable care act, Public Law 111-148, and the
 27 health care and education reconciliation act of 2010, Public Law

1 111-152.

2 (i) "Federal poverty level" means the poverty guidelines
3 published annually in the federal register by the United States
4 department of health and human services under its authority to
5 revise the poverty line under 42 USC 9902.

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

7 (k) "GME" means graduate medical education.

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

11 (m) "HEDIS" means healthcare effectiveness data and
12 information set.

13 (n) "HIV" means human immunodeficiency virus.

14 (o) "HMO" means health maintenance organization.

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

17 (q) "MCH" means maternal and child health.

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

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

23 (t) "PIHP" means a specialty prepaid inpatient health plan for
24 Medicaid mental health services, services to individuals with
25 developmental disabilities, and substance abuse services. Specialty
26 prepaid inpatient health plans are described in section 232b of the
27 mental health code, 1974 PA 258, MCL 330.1232b.

1 (u) "Temporary assistance for needy families" means part A of
2 title IV of the social security act, 42 USC 601 to 619.

3 (v) "Title XVIII" and "Medicare" mean title XVIII of the
4 social security act, 42 USC 1395 to 1395kkk-1.

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

7 (x) "Title XX" means title XX of the social security act, 42
8 USC 1397 to 1397m-5.

9 Sec. 206. (1) In addition to the funds appropriated in part 1,
10 there is appropriated an amount not to exceed \$200,000,000.00 for
11 federal contingency funds. These funds are not available for
12 expenditure until they have been transferred to another line item
13 in this article under section 393(2) of the management and budget
14 act, 1984 PA 431, MCL 18.1393.

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

21 (3) In addition to the funds appropriated in part 1, there is
22 appropriated an amount not to exceed \$20,000,000.00 for local
23 contingency funds. These funds are not available for expenditure
24 until they have been transferred to another line item in this
25 article under section 393(2) of the management and budget act, 1984
26 PA 431, MCL 18.1393.

27 (4) In addition to the funds appropriated in part 1, there is

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

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

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

16 Sec. 209. Funds appropriated in part 1 shall not be used for
17 the purchase of foreign goods or services, or both, if
18 competitively priced and of comparable quality American goods or
19 services, or both, are available. Preference shall be given to
20 goods or services, or both, manufactured or provided by Michigan
21 businesses if they are competitively priced and of comparable
22 quality. In addition, preference shall be given to goods or
23 services, or both, that are manufactured or provided by Michigan
24 businesses owned and operated by veterans if they are competitively
25 priced and of comparable quality.

26 Sec. 210. The director shall take all reasonable steps to
27 ensure businesses in deprived and depressed communities compete for

1 and perform contracts to provide services or supplies, or both. The
2 director shall strongly encourage firms with which the department
3 contracts to subcontract with certified businesses in depressed and
4 deprived communities for services, supplies, or both.

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

11 Sec. 212. (1) On or before February 1 of the current fiscal
12 year, the department shall report to the house and senate
13 appropriations subcommittees on community health, the house and
14 senate fiscal agencies, and the state budget director on the
15 detailed name and amounts of federal, restricted, private, and
16 local sources of revenue that support the appropriations in each of
17 the line items in part 1.

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

24 Sec. 213. The state departments, agencies, and commissions
25 receiving tobacco tax funds and healthy Michigan funds from part 1
26 shall report by April 1 of the current fiscal year to the senate
27 and house appropriations committees, the senate and house fiscal

1 agencies, and the state budget director on the following:

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

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

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

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

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

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

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

26 Sec. 218. The department shall include the following in its
27 annual list of proposed basic health services as required in part

1 23 of the public health code, 1978 PA 368, MCL 333.2301 to
2 333.2321:

3 (a) Immunizations.

4 (b) Communicable disease control.

5 (c) Sexually transmitted disease control.

6 (d) Tuberculosis control.

7 (e) Prevention of gonorrhoea eye infection in newborns.

8 (f) Screening newborns for the conditions listed in section
9 5431 of the public health code, 1978 PA 368, MCL 333.5431, or
10 recommended by the newborn screening quality assurance advisory
11 committee created under section 5430 of the public health code,
12 1978 PA 368, MCL 333.5430.

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

15 (h) Prenatal care.

16 Sec. 219. (1) The department may contract with the Michigan
17 public health institute for the design and implementation of
18 projects and for other public health-related activities prescribed
19 in section 2611 of the public health code, 1978 PA 368, MCL
20 333.2611. The department may develop a master agreement with the
21 institute to carry out these purposes for up to a 3-year period.
22 The department shall report to the house and senate appropriations
23 subcommittees on community health, the house and senate fiscal
24 agencies, and the state budget director on or before January 1 of
25 the current fiscal year all of the following:

26 (a) A detailed description of each funded project.

27 (b) The amount allocated for each project, the appropriation

1 line item from which the allocation is funded, and the source of
2 financing for each project.

3 (c) The expected project duration.

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

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

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

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

25 (2) The department shall provide written or verbal biannual
26 reports to the senate and house appropriations subcommittees on
27 community health and the senate and house fiscal agencies

1 summarizing the status of any new or ongoing discussions with the
2 centers for Medicare and Medicaid services or the federal
3 department of health and human services regarding potential or
4 future Medicaid waiver applications.

5 (3) The department shall inform the senate and house
6 appropriations subcommittees on community health and the senate and
7 house fiscal agencies of any alterations or adjustments made to the
8 published plan for integrated care for individuals who are dual
9 Medicare/Medicaid eligibles when the final version of the plan has
10 been submitted to the federal centers for Medicare and Medicaid
11 services or the federal department of health and human services.

12 (4) At least 30 days before implementation of the plan for
13 integrated care for individuals who are dual Medicare/Medicaid
14 eligibles, the department shall submit the plan to the legislature
15 for review.

16 Sec. 265. The department and agencies receiving appropriations
17 in part 1 shall receive and retain copies of all reports funded
18 from appropriations in part 1. Federal and state guidelines for
19 short-term and long-term retention of records shall be followed.
20 The department may electronically retain copies of reports unless
21 otherwise required by federal and state guidelines.

22 Sec. 266. The departments and agencies receiving
23 appropriations in part 1 shall prepare a report on out-of-state
24 travel expenses not later than January 1 of each year. The travel
25 report shall be a listing of all travel by classified and
26 unclassified employees outside this state in the immediately
27 preceding fiscal year that was funded in whole or in part with

1 funds appropriated in the department's budget. The report shall be
2 submitted to the senate and house appropriations committees, the
3 house and senate fiscal agencies, and the state budget director.

4 The report shall include the following information:

5 (a) The dates of each travel occurrence.

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

11 Sec. 267. The department shall not take disciplinary action
12 against an employee for communicating with a member of the
13 legislature or his or her staff.

14 Sec. 270. Within 180 days after receipt of the notification
15 from the attorney general's office of a legal action in which
16 expenses had been recovered pursuant to section 106(4) of the
17 social welfare act, 1939 PA 280, MCL 400.106, or any other statute
18 under which the department has the right to recover expenses, the
19 department shall submit a written report to the house and senate
20 appropriations subcommittees on community health, the house and
21 senate fiscal agencies, and the state budget office which includes,
22 at a minimum, all of the following:

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

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

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

1 deposited.

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

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

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

15 (a) Coordinating agencies on substance abuse and the Salvation
16 Army harbor light program that receive payment or reimbursement
17 from funds appropriated under section 104.

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

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

25 Sec. 287. Not later than November 30, the state budget office
26 shall prepare and transmit a report that provides for estimates of
27 the total general fund/general purpose appropriation lapses at the

1 close of the prior fiscal year. This report shall summarize the
2 projected year-end general fund/general purpose appropriation
3 lapses by major departmental program or program areas. The report
4 shall be transmitted to the chairpersons of the senate and house
5 appropriations committees, and the senate and house fiscal
6 agencies.

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

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

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

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

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

18 (e) Job specifications and wage rates.

19 Sec. 296. Within 14 days after the release of the executive
20 budget recommendation, the department shall cooperate with the
21 state budget office to provide the senate and house appropriations
22 chairs, the senate and house appropriations subcommittees on
23 community health, and the senate and house fiscal agencies with an
24 annual report on estimated state restricted fund balances, state
25 restricted fund projected revenues, and state restricted fund
26 expenditures for the fiscal years ending September 30, 2013 and
27 September 30, 2014.

1 Sec. 298. From the funds appropriated in part 1 for the
2 Michigan Medicaid information system line item, \$20,000,000.00 in
3 private revenue will be allocated for the Michigan-Illinois
4 alliance Medicaid management information systems project.

5 Sec. 299. No state department or agency shall issue a request
6 for proposal (RFP) for a contract in excess of \$5,000,000.00,
7 unless the department or agency has first considered issuing a
8 request for information (RFI) or a request for qualification (RFQ)
9 relative to that contract to better enable the department or agency
10 to learn more about the market for the products or services that
11 are the subject of the RFP. The department or agency shall notify
12 the department of technology, management, and budget of the
13 evaluation process used to determine if an RFI or RFQ was not
14 necessary prior to issuing the RFP.

15 **BEHAVIORAL HEALTH SERVICES**

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

21 (a) A system of single entry and single exit.

22 (b) A complete array of mental health services that includes,
23 but is not limited to, all of the following services: residential
24 and other individualized living arrangements, outpatient services,
25 acute inpatient services, and long-term, 24-hour inpatient care in
26 a structured, secure environment.

1 (c) The coordination of inpatient and outpatient hospital
2 services through agreements with state-operated psychiatric
3 hospitals, units, and centers in facilities owned or leased by the
4 state, and privately-owned hospitals, units, and centers licensed
5 by the state pursuant to sections 134 through 149b of the mental
6 health code, 1974 PA 258, MCL 330.1134 to 330.1149b.

7 (d) Individualized plans of service that are sufficient to
8 meet the needs of individuals, including those discharged from
9 psychiatric hospitals or centers, and that ensure the full range of
10 recipient needs is addressed through the CMHSP's or PIHP's program
11 or through assistance with locating and obtaining services to meet
12 these needs.

13 (e) A system of case management or care management to monitor
14 and ensure the provision of services consistent with the
15 individualized plan of services or supports.

16 (f) A system of continuous quality improvement.

17 (g) A system to monitor and evaluate the mental health
18 services provided.

19 (h) A system that serves at-risk and delinquent youth as
20 required under the provisions of the mental health code, 1974 PA
21 258, MCL 330.1001 to 330.2106.

22 Sec. 402. (1) From funds appropriated in part 1, final
23 authorizations to CMHSPs or PIHPs shall be made upon the execution
24 of contracts between the department and CMHSPs or PIHPs. The
25 contracts shall contain an approved plan and budget as well as
26 policies and procedures governing the obligations and
27 responsibilities of both parties to the contracts. Each contract

1 with a CMHSP or PIHP that the department is authorized to enter
2 into under this subsection shall include a provision that the
3 contract is not valid unless the total dollar obligation for all of
4 the contracts between the department and the CMHSPs or PIHPs
5 entered into under this subsection for the current fiscal year does
6 not exceed the amount of money appropriated in part 1 for the
7 contracts authorized under this subsection.

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

12 (a) Any new contracts with CMHSPs or PIHPs that would affect
13 rates or expenditures are enacted.

14 (b) Any amendments to contracts with CMHSPs or PIHPs that
15 would affect rates or expenditures are enacted.

16 (3) The report required by subsection (2) shall include
17 information about the changes and their effects on rates and
18 expenditures.

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

24 (2) Funds appropriated in part 1 for mental health services
25 for special populations shall not be utilized for services provided
26 to illegal immigrants, fugitive felons, and individuals who are not
27 residents of this state. The department shall maintain contracts

1 with recipients of multicultural services grants that mandate
2 grantees establish that recipients of services are legally residing
3 in the United States. An exception to the contractual provision
4 shall be allowed to address individuals presenting with emergent
5 mental health conditions.

6 (3) The department shall require an annual report from the
7 independent organizations that receive mental health services for
8 special populations funding. The annual report, due January 1 of
9 the current fiscal year, shall include specific information on
10 services and programs provided, the client base to which the
11 services and programs were provided, information on any wraparound
12 services provided, and the expenditures for those services. The
13 department shall provide the annual reports to the senate and house
14 appropriations subcommittees on community health and the senate and
15 house fiscal agencies.

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

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

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

1 (b) Per capita expenditures by client population group.

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

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

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

14 (i) The number of people receiving requested services.

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

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

19 (g) An analysis of information provided by CMHSPs in response
20 to the needs assessment requirements of the mental health code,
21 1974 PA 258, MCL 330.1001 to 330.2106, including information about
22 the number of individuals in the service delivery system who have
23 requested and are clinically appropriate for different services.

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

26 (i) Information about contracts for mental health services
27 entered into by CMHSPs or PIHPs with providers, including, but not

1 limited to, all of the following:

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

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

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

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

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

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

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

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

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

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

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

15 Sec. 407. (1) The amount appropriated in part 1 for substance
16 abuse prevention, education, and treatment grants shall be expended
17 to coordinate care and services provided to individuals with severe
18 and persistent mental illness and substance abuse diagnoses.

19 (2) The department shall approve managing entity fee schedules
20 for providing substance abuse services and charge participants in
21 accordance with their ability to pay.

22 (3) The managing entity shall continue current efforts to
23 collaborate on the delivery of services to those clients with
24 mental illness and substance abuse diagnoses with the goal of
25 providing services in an administratively efficient manner.

26 Sec. 408. (1) By April 1 of the current fiscal year, the
27 department shall report the following data from the prior fiscal

1 year on substance abuse prevention, education, and treatment
2 programs to the senate and house appropriations subcommittees on
3 community health, the senate and house fiscal agencies, and the
4 state budget office:

5 (a) Expenditures stratified by department-designated community
6 mental health entity, by central diagnosis and referral agency, by
7 fund source, by subcontractor, by population served, and by service
8 type. Additionally, data on administrative expenditures by
9 department-designated community mental health entity shall be
10 reported.

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

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

17 (d) Collections from other first- or third-party payers,
18 private donations, or other state or local programs, by department-
19 designated community mental health entity, by subcontractor, by
20 population served, and by service type.

21 (2) The department shall take all reasonable actions to ensure
22 that the required data reported are complete and consistent among
23 all department-designated community mental health entities.

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

1 eligibility for public assistance.

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

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

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

20 Sec. 418. On or before the tenth of each month, the department
21 shall report to the senate and house appropriations subcommittees
22 on community health, the senate and house fiscal agencies, and the
23 state budget director on the amount of funding paid to PIHPs to
24 support the Medicaid managed mental health care program in the
25 preceding month. The information shall include the total paid to
26 each PIHP, per capita rate paid for each eligibility group for each
27 PIHP, and number of cases in each eligibility group for each PIHP,

1 and year-to-date summary of eligibles and expenditures for the
2 Medicaid managed mental health care program.

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

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

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

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

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

26 Sec. 435. A county required under the provisions of the mental
27 health code, 1974 PA 258, MCL 330.1001 to 330.2106, to provide

1 matching funds to a CMHSP for mental health services rendered to
2 residents in its jurisdiction shall pay the matching funds in equal
3 installments on not less than a quarterly basis throughout the
4 fiscal year, with the first payment being made by October 1 of the
5 current fiscal year.

6 Sec. 474. The department shall ensure that each contract with
7 a CMHSP or PIHP requires the CMHSP or PIHP to provide each
8 recipient and his or her family with information regarding the
9 different types of guardianship and the alternatives to
10 guardianship. A CMHSP or PIHP shall not, in any manner, attempt to
11 reduce or restrict the ability of a recipient or his or her family
12 from seeking to obtain any form of legal guardianship without just
13 cause.

14 Sec. 490. (1) The department shall develop a plan to maximize
15 uniformity and consistency in the standards required of providers
16 contracting directly with PIHPs and CMHSPs. The standards shall
17 include, but are not limited to, contract language, training
18 requirements for direct support staff, performance indicators,
19 financial and program audits, and billing procedures.

20 (2) The department shall provide a status report to the senate
21 and house appropriations subcommittees on community health, the
22 senate and house fiscal agencies, and the state budget director on
23 implementation of the plan by July 1 of the current fiscal year.

24 Sec. 491. The department shall explore changes in program
25 policy in the habilitation supports waiver for persons with
26 developmental disabilities that would permit the movement of a slot
27 that has become available to a county that has demonstrated a

1 greater need for the services.

2 Sec. 492. If a CMHSP has entered into an agreement with a
3 county or county sheriff to provide mental health services to the
4 inmates of the county jail, the department shall not prohibit the
5 use of state general fund/general purpose dollars by CMHSPs to
6 provide mental health services to inmates of a county jail.

7 Sec. 494. (1) Contingent upon federal approval, if a CMHSP,
8 PIHP, or subcontracting provider agency is reviewed and accredited
9 by a national accrediting entity for behavioral health care
10 services, the department, by April 1 of the current fiscal year,
11 shall consider that CMHSP, PIHP, or subcontracting provider agency
12 in compliance with state program review and audit requirements that
13 are addressed and reviewed by that national accrediting entity.

14 (2) By June 1 of the current fiscal year, the department shall
15 report to the house and senate appropriations subcommittees on
16 community health, the house and senate fiscal agencies, and the
17 state budget office all of the following:

18 (a) A list of each CMHSP, PIHP, and subcontracting provider
19 agency that is considered in compliance with state program review
20 and audit requirements under subsection (1).

21 (b) For each CMHSP, PIHP, or subcontracting provider agency
22 described in subdivision (a), all of the following:

23 (i) The state program review and audit requirements that the
24 CMHSP, PIHP, or subcontracting provider agency is considered in
25 compliance with.

26 (ii) The national accrediting entity that reviewed and
27 accredited the CMHSP, PIHP, or subcontracting provider agency.

1 (3) The department shall continue to comply with state and
2 federal law and shall not initiate an action that negatively
3 impacts beneficiary safety.

4 (4) As used in this section, "national accrediting entity"
5 means the joint commission on accreditation of healthcare
6 organizations, the commission on accreditation of rehabilitation
7 facilities, the council of accreditation, the utilization review
8 accreditation commission, the national committee for quality
9 assurance, or other appropriate entity, as approved by the
10 department.

11 Sec. 496. CMHSPs and PIHPs are permitted to offset state
12 funding reductions by limiting the administrative component of
13 their contracts with providers and case management to a maximum of
14 9%.

15 Sec. 497. The population data used in determining the
16 distribution of substance abuse block grant funds shall be from the
17 most recent federal census.

18 Sec. 498. (1) The department shall use standard program
19 evaluation measures to assess the effectiveness of heroin and other
20 opiates treatment programs provided through coordinating agencies
21 and service providers in reducing and preventing the incidence of
22 substance use disorders. The measures established by the department
23 shall be modeled after the program outcome measures and best
24 practice guidelines for the treatment of heroin and other opiates
25 as prescribed by the federal substance abuse and mental health
26 services administration.

27 (2) By May 15 of the current fiscal year, the department shall

1 provide a report to the house and senate appropriations
2 subcommittees on community health, the house and senate fiscal
3 agencies, and the state budget office on the effectiveness of
4 treatment programs for heroin and other opiates.

5 Sec. 499. The department shall continue efforts to use mental
6 health funding to address the mental health needs of deaf and hard-
7 of-hearing persons. The department shall report to the senate and
8 house appropriations subcommittees on community health on the
9 results of this process by March 1 of the current fiscal year.

10 Sec. 500. Of the funds appropriated in part 1 for the jail
11 diversion programs initiative, the department shall give priority
12 to the following:

13 (a) County sheriffs, including the St. Joseph County sheriff.

14 (b) Community court or similar projects, including the 36th
15 District Court community court project.

16 Sec. 502. The department shall explore developing an outreach
17 program on fetal alcohol syndrome services. The department shall
18 report to the senate and house subcommittees on community health by
19 April 1 of the current fiscal year on efforts to prevent and combat
20 fetal alcohol syndrome as well as deficiencies in efforts to reduce
21 the incidence of fetal alcohol syndrome.

22 Sec. 503. (1) The department shall consult with CMHSPs from
23 across this state when developing policies and procedures that will
24 impact PIHPs or CMHSPs.

25 Sec. 504. (1) The department shall create a workgroup to make
26 recommendations to achieve more uniformity in capitation payments
27 made to the PIHPs.

1 (2) The workgroup shall include but not be limited to
2 representatives of the department, PIHPs, and CMHSPs.

3 (3) The department shall provide the workgroup's
4 recommendations to the senate and house appropriations
5 subcommittees on community health, the senate and house fiscal
6 agencies, and the state budget director by March 1 of the current
7 fiscal year.

8 STATE PSYCHIATRIC HOSPITALS AND FORENSIC MENTAL HEALTH SERVICES

9 Sec. 601. The department shall continue a revenue recapture
10 project to generate additional revenues from third parties related
11 to cases that have been closed or are inactive. A portion of
12 revenues collected through project efforts may be used for
13 departmental costs and contractual fees associated with these
14 retroactive collections and to improve ongoing departmental
15 reimbursement management functions.

16 Sec. 602. The purpose of gifts and bequests for patient living
17 and treatment environments is to use additional private funds to
18 provide specific enhancements for individuals residing at state-
19 operated facilities. Use of the gifts and bequests shall be
20 consistent with the stipulation of the donor. The expected
21 completion date for the use of gifts and bequests donations is
22 within 3 years unless otherwise stipulated by the donor.

23 Sec. 605. (1) The department shall not implement any closures
24 or consolidations of state hospitals, centers, or agencies until
25 CMHSPs or PIHPs have programs and services in place for those
26 individuals currently in those facilities and a plan for service

1 provision for those individuals who would have been admitted to
2 those facilities.

3 (2) All closures or consolidations are dependent upon adequate
4 department-approved CMHSP and PIHP plans that include a discharge
5 and aftercare plan for each individual currently in the facility. A
6 discharge and aftercare plan shall address the individual's housing
7 needs. A homeless shelter or similar temporary shelter arrangements
8 are inadequate to meet the individual's housing needs.

9 (3) Four months after the certification of closure required in
10 section 19(6) of the state employees' retirement act, 1943 PA 240,
11 MCL 38.19, the department shall provide a closure plan to the house
12 and senate appropriations subcommittees on community health and the
13 state budget director.

14 (4) Upon the closure of state-run operations and after
15 transitional costs have been paid, the remaining balances of funds
16 appropriated for that operation shall be transferred to CMHSPs or
17 PIHPs responsible for providing services for individuals previously
18 served by the operations.

19 Sec. 606. The department may collect revenue for patient
20 reimbursement from first- and third-party payers, including
21 Medicaid and local county CMHSP payers, to cover the cost of
22 placement in state hospitals and centers. The department is
23 authorized to adjust financing sources for patient reimbursement
24 based on actual revenues earned. If the revenue collected exceeds
25 current year expenditures, the revenue may be carried forward with
26 approval of the state budget director. The revenue carried forward
27 shall be used as a first source of funds in the subsequent year.

1 Sec. 608. Effective October 1 of the current fiscal year, the
2 department, in consultation with the department of technology,
3 management, and budget, may maintain a bid process to identify 1 or
4 more private contractors to provide food service and custodial
5 services for the administrative areas at any state hospital
6 identified by the department as capable of generating savings
7 through the outsourcing of such services.

8 **PUBLIC HEALTH ADMINISTRATION**

9 Sec. 650. By October 1 of the current fiscal year, the
10 department shall provide to the senate and house appropriations
11 subcommittees on community health a report that includes detailed
12 information regarding the current process by which fish consumption
13 advisories are created and revised. The department shall include
14 all of the following information in the report:

15 (a) The triggers to begin the process for developing the fish
16 consumption advisories, such as evidence of human disease, fish
17 residue data, and biomonitoring data.

18 (b) The process for developing and modifying a fish
19 consumption advisory, including the data inputs used, the rationale
20 behind the selection of particular fish for collection, whether the
21 process has been independently reviewed and validated by a
22 scientific panel or benchmarked in any way, and the reasons for the
23 lack of any independent review, validation, or benchmarking.

24 (c) The type of data specific to a particular body of water
25 that would be needed to modify a current fish consumption advisory,
26 including the data quality criteria that are used to determine if

1 data are suitable for use in the assessment and exclusions to
2 bodies of data and the justifications for such exclusions.

3 (d) Information on the ways stakeholder input is incorporated
4 into the fish consumption advisory process prior to an advisory
5 being issued.

6 (e) Information on how advisory analyses are documented,
7 including how uncertainty analyses are conducted and reported, with
8 information as to whether these evaluations are publicly available
9 and, if not available, an explanation of why any such evaluations
10 are not publicly available.

11 Sec. 651. The department shall work with the Michigan health
12 endowment fund corporation established pursuant to section 653 of
13 the nonprofit health care corporation reform act, 1980 PA 350, MCL
14 550.1653, to explore ways to expand health and wellness programs.

15 Sec. 654. From the funds appropriated in part 1 for health and
16 wellness initiatives, \$1,000,000.00 shall be allocated for a pilot
17 before- and after-school healthy exercise program to promote and
18 advance physical health for school children in kindergarten through
19 grade 6. The department shall develop a model for program sites
20 that incorporates evidence-based best practices. The department
21 shall establish guidelines for program sites, which may include
22 public schools, community-based organizations, private facilities,
23 recreation centers, or other similar sites. The program format
24 shall encourage local determination of site activities and shall
25 encourage local inclusion of youth in the decision-making regarding
26 site activities. Program goals shall include children experiencing
27 good physical health, the reduction of obesity, providing a safe

1 place to play and exercise, and nutrition education. To be eligible
2 to participate in the pilot, program sites shall provide a 20%
3 match to the state funding. The department shall seek financial
4 support from corporate, foundation, or other private partners for
5 the program or for individual program sites.

6 HEALTH POLICY

7 Sec. 704. The department shall continue to contract with
8 grantees supported through the appropriation in part 1 for the
9 emergency medical services program to ensure that a sufficient
10 number of qualified emergency medical services personnel exist to
11 serve rural areas of the state.

12 Sec. 709. (1) The funds appropriated in part 1 for the
13 Michigan essential health care provider program may also provide
14 loan repayment for dentists that fit the criteria established by
15 part 27 of the public health code, 1978 PA 368, MCL 333.2701 to
16 333.2727.

17 (2) From the funds appropriated in part 1 for the Michigan
18 essential health provider program, the department may reduce the
19 local and private share of the loan and repayment costs to 25% for
20 primary care physicians, particularly obstetricians and
21 gynecologists working in underserved areas.

22 Sec. 712. From the funds appropriated in part 1 for primary
23 care services, \$250,000.00 shall be allocated to free health
24 clinics operating in the state. The department shall distribute the
25 funds equally to each free health clinic. For the purpose of this
26 appropriation, "free health clinics" means nonprofit organizations

1 that use volunteer health professionals to provide care to
2 uninsured individuals.

3 Sec. 713. The department shall continue support of
4 multicultural agencies that provide primary care services from the
5 funds appropriated in part 1.

6 Sec. 715. The department shall evaluate options for
7 incentivizing students attending medical schools in this state to
8 meet their primary care residency requirements in this state and
9 ultimately, for some period of time, to remain in this state and
10 serve as primary care physicians.

11 Sec. 716. (1) The department is encouraged to create and
12 implement a pilot program limited to counties with a population of
13 less than 100,000 to incentivize students attending medical schools
14 in Michigan through a loan repayment program or other approaches
15 for committing to provide medical services in rural counties with a
16 medically underserved population. The program shall be limited to
17 those students or individuals performing primary care or specialty
18 services as identified by the department.

19 (2) By no later than September 30 of the current fiscal year,
20 the department shall prepare a report and submit it to the senate
21 and house appropriations subcommittees on community health, the
22 senate and house fiscal agencies, and the state budget director.
23 The department shall evaluate the effectiveness of the pilot
24 program, identify potential changes to improve the program, and
25 make recommendations for statewide implementation in its report
26 under this subsection.

27 Sec. 717. (1) The department may award health innovation

1 grants to address emerging issues and encourage cutting edge
2 advances in health care including strategic partners in both the
3 public and private sectors.

4 (2) From the funds appropriated in part 1 for health
5 innovation grants, \$250,000.00 shall be allocated for a chronic
6 fatigue syndrome study.

7 (3) The unexpended funds appropriated for the health
8 innovation grants are considered work project appropriations, and
9 any unencumbered or unallotted funds are carried forward into the
10 following fiscal year. The following is in compliance with section
11 451a(1) of the management and budget act, 1984 PA 431, MCL
12 18.1451a:

13 (a) The purpose of the project to be carried forward is to
14 address emerging issues and encourage cutting edge advances in
15 health care including strategic partners in both the public and
16 private sectors.

17 (b) The project will be accomplished by providing incentive
18 grants.

19 (c) The estimated cost of this project phase is identified in
20 the appropriation line item.

21 (d) The tentative completion date for the work project is
22 September 30, 2018.

23 INFECTIOUS DISEASE CONTROL

24 Sec. 804. The department, in conjunction with efforts to
25 implement the Michigan prisoner reentry initiative, shall cooperate
26 with the department of corrections to share data and information as

1 they relate to prisoners being released who are HIV positive or
2 positive for the hepatitis C antibody.

3 EPIDEMIOLOGY

4 Sec. 851. (1) From the funds appropriated in part 1 for the
5 healthy homes program, \$1,250,000.00 shall be allocated to expand
6 lead abatement efforts.

7 (2) The department shall coordinate its lead abatement efforts
8 with the Michigan public service commission, specifically on the
9 issue of window replacement.

10 LOCAL HEALTH ADMINISTRATION AND GRANTS

11 Sec. 901. The amount appropriated in part 1 for implementation
12 of the 1993 additions of or amendments to sections 9161, 16221,
13 16226, 17014, 17015, and 17515 of the public health code, 1978 PA
14 368, MCL 333.9161, 333.16221, 333.16226, 333.17014, 333.17015, and
15 333.17515, shall be used to reimburse local health departments for
16 costs incurred related to implementation of section 17015(18) of
17 the public health code, 1978 PA 368, MCL 333.17015.

18 Sec. 902. If a county that has participated in a district
19 health department or an associated arrangement with other local
20 health departments takes action to cease to participate in such an
21 arrangement after October 1 of the current fiscal year, the
22 department shall have the authority to assess a penalty from the
23 local health department's operational accounts in an amount equal
24 to no more than 6.25% of the local health department's essential
25 local public health services funding. This penalty shall only be

1 assessed to the local county that requests the dissolution of the
2 health department.

3 Sec. 904. (1) Funds appropriated in part 1 for essential local
4 public health services shall be prospectively allocated to local
5 health departments to support immunizations, infectious disease
6 control, sexually transmitted disease control and prevention,
7 hearing screening, vision services, food protection, public water
8 supply, private groundwater supply, and on-site sewage management.
9 Food protection shall be provided in consultation with the
10 department of agriculture and rural development. Public water
11 supply, private groundwater supply, and on-site sewage management
12 shall be provided in consultation with the department of
13 environmental quality.

14 (2) Local public health departments shall be held to
15 contractual standards for the services in subsection (1).

16 (3) Distributions in subsection (1) shall be made only to
17 counties that maintain local spending in the current fiscal year of
18 at least the amount expended in fiscal year 1992-1993 for the
19 services described in subsection (1).

20 **FAMILY, MATERNAL, AND CHILDREN'S HEALTH SERVICES**

21 Sec. 1103. By January 3 of the current fiscal year the
22 department shall annually issue to the legislature, and to the
23 public on the Internet, a report providing estimated public funds
24 administered by the department for family planning, sexually
25 transmitted infection prevention and treatment, and pregnancies and
26 births, as well as demographics collected by the department as

1 voluntarily self-reported by individuals utilizing those services.
2 The department shall provide the actual expenditures by marital
3 status or, where actual expenditures are not available, shall
4 provide estimated expenditures by marital status. The department
5 may utilize the Plan First application (Form MSA 1582), MICHild,
6 and Healthy Kids application (DCH 0373) or Assistance Application
7 (DHS 1171) or any other official application for public assistance
8 for medical coverage to determine the actual or estimated public
9 expenditures based on marital status.

10 Sec. 1104. (1) Before April 1 of the current fiscal year, the
11 department shall submit a report to the house and senate fiscal
12 agencies and the state budget director on planned allocations from
13 the amounts appropriated in part 1 for local MCH services, prenatal
14 care outreach and service delivery support, family planning local
15 agreements, and pregnancy prevention programs. Using applicable
16 federal definitions, the report shall include information on all of
17 the following:

18 (a) Funding allocations.

19 (b) Actual number of women, children, and adolescents served
20 and amounts expended for each group for the immediately preceding
21 fiscal year.

22 (c) A breakdown of the expenditure of these funds between
23 urban and rural communities.

24 (2) The department shall ensure that the distribution of funds
25 through the programs described in subsection (1) takes into account
26 the needs of rural communities.

27 (3) For the purposes of this section, "rural" means a county,

1 city, village, or township with a population of 30,000 or less,
2 including those entities if located within a metropolitan
3 statistical area.

4 Sec. 1106. Each family planning program receiving federal
5 title X family planning funds under 42 USC 300 to 300a-8 shall be
6 in compliance with all performance and quality assurance indicators
7 that the office of family planning within the United States
8 department of health and human services specifies in the program
9 guidelines for project grants for family planning services. An
10 agency not in compliance with the indicators shall not receive
11 supplemental or reallocated funds.

12 Sec. 1108. The funds appropriated in part 1 for pregnancy
13 prevention programs shall not be used to provide abortion
14 counseling, referrals, or services.

15 Sec. 1109. (1) From the amounts appropriated in part 1 for
16 dental programs, funds shall be allocated to the Michigan dental
17 association for the administration of a volunteer dental program
18 that provides dental services to the uninsured.

19 (2) Not later than December 1 of the current fiscal year, the
20 department shall report to the senate and house appropriations
21 subcommittees on community health and the senate and house standing
22 committees on health policy the number of individual patients
23 treated, number of procedures performed, and approximate total
24 market value of those procedures from the immediately preceding
25 fiscal year.

26 Sec. 1119. From the funds appropriated in part 1 for family
27 planning local agreements or pregnancy prevention programs, no

1 state funds shall be used to encourage or support abortion
2 services.

3 Sec. 1135. (1) If funds become available, provision of the
4 school health education curriculum, such as the Michigan model for
5 health or another comprehensive school health education curriculum,
6 shall be in accordance with the health education goals established
7 by the Michigan model steering committee. The steering committee
8 shall be composed of a representative from each of the following
9 offices and departments:

10 (a) The department of education.

11 (b) The department of community health.

12 (c) The health administration in the department of community
13 health.

14 (d) The behavioral health and developmental disabilities
15 administration in the department of community health.

16 (e) The department of human services.

17 (f) The department of state police.

18 (2) Upon written or oral request, a pupil not less than 18
19 years of age or a parent or legal guardian of a pupil less than 18
20 years of age, within a reasonable period of time after the request
21 is made, shall be informed of the content of a course in the health
22 education curriculum and may examine textbooks and other classroom
23 materials that are provided to the pupil or materials that are
24 presented to the pupil in the classroom. This subsection does not
25 require a school board to permit pupil or parental examination of
26 test questions and answers, scoring keys, or other examination
27 instruments or data used to administer an academic examination.

1 Sec. 1136. From the funds appropriated in part 1 for prenatal
2 care outreach and service delivery support, \$700,000.00 shall be
3 allocated for a pregnancy and parenting support services program as
4 a pilot project, which program must promote childbirth and
5 alternatives to abortion. The department shall establish a program
6 with a qualified contractor that will contract with qualified
7 service providers to provide free counseling, support, and referral
8 services to eligible women during pregnancy through 12 months after
9 birth. As appropriate, the goals for client outcomes shall include
10 an increase in client support, an increase in childbirth choice, an
11 increase in adoption knowledge, an improvement in parenting skills,
12 and improved reproductive health through abstinence education. The
13 contractor of the program shall provide for program training,
14 client educational material, program marketing, and annual service
15 provider site monitoring.

16 Sec. 1137. From the funds appropriated in part 1 for prenatal
17 care outreach and service delivery support, not less than
18 \$500,000.00 of new funding shall be allocated for evidence-based
19 programs to reduce infant mortality including nurse family
20 partnership programs. The funds shall be used for enhanced support
21 and education to nursing teams or other teams of qualified health
22 professionals, client recruitment in areas designated as
23 underserved for obstetrical and gynecological services and other
24 high-need communities, strategic planning to expand and sustain
25 programs, and marketing and communications of programs to raise
26 awareness, engage stakeholders, and recruit nurses.

27 Sec. 1138. The department shall allocate funds appropriated in

1 section 113 of part 1 for family, maternal, and children's health
2 services pursuant to section 1 of 2002 PA 360, MCL 333.1091.

3 **CHILDREN'S SPECIAL HEALTH CARE SERVICES**

4 Sec. 1202. The department may do 1 or more of the following:

5 (a) Provide special formula for eligible clients with
6 specified metabolic and allergic disorders.

7 (b) Provide medical care and treatment to eligible patients
8 with cystic fibrosis who are 21 years of age or older.

9 (c) Provide medical care and treatment to eligible patients
10 with hereditary coagulation defects, commonly known as hemophilia,
11 who are 21 years of age or older.

12 (d) Provide human growth hormone to eligible patients.

13 Sec. 1204. By October 1 of the current fiscal year, the
14 department shall report to the senate and house appropriations
15 committees on community health and the senate and house fiscal
16 agencies on its plan for enrolling Medicaid-eligible children's
17 special health care services recipients in the Medicaid health
18 plans. The report shall include information on which Medicaid
19 health plans are participating, the methods used to assure
20 continuity of care and continuity of ongoing relationships with
21 providers, and projected savings from the implementation of the
22 proposal.

23 Sec. 1205. From the funds appropriated in part 1 for medical
24 care and treatment, the department is authorized to spend up to
25 \$500,000.00 for the continued development and expansion of
26 telemedicine capacity to allow families with children in the

1 children's special health care services program to access specialty
2 providers more readily and in a more timely manner.

3 **CRIME VICTIM SERVICES COMMISSION**

4 Sec. 1302. From the funds appropriated in part 1 for justice
5 assistance grants, up to \$200,000.00 shall be allocated for
6 expansion of forensic nurse examiner programs to facilitate
7 training for improved evidence collection for the prosecution of
8 sexual assault. The funds shall be used for program coordination
9 and training.

10 **OFFICE OF SERVICES TO THE AGING**

11 Sec. 1403. (1) By February 1 of the current fiscal year, the
12 office of services to the aging shall require each region to report
13 to the office of services to the aging and to the legislature home-
14 delivered meals waiting lists based upon standard criteria.
15 Determining criteria shall include all of the following:

16 (a) The recipient's degree of frailty.

17 (b) The recipient's inability to prepare his or her own meals
18 safely.

19 (c) Whether the recipient has another care provider available.

20 (d) Any other qualifications normally necessary for the
21 recipient to receive home-delivered meals.

22 (2) Data required in subsection (1) shall be recorded only for
23 individuals who have applied for participation in the home-
24 delivered meals program and who are initially determined as likely
25 to be eligible for home-delivered meals.

1 Sec. 1417. The department shall provide to the senate and
2 house appropriations subcommittees on community health, senate and
3 house fiscal agencies, and state budget director a report by March
4 30 of the current fiscal year that contains all of the following:

5 (a) The total allocation of state resources made to each area
6 agency on aging by individual program and administration.

7 (b) Detail expenditure by each area agency on aging by
8 individual program and administration including both state-funded
9 resources and locally-funded resources.

10 Sec. 1420. If funds become available, the department shall
11 create a pilot project to establish an aging care management
12 services program with services provided solely by nurses. This
13 pilot project shall be established in a county with a population
14 greater than 150,000 but less than 250,000.

15 Sec. 1421. From the funds appropriated in part 1 for community
16 services, \$1,100,000.00 shall be allocated to area agencies on
17 aging for locally determined needs.

18 **MEDICAL SERVICES ADMINISTRATION**

19 Sec. 1501. The unexpended funds appropriated in part 1 for the
20 electronic health records incentive program are considered work
21 project appropriations, and any unencumbered or unallotted funds
22 are carried forward into the following fiscal year. The following
23 is in compliance with section 451a(1) of the management and budget
24 act, 1984 PA 431, MCL 18.1451a:

25 (a) The purpose of the project to be carried forward is to
26 implement the Medicaid electronic health record program that

1 provides financial incentive payments to Medicaid health care
2 providers to encourage the adoption and meaningful use of
3 electronic health records to improve quality, increase efficiency,
4 and promote safety.

5 (b) The projects will be accomplished according to the
6 approved federal advanced planning document.

7 (c) The estimated cost of this project phase is identified in
8 the appropriation line item.

9 (d) The tentative completion date for the work project is
10 September 30, 2018.

11 Sec. 1502. From the funds appropriated in part 1 for the
12 medical services administration, the department shall spend
13 \$300,000.00 general fund general purpose plus any associated
14 federal match to create and develop a transparency database
15 website. This funding is contingent upon enactment of enabling
16 legislation.

17 **MEDICAL SERVICES**

18 Sec. 1601. The cost of remedial services incurred by residents
19 of licensed adult foster care homes and licensed homes for the aged
20 shall be used in determining financial eligibility for the
21 medically needy. Remedial services include basic self-care and
22 rehabilitation training for a resident.

23 Sec. 1603. (1) The department may establish a program for
24 individuals to purchase medical coverage at a rate determined by
25 the department.

26 (2) The department may receive and expend premiums for the

1 buy-in of medical coverage in addition to the amounts appropriated
2 in part 1.

3 (3) The premiums described in this section shall be classified
4 as private funds.

5 Sec. 1605. The protected income level for Medicaid coverage
6 determined pursuant to section 106(1)(b)(iii) of the social welfare
7 act, 1939 PA 280, MCL 400.106, shall be 100% of the related public
8 assistance standard.

9 Sec. 1606. For the purpose of guardian and conservator
10 charges, the department of community health may deduct up to \$60.00
11 per month as an allowable expense against a recipient's income when
12 determining medical services eligibility and patient pay amounts.

13 Sec. 1607. (1) An applicant for Medicaid, whose qualifying
14 condition is pregnancy, shall immediately be presumed to be
15 eligible for Medicaid coverage unless the preponderance of evidence
16 in her application indicates otherwise. The applicant who is
17 qualified as described in this subsection shall be allowed to
18 select or remain with the Medicaid participating obstetrician of
19 her choice.

20 (2) An applicant qualified as described in subsection (1)
21 shall be given a letter of authorization to receive Medicaid
22 covered services related to her pregnancy. All qualifying
23 applicants shall be entitled to receive all medically necessary
24 obstetrical and prenatal care without preauthorization from a
25 health plan. All claims submitted for payment for obstetrical and
26 prenatal care shall be paid at the Medicaid fee-for-service rate in
27 the event a contract does not exist between the Medicaid

1 participating obstetrical or prenatal care provider and the managed
2 care plan. The applicant shall receive a listing of Medicaid
3 physicians and managed care plans in the immediate vicinity of the
4 applicant's residence.

5 (3) In the event that an applicant, presumed to be eligible
6 pursuant to subsection (1), is subsequently found to be ineligible,
7 a Medicaid physician or managed care plan that has been providing
8 pregnancy services to an applicant under this section is entitled
9 to reimbursement for those services until such time as they are
10 notified by the department that the applicant was found to be
11 ineligible for Medicaid.

12 (4) If the preponderance of evidence in an application
13 indicates that the applicant is not eligible for Medicaid, the
14 department shall refer that applicant to the nearest public health
15 clinic or similar entity as a potential source for receiving
16 pregnancy-related services.

17 (5) The department shall develop an enrollment process for
18 pregnant women covered under this section that facilitates the
19 selection of a managed care plan at the time of application.

20 (6) The department shall mandate enrollment of women, whose
21 qualifying condition is pregnancy, into Medicaid managed care
22 plans.

23 (7) The department shall encourage physicians to provide
24 women, whose qualifying condition for Medicaid is pregnancy, with a
25 referral to a Medicaid participating dentist at the first
26 pregnancy-related appointment.

27 Sec. 1611. (1) For care provided to medical services

1 recipients with other third-party sources of payment, medical
2 services reimbursement shall not exceed, in combination with such
3 other resources, including Medicare, those amounts established for
4 medical services-only patients. The medical services payment rate
5 shall be accepted as payment in full. Other than an approved
6 medical services co-payment, no portion of a provider's charge
7 shall be billed to the recipient or any person acting on behalf of
8 the recipient. Nothing in this section shall be considered to
9 affect the level of payment from a third-party source other than
10 the medical services program. The department shall require a
11 nonenrolled provider to accept medical services payments as payment
12 in full.

13 (2) Notwithstanding subsection (1), medical services
14 reimbursement for hospital services provided to dual
15 Medicare/medical services recipients with Medicare part B coverage
16 only shall equal, when combined with payments for Medicare and
17 other third-party resources, if any, those amounts established for
18 medical services-only patients, including capital payments.

19 Sec. 1620. (1) For fee-for-service recipients who do not
20 reside in nursing homes, the pharmaceutical dispensing fee shall be
21 \$2.75 or the pharmacy's usual or customary cash charge, whichever
22 is less. For nursing home residents, the pharmaceutical dispensing
23 fee shall be \$3.00 or the pharmacy's usual or customary cash
24 charge, whichever is less.

25 (2) The department shall require a prescription co-payment for
26 Medicaid recipients of \$1.00 for a generic drug and \$3.00 for a
27 brand-name drug, except as prohibited by federal or state law or

1 regulation.

2 Sec. 1629. The department shall utilize maximum allowable cost
3 pricing for generic drugs that is based on wholesaler pricing to
4 providers that is available from at least 2 wholesalers who deliver
5 in the state of Michigan.

6 Sec. 1631. (1) The department shall require co-payments on
7 dental, podiatric, and vision services provided to Medicaid
8 recipients, except as prohibited by federal or state law or
9 regulation.

10 (2) Except as otherwise prohibited by federal or state law or
11 regulations, the department shall require Medicaid recipients to
12 pay the following co-payments:

13 (a) Two dollars for a physician office visit.

14 (b) Three dollars for a hospital emergency room visit.

15 (c) Fifty dollars for the first day of an inpatient hospital
16 stay.

17 (d) One dollar for an outpatient hospital visit.

18 Sec. 1641. An institutional provider that is required to
19 submit a cost report under the medical services program shall
20 submit cost reports completed in full within 5 months after the end
21 of its fiscal year.

22 Sec. 1657. (1) Reimbursement for medical services to screen
23 and stabilize a Medicaid recipient, including stabilization of a
24 psychiatric crisis, in a hospital emergency room shall not be made
25 contingent on obtaining prior authorization from the recipient's
26 HMO. If the recipient is discharged from the emergency room, the
27 hospital shall notify the recipient's HMO within 24 hours of the

1 diagnosis and treatment received.

2 (2) If the treating hospital determines that the recipient
3 will require further medical service or hospitalization beyond the
4 point of stabilization, that hospital shall receive authorization
5 from the recipient's HMO prior to admitting the recipient.

6 (3) Subsections (1) and (2) do not require an alteration to an
7 existing agreement between an HMO and its contracting hospitals and
8 do not require an HMO to reimburse for services that are not
9 considered to be medically necessary.

10 Sec. 1659. The following sections of this article are the only
11 ones that shall apply to the following Medicaid managed care
12 programs, including the comprehensive plan, MIChoice long-term care
13 plan, and the mental health, substance abuse, and developmentally
14 disabled services program: 404, 411, 418, 428, 474, 494, 1607,
15 1657, 1662, 1689, 1699, 1740, 1756, 1764, 1815, 1820, 1850, and
16 1881.

17 Sec. 1662. (1) The department shall assure that an external
18 quality review of each contracting HMO is performed that results in
19 an analysis and evaluation of aggregated information on quality,
20 timeliness, and access to health care services that the HMO or its
21 contractors furnish to Medicaid beneficiaries.

22 (2) The department shall require Medicaid HMOs to provide
23 EPSDT utilization data through the encounter data system, and HEDIS
24 well child health measures in accordance with the national
25 committee for quality assurance prescribed methodology.

26 (3) The department shall provide a copy of the analysis of the
27 Medicaid HMO annual audited HEDIS reports and the annual external

1 quality review report to the senate and house of representatives
2 appropriations subcommittees on community health, the senate and
3 house fiscal agencies, and the state budget director, within 30
4 days of the department's receipt of the final reports from the
5 contractors.

6 Sec. 1670. (1) The appropriation in part 1 for the MICHild
7 program is to be used to provide comprehensive health care to all
8 children under age 19 who reside in families with income at or
9 below 200% of the federal poverty level, who are uninsured and have
10 not had coverage by other comprehensive health insurance within 6
11 months of making application for MICHild benefits, and who are
12 residents of this state. The department shall develop detailed
13 eligibility criteria through the medical services administration
14 public concurrence process, consistent with the provisions of this
15 article. Health coverage for children in families between 150% and
16 200% of the federal poverty level shall be provided through a
17 state-based private health care program.

18 (2) The department may provide up to 1 year of continuous
19 eligibility to children eligible for the MICHild program unless the
20 family fails to pay the monthly premium, a child reaches age 19, or
21 the status of the children's family changes and its members no
22 longer meet the eligibility criteria as specified in the federally
23 approved MICHild state plan.

24 (3) Children whose category of eligibility changes between the
25 Medicaid and MICHild programs shall be assured of keeping their
26 current health care providers through the current prescribed course
27 of treatment for up to 1 year, subject to periodic reviews by the

1 department if the beneficiary has a serious medical condition and
2 is undergoing active treatment for that condition.

3 (4) To be eligible for the MICHild program, a child must be
4 residing in a family with an adjusted gross income of less than or
5 equal to 200% of the federal poverty level. The department's
6 verification policy shall be used to determine eligibility.

7 (5) The department shall contract with Medicaid health plans
8 to provide physical health services to MICHild enrollees. The
9 department may continue to obtain physical health services for
10 MICHild enrollees from health maintenance organizations and
11 preferred provider organizations currently under contract for
12 whatever duration is needed as determined by the department. The
13 department shall contractually require that health plans pay out-
14 of-network providers at the department fee schedule. The department
15 shall contract with qualified dental plans to provide dental
16 coverage for MICHild enrollees.

17 (6) The department may enter into contracts to obtain certain
18 MICHild services from community mental health service programs.

19 (7) The department may make payments on behalf of children
20 enrolled in the MICHild program from the line-item appropriation
21 associated with the program as described in the MICHild state plan
22 approved by the United States department of health and human
23 services, or from other medical services.

24 (8) The department shall assure that an external quality
25 review of each MICHild contractor, as described in subsection (5),
26 is performed, which analyzes and evaluates the aggregated
27 information on quality, timeliness, and access to health care

1 services that the contractor furnished to MICHild beneficiaries.

2 (9) The department shall develop an automatic enrollment
3 algorithm that is based on quality and performance factors.

4 (10) MICHild services shall include treatment for autism
5 spectrum disorders as defined in the federally approved Medicaid
6 state plan.

7 Sec. 1673. The department may establish premiums for MICHild
8 eligible individuals in families with income above 150% of the
9 federal poverty level. The monthly premiums shall not be less than
10 \$10.00 or exceed \$15.00 for a family.

11 Sec. 1677. The MICHild program shall provide all benefits
12 available under the state employee insurance plan that are
13 delivered through contracted providers and consistent with federal
14 law, including, but not limited to, the following medically
15 necessary services:

16 (a) Inpatient mental health services, other than substance
17 abuse treatment services, including services furnished in a state-
18 operated mental hospital and residential or other 24-hour
19 therapeutically planned structured services.

20 (b) Outpatient mental health services, other than substance
21 abuse services, including services furnished in a state-operated
22 mental hospital and community-based services.

23 (c) Durable medical equipment and prosthetic and orthotic
24 devices.

25 (d) Dental services as outlined in the approved MICHild state
26 plan.

27 (e) Substance abuse treatment services that may include

1 inpatient, outpatient, and residential substance abuse treatment
2 services.

3 (f) Care management services for mental health diagnoses.

4 (g) Physical therapy, occupational therapy, and services for
5 individuals with speech, hearing, and language disorders.

6 (h) Emergency ambulance services.

7 Sec. 1682. (1) The department shall implement enforcement
8 actions as specified in the nursing facility enforcement provisions
9 of section 1919 of title XIX, 42 USC 1396r.

10 (2) In addition to the appropriations in part 1, the
11 department is authorized to receive and spend penalty money
12 received as the result of noncompliance with medical services
13 certification regulations. Penalty money, characterized as private
14 funds, received by the department shall increase authorizations and
15 allotments in the long-term care accounts.

16 (3) The department is authorized to provide civil monetary
17 penalty funds to the disability network/Michigan to be distributed
18 to the 15 centers for independent living for the purpose of
19 assisting individuals with disabilities who reside in nursing homes
20 to return to their own homes.

21 (4) The department is authorized to use civil monetary penalty
22 funds to conduct a survey evaluating consumer satisfaction and the
23 quality of care at nursing homes. Factors can include, but are not
24 limited to, the level of satisfaction of nursing home residents,
25 their families, and employees. The department may use an
26 independent contractor to conduct the survey.

27 (5) Any unexpended penalty money, at the end of the year,

1 shall carry forward to the following year.

2 Sec. 1689. By April 30 of the current fiscal year, the
3 department shall provide a report to the senate and house
4 appropriations subcommittees on community health and the senate and
5 house fiscal agencies that presents the number of individuals
6 transitioned from nursing homes to the home- and community-based
7 services waiver program, the number of individuals enrolled into
8 the home- and community-based services waiver program from the
9 community, the number of unique individuals served, the number of
10 days of care provided during the fiscal year, the estimated average
11 cost per day, and the number of individuals on waiting lists for
12 the home- and community-based services waiver program as of
13 September 30 of the previous fiscal year.

14 Sec. 1692. (1) The department is authorized to pursue
15 reimbursement for eligible services provided in Michigan schools
16 from the federal Medicaid program. The department and the state
17 budget director are authorized to negotiate and enter into
18 agreements, together with the department of education, with local
19 and intermediate school districts regarding the sharing of federal
20 Medicaid services funds received for these services. The department
21 is authorized to receive and disburse funds to participating school
22 districts pursuant to such agreements and state and federal law.

23 (2) From the funds appropriated in part 1 for medical services
24 school-based services payments, the department is authorized to do
25 all of the following:

26 (a) Finance activities within the medical services
27 administration related to this project.

1 (b) Reimburse participating school districts pursuant to the
2 fund-sharing ratios negotiated in the state-local agreements
3 authorized in subsection (1).

4 (c) Offset general fund costs associated with the medical
5 services program.

6 Sec. 1693. The special Medicaid reimbursement appropriation in
7 part 1 may be increased if the department submits a medical
8 services state plan amendment pertaining to this line item at a
9 level higher than the appropriation. The department is authorized
10 to appropriately adjust financing sources in accordance with the
11 increased appropriation.

12 Sec. 1694. (1) From the funds appropriated in part 1 for
13 special Medicaid reimbursement, \$378,000.00 of general fund general
14 purpose revenue and any associated federal match shall be
15 distributed for poison control services to an academic health care
16 system that includes a children's hospital that has a high indigent
17 care volume.

18 (2) By March 1 of the current fiscal year, the department
19 shall report to the senate and house appropriations subcommittees
20 on community health and the senate and house fiscal agencies on the
21 adequacy of the payment described in subsection (1).

22 Sec. 1699. (1) The department may make separate payments in
23 the amount of \$45,000,000.00 directly to qualifying hospitals
24 serving a disproportionate share of indigent patients and to
25 hospitals providing GME training programs. If direct payment for
26 GME and DSH is made to qualifying hospitals for services to
27 Medicaid clients, hospitals shall not include GME costs or DSH

1 payments in their contracts with HMOs.

2 (2) The department shall allocate \$45,000,000.00 in DSH
3 funding using the distribution methodology used in fiscal year
4 2003-2004.

5 (3) By September 30 of the current fiscal year, the department
6 shall report to the senate and house appropriations subcommittees
7 on community health and the senate and house fiscal agencies on the
8 new distribution of funding to each eligible hospital from the GME
9 and DSH pools.

10 Sec. 1724. The department shall allow licensed pharmacies to
11 purchase injectable drugs for the treatment of respiratory
12 syncytial virus for shipment to physicians' offices to be
13 administered to specific patients. If the affected patients are
14 Medicaid eligible, the department shall reimburse pharmacies for
15 the dispensing of the injectable drugs and reimburse physicians for
16 the administration of the injectable drugs.

17 Sec. 1740. From the funds appropriated in part 1 for health
18 plan services, the department shall assure that all GME funds
19 continue to be promptly distributed to qualifying hospitals using
20 the methodology developed in consultation with the graduate medical
21 education advisory group during fiscal year 2006-2007.

22 Sec. 1756. The department shall develop a plan to expand and
23 improve the beneficiary monitoring program. The department shall
24 submit this plan to the house and senate appropriations
25 subcommittees on community health, the house and senate fiscal
26 agencies, and the state budget director by April 1 of the current
27 fiscal year.

1 Sec. 1757. The department shall direct the department of human
2 services to obtain proof from all Medicaid recipients that they are
3 legal United States citizens or otherwise legally residing in this
4 country and that they are residents of this state before approving
5 Medicaid eligibility.

6 Sec. 1764. The department shall annually certify rates paid to
7 Medicaid health plans and specialty prepaid inpatient health plans
8 as being actuarially sound in accordance with federal requirements
9 and shall provide a copy of the rate certification and approval
10 immediately to the house and senate appropriations subcommittees on
11 community health and the house and senate fiscal agencies. The
12 department shall consider, in the case of Medicaid policy bulletins
13 affecting Medicaid health plans issued after the federal approval
14 of rates, including an economic analysis of the impact of the
15 approved rates on the Medicaid health plans.

16 Sec. 1775. If the state's application for a waiver to
17 implement managed care for dual Medicare/Medicaid eligibles is
18 approved by the federal government, the department shall provide
19 quarterly reports to the senate and house appropriations
20 subcommittees on community health and the senate and house fiscal
21 agencies on progress in implementing the waiver.

22 Sec. 1777. From the funds appropriated in part 1 for long-term
23 care services, the department shall permit, in accordance with
24 applicable federal and state law, nursing homes to use dining
25 assistants to feed eligible residents if legislation to permit the
26 use of dining assistants is enacted into law. The department shall
27 not be responsible for costs associated with training dining

1 assistants.

2 Sec. 1793. The department shall consider the development of a
3 pilot project that focuses on the prevention of preventable
4 hospitalizations from nursing homes.

5 Sec. 1804. The department, in cooperation with the department
6 of human services and the department of military and veterans
7 affairs, shall work with the federal public assistance reporting
8 information system to identify Medicaid recipients who are veterans
9 and who may be eligible for federal veterans health care benefits
10 or other benefits.

11 Sec. 1815. From the funds appropriated in part 1 for health
12 plan services, the department shall not implement a capitation
13 withhold as part of the overall capitation rate schedule that
14 exceeds the 0.19% withhold administered during fiscal year 2008-
15 2009.

16 Sec. 1820. (1) In order to avoid duplication of efforts, the
17 department shall utilize applicable national accreditation review
18 criteria to determine compliance with corresponding state
19 requirements for Medicaid health plans that have been reviewed and
20 accredited by a national accrediting entity for health care
21 services.

22 (2) Upon submission by Medicaid health plans of a listing of
23 program requirements that are part of the state program review
24 criteria but are not reviewed by an applicable national accrediting
25 entity, the department shall review the listing and provide a
26 recommendation to the house and senate appropriations subcommittees
27 on community health, the house and senate fiscal agencies, and the

1 state budget office as to whether or not state program review
2 should continue. The Medicaid health plans may request the
3 department to convene a workgroup to fulfill this section.

4 (3) The department shall continue to comply with state and
5 federal law and shall not initiate an action that negatively
6 impacts beneficiary safety.

7 (4) As used in this section, "national accrediting entity"
8 means the national committee for quality assurance, the utilization
9 review accreditation committee, or other appropriate entity, as
10 approved by the department.

11 (5) By July 1 of the current fiscal year, the department shall
12 provide a progress report to the house and senate appropriations
13 subcommittees on community health, the house and senate fiscal
14 agencies, and the state budget office on implementation of this
15 section.

16 Sec. 1837. The department shall explore utilization of
17 telemedicine and telepsychiatry as strategies to increase access to
18 services for Medicaid recipients in medically underserved areas.

19 Sec. 1842. (1) Subject to the availability of funds, the
20 department shall adjust the hospital outpatient Medicaid
21 reimbursement rate for qualifying hospitals as provided in this
22 section. The Medicaid reimbursement rate for qualifying hospitals
23 shall be adjusted to provide each qualifying hospital with its
24 actual cost of delivering outpatient services to Medicaid
25 recipients.

26 (2) As used in this section, "qualifying hospital" means a
27 hospital that has not more than 50 staffed beds and is either

1 located outside a metropolitan statistical area or in a
2 metropolitan statistical area but within a city, village, or
3 township with a population of not more than 12,000 according to the
4 official 2000 federal decennial census and within a county with a
5 population of not more than 165,000 according to the official 2000
6 federal decennial census.

7 Sec. 1846. (1) The department shall conduct research on the
8 effectiveness of graduate medical education funding.

9 (2) The research shall do all of the following:

10 (a) Identify physician shortages by practice and geographic
11 area.

12 (b) Consider efforts by other states to use graduate medical
13 education funding to address shortages.

14 (c) Consider policy changes to the graduate medical education
15 program to reduce practitioner shortages.

16 (3) The department shall report the results of the research to
17 the senate and house appropriations subcommittees on community
18 health, the senate and house fiscal agencies, and the state budget
19 director by April 1 of the current fiscal year.

20 Sec. 1847. The department shall create a structure for an
21 ambulance quality assurance assessment program in consultation with
22 the Michigan association of ambulance services by April 1 of the
23 current fiscal year.

24 Sec. 1850. The department may allow Medicaid health plans to
25 assist with the redetermination process through outreach activities
26 to ensure continuation of Medicaid eligibility and enrollment in
27 managed care. This may include mailings, telephone contact, or

1 face-to-face contact with beneficiaries enrolled in the individual
2 Medicaid health plan. Health plans may offer assistance in
3 completing paperwork for beneficiaries enrolled in their plan.

4 Sec. 1854. The department may work with a provider of kidney
5 dialysis services and renal care as authorized under section 2703
6 of the patient protection and affordable care act, Public Law 111-
7 148, to develop a chronic condition health home program for
8 Medicaid enrollees identified with chronic kidney disease and who
9 are beginning dialysis. When initiated, the department shall
10 develop metrics that evaluate program effectiveness and submit a
11 report by June 1 of the current fiscal year to the senate and house
12 appropriations subcommittees on community health. Metrics shall
13 include cost savings and clinical outcomes.

14 Sec. 1857. It is the intent of the legislature that the
15 department not reduce Medicaid reimbursement for wheelchairs.

16 Sec. 1858. Medicaid services shall include treatment for
17 autism spectrum disorders as defined in the federally approved
18 Medicaid state plan. Such alternatives may be coordinated with the
19 Medicaid health plans and the Michigan association of health plans.

20 Sec. 1861. On or before October 31 of the current fiscal year,
21 the department shall provide the house and senate appropriations
22 subcommittees on community health and the house and senate fiscal
23 agencies its report regarding the pilot program involving
24 nonemergency medical transportation offered to Medicaid recipients.

25 Sec. 1862. From the funds appropriated in part 1, the
26 department shall continue the rate increase for Medicaid
27 obstetrical services at not less than what was in effect on October

1 1, 2012.

2 Sec. 1865. Upon federal approval of the department's proposal
3 for integrated care for individuals who are dual Medicare/Medicaid
4 eligibles, the department shall provide the senate and house
5 appropriations subcommittees on community health and the senate and
6 house fiscal agencies its plan and organizational chart for
7 administering and providing oversight of this proposal. The plan
8 shall include information on how the department intends to organize
9 staff in an integrated manner to ensure that key components of the
10 proposal are implemented effectively.

11 Sec. 1866. (1) From the funds appropriated in part 1 for
12 hospital services and therapy, \$12,000,000.00 in general
13 fund/general purpose revenue and any associated federal match shall
14 be awarded to hospitals that meet criteria established by the
15 department for services to low-income rural residents. One of the
16 reimbursement components of the distribution formula shall be
17 assistance with labor and delivery services.

18 (2) No hospital or hospital system shall receive more than
19 5.0% of the total funding referenced in subsection (1).

20 (3) To allow hospitals to understand their rural payment
21 amounts under this section, the department shall provide hospitals
22 with the methodology for distribution under this section and
23 provide each hospital with its applicable data that are used to
24 determine the payment amounts by August 1 of the current fiscal
25 year. The department shall publish the distribution of payments for
26 the current fiscal year and the immediately preceding fiscal year.

27 (4) The department shall report to the senate and house

1 appropriations subcommittees on community health and the senate and
2 house fiscal agencies on the distribution of funds referenced in
3 subsection (1) by April 1 of the current fiscal year.

4 Sec. 1870. (1) The department shall work in collaboration with
5 medical school-affiliated faculty practice physician groups that
6 are capable of developing freestanding residency programs to create
7 a Michigan graduate medical education consortium. The consortium
8 shall develop accredited physician-based primary care graduate
9 medical education programs to enhance the training of primary care
10 physicians in Michigan. The consortium shall provide an actionable
11 plan to the legislature no later than March 31 of the current
12 fiscal year.

13 (2) The department shall explore seeking a federal waiver to
14 implement a program similar to the Utah Medicare graduate medical
15 education demonstration project.

16 Sec. 1872. The department shall consider creating a pilot
17 program to prevent or reduce the costs associated with lower
18 extremity diabetic care, ulcerations, and amputations. If such a
19 pilot program is created, the department shall work with the
20 Michigan podiatric medical association to improve the quality of
21 lower extremity diabetic care.

22 Sec. 1873. The department shall report on the findings of the
23 workgroup established to discuss new ways to distribute hospital
24 funding through the Michigan access to care initiative, the
25 hospital rate adjustor payments, and the quality assurance
26 assessment program. The department shall report to the senate and
27 house subcommittees on community health on the findings of the

1 workgroup by April 1 of the current fiscal year.

2 Sec. 1874. The department may explore ways to work with
3 private providers to develop fraud management solutions to reduce
4 fraud, waste, and abuse in this state's Medicaid program.

5 Sec. 1875. The department may seek to expand home- and
6 community-based services and seek enhanced match funding pursuant
7 to federal law.

8 Sec. 1878. In any project negotiated with the federal
9 government for integrated health care of individuals dually
10 enrolled in Medicaid and Medicare, the department shall seek to
11 assure the existence of an ombudsman program that is not associated
12 with any project service manager or provider. For activities to be
13 undertaken by the ombudsman program, the department shall include,
14 but is not limited to, assisting beneficiaries with navigating
15 complaint and dispute resolution mechanisms, identifying problems
16 in the project's complaint and dispute resolution mechanisms, and
17 reporting to the executive and legislative branches on any such
18 problems and potential solutions for them.

19 Sec. 1879. In any program of integrated service for persons
20 dually enrolled in Medicaid and Medicare that the department
21 negotiates with the federal government, the department shall seek
22 to use the Medicare Part D benefit for prescription drug coverage.

23 Sec. 1881. The department shall create a default eligibility
24 and enrollment determination for newborns so that newborns are
25 assigned to the same Medicaid health plan as the mother at the time
26 of birth.

27 Sec. 1883. For the purposes of more effectively managing

1 inpatient care for Medicaid health plans and Medicaid fee-for-
2 service, the department shall consider developing an appropriate
3 policy and rate for observation stays.

4 Sec. 1886. The department shall work in conjunction with the
5 workgroup established by the department of human services to
6 determine how the state can maximize Medicaid claims for community-
7 based and outpatient treatment services to foster care children and
8 adjudicated youths who are placed in community-based treatment
9 programs. The department shall report to the senate and house and
10 appropriations subcommittees on community health, the senate and
11 house fiscal agencies, the senate and house policy offices, and the
12 state budget office by March 1 of the current fiscal year on the
13 findings of the workgroup.

14 **ONE-TIME APPROPRIATIONS**

15 Sec. 1901. (1) The department may expend funds to achieve
16 mental health innovations which address emerging issues and improve
17 mental health services for children.

18 (2) The unexpended funds appropriated for mental health
19 innovations are considered work project appropriations, and any
20 unencumbered or unallotted funds are carried forward into the
21 following fiscal year. The following is in compliance with section
22 451a(1) of the management and budget act, 1984 PA 431, MCL
23 18.1451a:

24 (a) The purpose of the project to be carried forward is to
25 improve mental health services for children in Michigan.

26 (b) The project will be accomplished through early

1 intervention focusing on training and awareness, home-based
2 services, as well as care management and treatment for high risk
3 youth.

4 (c) The estimated completion cost is \$5,000,000.00.

5 (d) The tentative completion date is September 30, 2018.

6 Sec. 1902. From the funds appropriated in part 1 for
7 university autism centers and services, the department shall make
8 the following allocations:

9 (a) \$500,000.00 to the Eastern Michigan University autism
10 center.

11 (b) \$500,000.00 to the Central Michigan University central
12 assessment lending library.

13 (c) \$500,000.00 to the Oakland University center for autism
14 research, education, and support.

15 (d) \$500,000.00 to the Western Michigan University autism
16 center of excellence.

17 PART 2A

18 PROVISIONS CONCERNING ANTICIPATED APPROPRIATIONS

19 FOR FISCAL YEAR 2014-2015

20 **GENERAL SECTIONS**

21 Sec. 2001. It is the intent of the legislature to provide
22 appropriations for the fiscal year ending on September 30, 2015 for
23 the line items listed in part 1. The fiscal year 2014-2015
24 appropriations are anticipated to be the same as those for fiscal
25 year 2013-2014, except that the line items will be adjusted for

1 changes in caseload and related costs, federal fund match rates,
2 economic factors, and available revenue. These adjustments will be
3 determined after the January 2014 consensus revenue estimating
4 conference.

5 Sec. 2002. It is the intent of the legislature that the
6 department identify the amounts for normal retirement costs and
7 legacy retirement costs for the fiscal year ending on September 30,
8 2015 for the line items listed in part 1.

9 ARTICLE V

10 DEPARTMENT OF CORRECTIONS

11 PART 1

12 LINE-ITEM APPROPRIATIONS

13 Sec. 101. There is appropriated for the department of
14 corrections for the fiscal year ending September 30, 2014, from the
15 following funds:

16 **DEPARTMENT OF CORRECTIONS**

17 APPROPRIATION SUMMARY

18	Average population	43,953	
19	Full-time equated unclassified positions.....	16.0	
20	Full-time equated classified positions.....	14,543.6	
21	GROSS APPROPRIATION.....		\$ 2,056,646,800
22	Interdepartmental grant revenues:		
23	Total interdepartmental grants and intradepartmental		
24	transfers		1,109,600
25	ADJUSTED GROSS APPROPRIATION.....		\$ 2,055,537,200

1	Federal revenues:	
2	Total federal revenues.....	8,852,500
3	Special revenue funds:	
4	Total local revenues.....	8,392,800
5	Total private revenues.....	0
6	Total other state restricted revenues.....	56,026,100
7	State general fund/general purpose.....	\$ 1,982,265,800
8	State general fund/general purpose schedule:	
9	Ongoing state general fund/general	
10	purpose	1,973,233,300
11	One-time state general fund/general	
12	purpose	9,032,500
13	Sec. 102. EXECUTIVE	
14	Full-time equated unclassified positions.....	16.0
15	Full-time equated classified positions.....	3.0
16	Unclassified positions--16.0 FTE positions.....	\$ 1,667,100
17	Executive direction--3.0 FTE positions.....	1,811,700
18	Neal, et al. settlement agreement.....	<u>20,000,000</u>
19	GROSS APPROPRIATION.....	\$ 23,478,800
20	Appropriated from:	
21	State general fund/general purpose.....	\$ 23,478,800
22	Sec. 103. PRISONER RE-ENTRY AND COMMUNITY SUPPORT	
23	Prisoner re-entry local service providers.....	\$ 14,211,500
24	Prisoner re-entry MDOC programs.....	12,929,200
25	Prisoner re-entry federal grants.....	1,035,000
26	Public safety initiative.....	4,500,000
27	Second chance employment - Goodwill's oil filter	

1	recycling project	250,000
2	H.I.R.E. - job training pilot program.....	<u>1,000,000</u>
3	GROSS APPROPRIATION.....	\$ 33,925,700
4	Appropriated from:	
5	Federal revenues:	
6	DOJ, prisoner reintegration.....	1,035,000
7	State general fund/general purpose.....	\$ 32,890,700
8	Sec. 104. CITY OF DETROIT DETENTION CENTER	
9	Full-time equated classified positions..... 63.1	
10	City of Detroit detention center--63.1 FTE positions .	\$ <u>8,126,600</u>
11	GROSS APPROPRIATION.....	\$ 8,126,600
12	Appropriated from:	
13	Special revenue funds:	
14	Local revenues.....	8,126,600
15	State general fund/general purpose.....	\$ 0
16	Sec. 105. OPERATIONS SUPPORT ADMINISTRATION	
17	Full-time equated classified positions..... 196.0	
18	Operations support administration--106.0 FTE positions	\$ 13,319,700
19	New custody staff training.....	8,963,800
20	Compensatory buyout and union leave bank.....	100
21	Worker's compensation.....	19,439,100
22	Bureau of fiscal management--65.0 FTE positions	8,111,100
23	Office of legal services--17.0 FTE positions	2,375,800
24	Internal affairs--8.0 FTE positions.....	937,400
25	Rent.....	2,107,800
26	Equipment and special maintenance.....	7,359,600
27	Administrative hearings officers.....	3,243,100

1	Judicial data warehouse user fees.....		50,000
2	Sheriffs' coordinating and training office.....		500,000
3	Prosecutorial and detainer expenses.....		4,551,000
4	County jail reimbursement program.....		<u>15,072,100</u>
5	GROSS APPROPRIATION.....	\$	86,030,600
6	Appropriated from:		
7	Interdepartmental grant revenues:		
8	IDG-MDSP, Michigan justice training fund.....		337,600
9	Special revenue funds:		
10	Jail reimbursement program fund.....		5,900,000
11	Special equipment fund.....		5,800,000
12	Local corrections officer training fund.....		500,000
13	Correctional industries revolving fund.....		590,000
14	State general fund/general purpose.....	\$	72,903,000
15	Sec. 106. FIELD OPERATIONS ADMINISTRATION		
16	Full-time equated classified positions.....	2,173.9	
17	Field operations--1,821.9 FTE positions.....		\$ 198,962,500
18	Parole board operations--41.0 FTE positions.....		4,749,200
19	Parole/probation services.....		2,243,500
20	Community re-entry centers--226.0 FTE positions.....		33,251,400
21	Electronic monitoring center--56.0 FTE positions.....		13,347,400
22	Community corrections administration--10.0 FTE		
23	positions.....		1,285,300
24	Substance abuse testing and treatment services--19.0		
25	FTE positions.....		22,366,600
26	Residential services.....		15,475,500
27	Community corrections comprehensive plans and services		12,158,000

1	Felony drunk driver jail reduction and community	
2	treatment program	<u>1,440,100</u>
3	GROSS APPROPRIATION.....	\$ 305,279,500
4	Appropriated from:	
5	Federal revenues:	
6	DOJ, office of justice programs, RSAT.....	575,700
7	Special revenue funds:	
8	Local - community tether program reimbursement	266,200
9	Re-entry center offender reimbursements	23,800
10	Parole and probation oversight fees	6,192,100
11	Parole and probation oversight fees set-aside	2,664,800
12	Tether program participant contributions	2,272,900
13	State general fund/general purpose	\$ 293,284,000
14	Sec. 107. CORRECTIONAL FACILITIES-ADMINISTRATION	
15	Full-time equated classified positions..... 1,059.0	
16	Correctional facilities administration--24.0 FTE	
17	positions	\$ 7,754,300
18	Prison food service--341.0 FTE positions	61,541,100
19	Transportation--211.0 FTE positions	25,955,600
20	Central records--53.0 FTE positions	5,506,700
21	Inmate legal services	715,900
22	Loans to parolees	20,000
23	Housing inmates in federal institutions	611,000
24	Prison store operations--63.0 FTE positions	5,590,000
25	Prison industries operations--123.0 FTE positions	18,056,600
26	Federal school lunch program	812,800
27	Leased beds and alternatives to leased beds	1,000,000

1	Public works programs.....	1,000,000
2	Cost-effective housing initiative.....	100
3	Inmate housing fund.....	100
4	Education program--244.0 FTE positions.....	<u>33,492,000</u>
5	GROSS APPROPRIATION.....	\$ 162,056,200
6	Appropriated from:	
7	Interdepartmental grant revenues:	
8	IDG-MDCH, forensic center food service.....	552,300
9	IDG-MDHS, Maxey/Woodland Center food service.....	219,700
10	Federal revenues:	
11	DAG-FNS, national school lunch.....	812,800
12	DED-OESE, title 1.....	552,500
13	DED-OVAE, adult education.....	943,800
14	DED-OSERS.....	114,100
15	DED, vocational education equipment.....	294,500
16	DED, youthful offender/Specter grant.....	1,365,400
17	DOJ-BOP, federal prisoner reimbursement.....	411,000
18	DOJ-OJP, serious and violent offender reintegration	
19	initiative.....	10,900
20	DOJ, prison rape elimination act grant.....	654,600
21	SSA-SSI, incentive payment.....	265,900
22	Federal education revenues.....	156,400
23	Special revenue funds:	
24	Correctional industries revolving fund.....	18,056,600
25	Public works user fees.....	1,000,000
26	Resident stores.....	5,590,000
27	State general fund/general purpose.....	\$ 131,055,700

1	Sec. 108. HEALTH CARE		
2	Full-time equated classified positions.....	1,521.3	
3	Health care administration--17.0 FTE positions.....		\$ 2,866,100
4	Prisoner health care services.....		91,953,100
5	Vaccination program.....		691,200
6	Interdepartmental grant to human services, eligibility		
7	specialists		100,000
8	Mental health services and support--363.0 FTE		
9	positions		58,194,900
10	Clinical complexes--1,141.3 FTE positions.....		<u>142,841,000</u>
11	GROSS APPROPRIATION.....		\$ 296,646,300
12	Appropriated from:		
13	Special revenue funds:		
14	Prisoner health care copayments.....		285,700
15	State general fund/general purpose.....		\$ 296,360,600
16	Sec. 109. NORTHERN REGION CORRECTIONAL FACILITIES		
17	Average population	20,731	
18	Full-time equated classified positions.....	4,226.4	
19	Alger correctional facility - Munising--261.2 FTE		
20	positions		\$ 31,097,300
21	Average population	889	
22	Baraga correctional facility - Baraga--295.8 FTE		
23	positions		34,144,400
24	Average population	884	
25	Earnest C. Brooks correctional facility - Muskegon--		
26	443.7 FTE positions		50,094,000
27	Average population	2,512	

1	Chippewa correctional facility - Kincheloe--436.3 FTE	
2	positions	48,537,300
3	Average population	2,282
4	Kinross correctional facility - Kincheloe--323.8 FTE	
5	positions	36,660,400
6	Average population	1,799
7	Marquette branch prison - Marquette--308.4 FTE	
8	positions	37,952,800
9	Average population	1,201
10	Muskegon correctional facility - Muskegon--208.4 FTE	
11	positions	22,989,200
12	Average population	1,338
13	Newberry correctional facility - Newberry--207.8 FTE	
14	positions	24,244,000
15	Average population	978
16	Oaks correctional facility - Eastlake--295.6 FTE	
17	positions	34,623,300
18	Average population	1,156
19	Ojibway correctional facility - Marenisco--201.1 FTE	
20	positions	22,451,300
21	Average population	1,090
22	Central Michigan correctional facility - St. Louis--	
23	394.6 FTE positions	45,116,900
24	Average population	2,554
25	Pugsley correctional facility - Kingsley--210.9 FTE	
26	positions	23,728,400
27	Average population	1,342

1	Saginaw correctional facility - Freeland--276.9 FTE		
2	positions		31,798,300
3	Average population	1,480	
4	St. Louis correctional facility - St. Louis--310.9 FTE		
5	positions		36,855,900
6	Average population	1,226	
7	Northern region administration and support--51.0 FTE		
8	positions		<u>4,306,100</u>
9	GROSS APPROPRIATION.....		\$ 484,599,600
10	Appropriated from:		
11	State general fund/general purpose.....		\$ 484,599,600
12	Sec. 110. SOUTHERN REGION CORRECTIONAL FACILITIES		
13	Average population	23,222	
14	Full-time equated classified positions.....	5,300.9	
15	Bellamy Creek correctional facility - Ionia--391.4 FTE		
16	positions		\$ 44,166,000
17	Average population	1,850	
18	Carson City correctional facility - Carson City--426.9		
19	FTE positions		47,434,500
20	Average population	2,440	
21	Cooper street correctional facility - Jackson--260.1		
22	FTE positions		28,658,700
23	Average population	1,799	
24	G. Robert Cotton correctional facility - Jackson--		
25	392.9 FTE positions		42,137,200
26	Average population	1,841	
27	Charles E. Egeler correctional facility - Jackson--		

1	371.7 FTE positions	46,515,800
2	Average population	1,376
3	Richard A. Handlon correctional facility - Ionia--	
4	246.4 FTE positions	28,250,000
5	Average population	1,373
6	Gus Harrison correctional facility - Adrian--446.1 FTE	
7	positions	49,362,600
8	Average population	2,342
9	Womens Huron Valley correctional complex - Ypsilanti--	
10	510.5 FTE positions	60,058,900
11	Average population	1,872
12	Ionia correctional facility - Ionia--293.8 FTE	
13	positions	33,526,800
14	Average population	654
15	Lakeland correctional facility - Coldwater--269.9 FTE	
16	positions	31,677,900
17	Average population	1,336
18	Macomb correctional facility - New Haven--295.0 FTE	
19	positions	33,743,000
20	Average population	1,376
21	Maxey/Woodland Center correctional facility - Whitmore	
22	Lake--274.9 FTE positions	32,224,500
23	Average population	328
24	Michigan reformatory - Ionia--310.6 FTE positions	36,826,100
25	Average population	1,338
26	Parnall correctional facility - Jackson--259.5 FTE	
27	positions	29,016,600

1	Average population	1,678	
2	Thumb correctional facility - Lapeer--286.2 FTE		
3	positions		32,912,300
4	Average population	1,219	
5	Special alternative incarceration program (Camp		
6	Cassidy Lake)--121.0 FTE positions.....		14,787,300
7	Average population	400	
8	Southern region administration and support--144.0 FTE		
9	positions		17,165,900
10	Ionia and Jackson area utilities.....		<u>7,586,200</u>
11	GROSS APPROPRIATION.....		\$ 616,050,300
12	Appropriated from:		
13	Federal revenues:		
14	Federal revenues and reimbursements.....		1,612,200
15	DOJ, state criminal alien assistance program.....		47,700
16	Special revenue funds:		
17	State restricted revenues and reimbursements.....		283,900
18	State general fund/general purpose.....		\$ 614,106,500
19	Sec. 111. INFORMATION TECHNOLOGY		
20	Information technology services and projects.....		\$ <u>25,420,700</u>
21	GROSS APPROPRIATION.....		\$ 25,420,700
22	Appropriated from:		
23	Special revenue funds:		
24	Correctional industries revolving fund.....		176,000
25	Parole and probation oversight fees set-aside.....		690,300
26	State general fund/general purpose.....		\$ 24,554,400
27	Sec. 112. CAPITAL OUTLAY		

1	Capital outlay - security improvements	\$	<u>6,000,000</u>
2	GROSS APPROPRIATION.....	\$	6,000,000
3	Appropriated from:		
4	Special revenue funds:		
5	Special equipment fund.....		6,000,000
6	State general fund/general purpose.....	\$	0
7	Sec. 113. ONE-TIME APPROPRIATIONS		
8	New custody training staff.....	\$	<u>9,032,500</u>
9	GROSS APPROPRIATION.....	\$	9,032,500
10	Appropriated from:		
11	State general fund/general purpose.....	\$	9,032,500

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FOR FISCAL YEAR 2013-2014

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 2013-2014 is \$2,038,291,900.00 and state spending from state resources to be paid to local units of government for fiscal year 2013-2014 is \$90,609,700.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF CORRECTIONS

Field operations - assumption of county

25	probation staff	\$	57,036,100
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1	Community corrections comprehensive plans	
2	and services	12,158,000
3	Community corrections residential services.....	15,475,500
4	Felony drunk driver jail reduction and	
5	community treatment program	1,440,100
6	Public safety initiative.....	<u>4,500,000</u>
7	TOTAL.....	\$ 90,609,700

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

11 Sec. 203. As used in this article:

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

16 (b) "Cost per prisoner" means the sum total of the funds
17 appropriated under part 1 for the following, divided by the
18 projected prisoner population in fiscal year 2013-2014:

- 19 (i) Northern and southern region correctional facilities.
- 20 (ii) Northern and southern region administration and support.
- 21 (iii) Northern and southern region clinical complexes.
- 22 (iv) Prisoner health care services.
- 23 (v) Health care administration.
- 24 (vi) Vaccination program.
- 25 (vii) Prison food service and federal school lunch program.
- 26 (viii) Transportation.
- 27 (ix) Inmate legal services.

- 1 (x) Correctional facilities administration.
2 (xi) Central records.
3 (xii) DOJ psychiatric plan.
4 (xiii) Worker's compensation.
5 (xiv) New custody staff training.
6 (xv) Prison store operations.
7 (xvi) Education services and federal education grants.
8 (xvii) Education program.
- 9 (c) "DAG" means the United States department of agriculture.
10 (d) "DAG-FNS" means the DAG food and nutrition service.
11 (e) "DED" means the United States department of education.
12 (f) "DED-OESE" means the DED office of elementary and
13 secondary education.
14 (g) "DED-OSERS" means the DED office of special education and
15 rehabilitative services.
16 (h) "DED-OVAE" means the DED office of vocational and adult
17 education.
18 (i) "Department" or "MDOC" means the Michigan department of
19 corrections.
20 (j) "DOJ" means the United States department of justice.
21 (k) "DOJ-BOP" means the DOJ bureau of prisons.
22 (l) "DOJ-OJP" means the DOJ office of justice programs.
23 (m) "Evidence-based practices" or "EBP" means a decision-
24 making process that integrates the best available research,
25 clinician expertise, and client characteristics.
26 (n) "FTE" means full-time equated.
27 (o) "GED" means general educational development certificate.

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

6 (q) "GPS" means global positioning system.

7 (r) "HIV" means human immunodeficiency virus.

8 (s) "H.I.R.E." means helping individuals return to employment.

9 (t) "IDG" means interdepartmental grant.

10 (u) "IDT" means intradepartmental transfer.

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

14 (w) "MDCH" means the Michigan department of community health.

15 (x) "Medicaid benefit" means a benefit paid or payable under a
16 program for medical assistance under the social welfare act, 1939
17 PA 280, MCL 400.1 to 400.119b.

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

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

25 (aa) "Offender eligibility criteria" means particular criminal
26 violations, state felony sentencing guidelines descriptors, and
27 offender characteristics developed by advisory boards and approved

1 by local units of government that identify the offenders suitable
2 for community corrections programs funded through the office of
3 community corrections.

4 (bb) "Offender success" means that an offender has, with the
5 support of the community, intervention of the field agent, and
6 benefit of any participation in programs and treatment, made an
7 adjustment while at liberty in the community such that he or she
8 has not been sentenced to or returned to prison for the conviction
9 of a new crime or the revocation of probation or parole.

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

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

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

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

26 (ee) "Programmatic success" means that the department program
27 or initiative has ensured that the offender has accomplished all of

1 the following:

2 (i) Obtained employment, has enrolled or participated in a
3 program of education or job training, or has investigated all bona
4 fide employment opportunities.

5 (ii) Obtained housing.

6 (iii) Obtained a state identification card.

7 (ff) "Recidivism" means the return of an individual to prison
8 within 3 years after he or she is released either with a new
9 sentence to prison or as a technical violator of parole conditions.

10 (gg) "RSAT" means residential substance abuse treatment.

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

14 (ii) "Serious mental illness" means that term as defined in
15 section 100d(3) of the mental health code, 1974 PA 328, MCL
16 330.1100d.

17 (jj) "SSA" means the United States social security
18 administration.

19 (kk) "SSA-SSI" means SSA supplemental security income.

20 Sec. 206. The department shall not take disciplinary action
21 against an employee for communicating with a member of the
22 legislature or his or her staff.

23 Sec. 207. State employees shall be given opportunity to bid on
24 contracts that privatize services that are or were provided by
25 state employees. If the contract is awarded to any state employee,
26 he or she ceases being an employee of the state.

27 Sec. 208. The department shall use the Internet to fulfill the

1 reporting requirements of this article. This requirement may
2 include transmission of reports via electronic mail to the
3 recipients identified for each reporting requirement or it may
4 include placement of reports on an Internet or Intranet site.

5 Sec. 209. Funds appropriated in part 1 shall not be used for
6 the purchase of foreign goods or services, or both, if
7 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 businesses, if they are competitively priced and of comparable
11 quality. In addition, preference should be given to goods or
12 services, or both, that are manufactured or provided by Michigan
13 businesses owned and operated by veterans, if they are
14 competitively priced and of comparable quality.

15 Sec. 211. The department may charge fees and collect revenues
16 in excess of appropriations in part 1 not to exceed the cost of
17 offender services and programming, employee meals, parolee loans,
18 academic/vocational services, custody escorts, compassionate
19 visits, union steward activities, and public works programs and
20 services provided to local units of government. The revenues and
21 fees collected are appropriated for all expenses associated with
22 these services and activities.

23 Sec. 212. On a quarterly basis, the department shall report on
24 the number of full-time equated positions in pay status by civil
25 service classification to the senate and house appropriations
26 subcommittees on corrections, the legislative corrections
27 ombudsman, and the senate and house fiscal agencies. This report

1 shall include a detailed accounting of the long-term vacancies that
2 exist within each department. As used in this subsection, "long-
3 term vacancy" means any full-time equated position that has not
4 been filled at any time during the past 24 calendar months.

5 Sec. 214. The department shall receive and retain copies of
6 all reports funded from appropriations in part 1. Federal and state
7 guidelines for short-term and long-term retention of records shall
8 be followed. The department may electronically retain copies of
9 reports unless otherwise required by federal and state guidelines.

10 Sec. 216. The department shall prepare a report on out-of-
11 state travel expenses not later than January 1 of each year. The
12 travel report shall be a listing of all travel by classified and
13 unclassified employees outside this state in the immediately
14 preceding fiscal year that was funded in whole or in part with
15 funds appropriated in the department's budget. The report shall be
16 submitted to the house and senate standing committees on
17 appropriations, the legislative corrections ombudsman, the house
18 and senate fiscal agencies, and the state budget director. The
19 report shall include the following information:

20 (a) The dates of each travel occurrence.

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

26 Sec. 219. (1) Any contract for prisoner telephone services
27 entered into after the effective date of this article shall include

1 a condition that fee schedules for prisoner telephone calls,
2 including rates and any surcharges other than those necessary to
3 meet special equipment costs, be the same as fee schedules for
4 calls placed from outside of correctional facilities.

5 (2) Revenues appropriated and collected for special equipment
6 funds shall be considered state restricted revenue. Of this
7 revenue, \$2,000,000.00 shall be used for programming that is a
8 condition of parole, such as violence prevention programming,
9 sexual offender programming, and thinking for a change, with
10 particular emphasis on individuals who are past their earliest
11 release dates. Any remaining balance shall be used for special
12 equipment and security projects. Unexpended funds remaining at the
13 close of the fiscal year shall not lapse to the general fund but
14 shall be carried forward and be available for appropriation in
15 subsequent fiscal years.

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

22 (a) A list of all individual projects and purchases financed
23 with special equipment funds in the immediately preceding fiscal
24 year, the amounts expended on each project or purchase, and the
25 name of each vendor the products or services were purchased from.

26 (b) A list of planned projects and purchases to be financed
27 with special equipment funds during the current fiscal year, the

1 amounts to be expended on each project or purchase, and the name of
2 each vendor for which the products or services were purchased.

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

5 Sec. 220. Not later than November 30, the state budget office
6 shall prepare and transmit a report that provides for estimates of
7 the total general fund/general purpose appropriation lapses at the
8 close of the fiscal year. This report shall summarize the projected
9 year-end general fund/general purpose appropriation lapses by major
10 departmental program or program areas. The report shall be
11 transmitted to the chairpersons of the senate and house of
12 representatives standing committees on appropriations and the
13 senate and house fiscal agencies.

14 Sec. 221. The department shall cooperate with the department
15 of technology, management, and budget to maintain a searchable
16 website accessible by the public at no cost that includes, but is
17 not limited to, all of the following for each department or agency:

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

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

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

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

25 (e) Job specifications and wage rates.

26 Sec. 223. (1) In addition to the funds appropriated in part 1,
27 there is appropriated an amount not to exceed \$10,000,000.00 for

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

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

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

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

23 Sec. 229. Within 14 days after the release of the executive
24 budget recommendation, the department shall cooperate with the
25 state budget office to provide the senate and house appropriations
26 chairs, the senate and house appropriations subcommittee chairs,
27 and the senate and house fiscal agencies with an annual report on

1 estimated state restricted fund balances, state restricted fund
2 projected revenues, and state restricted fund expenditures for the
3 fiscal years ending September 30, 2013 and September 30, 2014.

4 Sec. 230. Funds appropriated in part 1 shall not be used by
5 the department to hire a person to provide legal services that are
6 the responsibility of the attorney general. This prohibition does
7 not apply to legal services for bonding activities and for those
8 outside services that the attorney general authorizes.

9 Sec. 231. The department shall maintain, on a publicly
10 accessible website, a department scorecard that identifies, tracks,
11 and regularly updates key metrics that are used to monitor and
12 improve the agency's performance.

13 Sec. 238. It is the intent of the legislature that the
14 department make additional efforts to sell, rent, or otherwise
15 repurpose closed correctional facilities.

16 Sec. 239. It is the intent of the legislature that the
17 department establish and maintain a management-to-staff ratio of
18 not more than 1 supervisor for each 5 employees at the department's
19 central office in Lansing and at both the northern and southern
20 region administration offices.

21 Sec. 245. The department shall issue a report to the senate
22 and house appropriations subcommittees on corrections, the senate
23 and house fiscal agencies, and the legislative corrections
24 ombudsman by October 1 which details the steps taken by the
25 department to implement the internal strategies and cost reductions
26 recommended by the supply chain transformation (SCT) continuous
27 quality improvement (CQI) teams and department personnel influenced

1 by the SCT/CQI activities. The department shall also identify which
2 SCT/CQI team recommendations were not implemented and explain why.

3 **EXECUTIVE**

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

13 Sec. 304. The director of the department shall maintain a
14 staff savings initiative program to invite employees to submit
15 suggestions for saving costs for the department.

16 Sec. 305. By March 1, the department shall report to the
17 senate and house appropriations subcommittees on corrections, the
18 legislative corrections ombudsman, the senate and house fiscal
19 agencies, and the state budget director on the number of prisoners
20 who committed suicide during the previous calendar year. To the
21 extent permitted by law, the report shall include all of the
22 following information:

- 23 (a) The prisoner's age, offense, sentence, and admission date.
24 (b) Each prisoner's facility and unit.
25 (c) A description of the circumstances of the suicide.
26 (d) The date of the suicide.

1 (e) Whether the suicide occurred in a housing unit, a
2 segregation unit, a mental health unit, or elsewhere on the grounds
3 of the facility.

4 (f) Whether the prisoner had been denied parole and the date
5 of any denial.

6 (g) Details on the department's responses to each suicide,
7 including immediate on-site responses and subsequent internal
8 investigations.

9 (h) A description of any monitoring and psychiatric
10 interventions that had been undertaken prior to the prisoner's
11 suicide, including any changes in placement or mental health care.

12 (i) Whether the prisoner had previously attempted suicide.

13 **PRISONER RE-ENTRY AND COMMUNITY SUPPORT**

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

22 Sec. 402. (1) It is the intent of the legislature that the
23 funds appropriated in part 1 for prisoner re-entry programs be
24 expended for the purpose of reducing victimization by reducing
25 repeat offending through the following prisoner re-entry
26 programming:

1 (a) The provision of employment or employment services and job
2 training.

3 (b) The provision of housing assistance.

4 (c) Referral to mental health services.

5 (d) Referral to substance abuse services.

6 (e) Referral to public health services.

7 (f) Referral to education.

8 (g) Referral to any other services necessary for successful
9 reintegration.

10 (2) By March 1, the department shall provide a report on
11 prisoner re-entry expenditures and allocations to the members of
12 the senate and house appropriations subcommittees on corrections,
13 the legislative corrections ombudsman, the senate and house fiscal
14 agencies, and the state budget director. At a minimum, the report
15 shall include information on both of the following:

16 (a) Details on prior-year expenditures, including amounts
17 spent on each project funded, itemized by service provided and
18 service provider.

19 (b) Allocations and planned expenditures for each project
20 funded and for each project to be funded, itemized by service to be
21 provided and service provider. The department shall provide an
22 amended report quarterly, if any revisions to allocations or
23 planned expenditures occurred during that quarter.

24 Sec. 405. (1) In expending residential substance abuse
25 treatment services funds appropriated under this article, the
26 department shall ensure to the maximum extent possible that
27 residential substance abuse treatment services are available

1 statewide.

2 (2) By March 1, the department shall report to the senate and
3 house appropriations subcommittees on corrections, the legislative
4 corrections ombudsman, the senate and house fiscal agencies, and
5 the state budget director on the allocation, distribution, and
6 expenditure of all funds appropriated by the substance abuse
7 testing and treatment line item during fiscal year 2012-2013 and
8 projected for fiscal year 2013-2014. The report shall include, but
9 not be limited to, an explanation of an anticipated year-end
10 balance, the number of participants in substance abuse programs,
11 and the number of offenders on waiting lists for residential
12 substance abuse programs. Information required under this
13 subsection shall, where possible, be separated by MDOC
14 administrative region and by offender type, including, but not
15 limited to, a distinction between prisoners, parolees, and
16 probationers.

17 (3) By March 1, the department shall report to the senate and
18 house appropriations subcommittees on corrections, the legislative
19 corrections ombudsman, the senate and house fiscal agencies, and
20 the state budget director on substance abuse testing and treatment
21 program objectives, outcome measures, and results, including
22 program impact on offender success and programmatic success as
23 those terms are defined in section 203.

24 Sec. 407. (1) By June 30, the department shall place the
25 statistical report from the immediately preceding calendar year on
26 an Internet site. The statistical report shall include, but not be
27 limited to, the information as provided in the 2004 statistical

1 report.

2 (2) It is the intent of the legislature that starting with
3 calendar year 2010, the statistical report be placed on an Internet
4 site within 6 months after the end of each calendar year.

5 Sec. 408. The department shall measure the recidivism rates of
6 offenders.

7 Sec. 410. (1) The funds included in part 1 for community
8 corrections comprehensive plans and services are to encourage the
9 development through technical assistance grants, implementation,
10 and operation of community corrections programs that enhance
11 offender success and that also may serve as an alternative to
12 incarceration in a state facility or jail. The comprehensive
13 corrections plans shall include an explanation of how the public
14 safety will be maintained, the goals for the local jurisdiction,
15 offender target populations intended to be affected, offender
16 eligibility criteria for purposes outlined in the plan, and how the
17 plans will meet the following objectives, consistent with section
18 8(4) of the community corrections act, 1988 PA 511, MCL 791.408:

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

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

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

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

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

5 (f) Contribute to offender success, as that term is defined in
6 section 203.

7 (2) The award of community corrections comprehensive plans and
8 residential services funds shall be based on criteria that include,
9 but are not limited to, the prison commitment rate by category of
10 offenders, trends in prison commitment rates and jail utilization,
11 historical trends in community corrections program capacity and
12 program utilization, and the projected impact and outcome of annual
13 policies and procedures of programs on offender success, prison
14 commitment rates, and jail utilization.

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

20 Sec. 411. The comprehensive corrections plans shall also
21 include, where appropriate, descriptive information on the full
22 range of sanctions and services that are available and utilized
23 within the local jurisdiction and an explanation of how jail beds,
24 residential services, the special alternative incarceration
25 program, probation detention centers, the electronic monitoring
26 program for probationers, and treatment and rehabilitative services
27 will be utilized to support the objectives and priorities of the

1 comprehensive corrections plans and the purposes and priorities of
2 section 8(4) of the community corrections act, 1988 PA 511, MCL
3 791.408, that contribute to the success of offenders. The plans
4 shall also include, where appropriate, provisions that detail how
5 the local communities plan to respond to sentencing guidelines
6 found in chapter XVII of the code of criminal procedure, 1927 PA
7 175, MCL 777.1 to 777.69, and use the county jail reimbursement
8 program under section 414. The state community corrections board
9 shall encourage local community corrections advisory boards to
10 include in their comprehensive corrections plans strategies to
11 collaborate with local alcohol and drug treatment agencies of the
12 MDCH for the provision of alcohol and drug screening, assessment,
13 case management planning, and delivery of treatment to alcohol- and
14 drug-involved offenders.

15 Sec. 412. (1) As part of the March biannual report specified
16 in section 12(2) of the community corrections act, 1988 PA 511, MCL
17 791.412, that requires an analysis of the impact of that act on
18 prison admissions and jail utilization, the department shall submit
19 to the senate and house appropriations subcommittees on
20 corrections, the legislative corrections ombudsman, the senate and
21 house fiscal agencies, and the state budget director the following
22 information for each county and counties consolidated for
23 comprehensive corrections plans:

24 (a) Approved technical assistance grants and comprehensive
25 corrections plans including each program and level of funding, the
26 utilization level of each program, and profile information of
27 enrolled offenders.

1 (b) If federal funds are made available, the number of
2 participants funded, the number served, the number successfully
3 completing the program, and a summary of the program activity.

4 (c) Status of the community corrections information system and
5 the jail population information system.

6 (d) Data on residential services, including participant data,
7 participant sentencing guideline scores, program expenditures,
8 average length of stay, and bed utilization data.

9 (e) Offender disposition data by sentencing guideline range,
10 by disposition type, by prior record variable score, by number and
11 percent statewide and by county, current year, and comparisons to
12 the previous 3 years.

13 (f) Data on the use of funding made available under the felony
14 drunk driver jail reduction and community treatment program.

15 (2) The report required under subsection (1) shall include the
16 total funding allocated, program expenditures, required program
17 data, and year-to-date totals.

18 Sec. 413. (1) The department shall identify and coordinate
19 information regarding the availability of and the demand for
20 community corrections programs, jail-based community corrections
21 programs, jail-based probation violation sanctions, and all state-
22 required jail data.

23 (2) The department is responsible for the collection,
24 analysis, and reporting of all state-required jail data.

25 (3) As a prerequisite to participation in the programs and
26 services offered through the department, counties shall provide
27 necessary jail data to the department.

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

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

9 (a) The felon's sentencing guidelines recommended range upper
10 limit is more than 18 months, the felon's sentencing guidelines
11 recommended range lower limit is 12 months or less, the felon's
12 prior record variable score is 35 or more points, and the felon's
13 sentence is not for commission of a crime in crime class G or crime
14 class H or a nonperson crime in crime class F under chapter XVII of
15 the code of criminal procedure, 1927 PA 175, MCL 777.1 to 777.69.

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

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

24 (3) State reimbursement under this subsection shall be \$60.00
25 per diem per diverted offender for offenders with a presumptive
26 prison guideline score, \$50.00 per diem per diverted offender for
27 offenders with a straddle cell guideline for a group 1 crime, and

1 \$35.00 per diem per diverted offender for offenders with a straddle
2 cell guideline for a group 2 crime. Reimbursements shall be paid
3 for sentences up to a 1-year total.

4 (4) As used in this subsection:

5 (a) "Group 1 crime" means a crime in 1 or more of the
6 following offense categories: arson, assault, assaultive other,
7 burglary, criminal sexual conduct, homicide or resulting in death,
8 other sex offenses, robbery, and weapon possession as determined by
9 the department of corrections based on specific crimes for which
10 counties received reimbursement under the county jail reimbursement
11 program in fiscal year 2007 and fiscal year 2008, and listed in the
12 county jail reimbursement program document titled "FY 2007 and FY
13 2008 Group One Crimes Reimbursed", dated March 31, 2009.

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

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

23 (5) County jail reimbursement program expenditures shall not
24 exceed the amount appropriated in part 1 for the county jail
25 reimbursement program. Payments to counties under the county jail
26 reimbursement program shall be made in the order in which properly
27 documented requests for reimbursements are received. A request

1 shall be considered to be properly documented if it meets MDOC
2 requirements for documentation. By October 15, 2013, the department
3 shall distribute the documentation requirements to all counties.

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

11 Sec. 417. (1) By March 1, the department shall report to the
12 members of the senate and house appropriations subcommittees on
13 corrections, the legislative corrections ombudsman, the senate and
14 house fiscal agencies, and the state budget director on each of the
15 following programs from the previous fiscal year:

16 (a) The county jail reimbursement program.

17 (b) The felony drunk driver jail reduction and community
18 treatment program.

19 (c) Any new initiatives to control prison population growth
20 funded or proposed to be funded under part 1.

21 (2) For each program listed under subsection (1), the report
22 shall include information on each of the following:

23 (a) Program objectives and outcome measures, including, but
24 not limited to, the number of offenders who successfully completed
25 the program, and the number of offenders who successfully remained
26 in the community during the 3 years following termination from the
27 program.

1 (b) Expenditures by location.

2 (c) The impact on jail utilization.

3 (d) The impact on prison admissions.

4 (e) Other information relevant to an evaluation of the
5 program.

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

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

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

23 Sec. 419. (1) The department shall provide weekly electronic
24 mail reports to the senate and house appropriations subcommittees
25 on corrections, the legislative corrections ombudsman, the senate
26 and house fiscal agencies, and the state budget director on
27 prisoner, parolee, and probationer populations by facility, and

1 prison capacities.

2 (2) The department shall provide monthly electronic mail
3 reports to the senate and house appropriations subcommittees on
4 corrections, the legislative corrections ombudsman, the senate and
5 house fiscal agencies, and the state budget director. The reports
6 shall include information on end-of-month prisoner populations in
7 county jails, the net operating capacity according to the most
8 recent certification report, identified by date, and end-of-month
9 data, year-to-date data, and comparisons to the prior year for the
10 following:

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

13 (b) Parole populations.

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

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

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

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

26 (g) Prison intake and returns, including probation violators,
27 new court commitments, violators with new sentences, escaper new

1 sentences, total prison intake, returns from court with additional
2 sentences, community placement returns, technical parole violator
3 returns, and total returns to prison and camp.

4 Sec. 420. By March 1, the department shall report to the
5 senate and house appropriations subcommittees on corrections, the
6 senate and house judiciary committees, the legislative corrections
7 ombudsman, the senate and house fiscal agencies, and the state
8 budget director on performance data and efforts to improve
9 efficiencies relative to departmental staffing, health care
10 services, food service, prisoner transportation, mental health care
11 services, and pharmaceutical costs.

12 Sec. 431. Upon offender request, the department shall ensure
13 that prior to release from prison, each offender has possession of
14 a set of clothing that would be appropriate and suitable for
15 wearing to an interview for employment.

16 Sec. 434. The department shall explore opportunities to
17 collaborate with Michigan colleges and universities on establishing
18 programs that will employ parolees in agricultural settings.

19 **OPERATIONS AND SUPPORT ADMINISTRATION**

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

26 Sec. 502. Funds included in part 1 for the sheriffs'

1 coordinating and training office are appropriated for and may be
2 expended to defray costs of continuing education, certification,
3 recertification, decertification, and training of local corrections
4 officers, the personnel and administrative costs of the sheriffs'
5 coordinating and training office, the local corrections officers
6 advisory board, and the sheriffs' coordinating and training council
7 under the local corrections officers training act, 2003 PA 125, MCL
8 791.531 to 791.546.

9 Sec. 505. The department shall provide for the training of all
10 custody staff in effective and safe ways of handling prisoners with
11 mental illness and referring prisoners to mental health treatment
12 programs. Mental health awareness training shall be incorporated
13 into the training of new custody staff.

14 Sec. 506. It is the intent of the legislature that the
15 department work cooperatively and share curriculum and outcome
16 goals with community colleges and colleges that are interested in
17 offering new employee training academies. The department shall
18 assist community colleges and colleges in gaining approval of the
19 corrections officer's training council, as required under 2012 PA
20 526. When possible, the community colleges and colleges the
21 department works with shall be geographically dispersed across the
22 state and whenever possible should be near department of
23 corrections facilities.

24 **FIELD OPERATIONS ADMINISTRATION**

25 Sec. 601. (1) From the funds appropriated in part 1, the
26 department shall conduct a statewide caseload audit of field

1 agents. The audit shall address public protection issues and assess
2 the ability of the field agents to complete their professional
3 duties. The complete audit shall be submitted to the senate and
4 house appropriations subcommittees on corrections, the legislative
5 corrections ombudsman, the senate and house fiscal agencies, and
6 the state budget office by March 1.

7 (2) It is the intent of the legislature that the department
8 maintain a number of field agents sufficient to meet supervision
9 and workload standards.

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

16 (2) Program participant contributions and local community
17 tether program reimbursement for the electronic tether program
18 appropriated in part 1 are related to program expenditures and may
19 be used to offset expenditures for this purpose.

20 (3) Included in the appropriation in part 1 is adequate
21 funding to implement the community tether program to be
22 administered by the department. The community tether program is
23 intended to provide sentencing judges and county sheriffs in
24 coordination with local community corrections advisory boards
25 access to the state's electronic tether program to reduce prison
26 admissions and improve local jail utilization. The department shall
27 determine the appropriate distribution of the tether units

1 throughout the state based upon locally developed comprehensive
2 corrections plans under the community corrections act, 1988 PA 511,
3 MCL 791.401 to 791.414.

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

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

16 Sec. 608. By March 1, the department shall report to the
17 senate and house appropriations subcommittees on corrections, the
18 legislative corrections ombudsman, the senate and house fiscal
19 agencies, and the state budget director on the use of electronic
20 monitoring. At a minimum, the report shall include all of the
21 following:

22 (a) Details on the failure rate of parolees for whom GPS
23 tether is utilized, including the number and rate of parolee
24 technical violations, including specifying failures due to
25 committing a new crime that is uncharged but leads to parole
26 termination, and the number and rate of parolee violators with new
27 sentences.

1 (b) Information on the factors considered in determining
2 whether an offender is placed on active GPS tether, passive GPS
3 tether, radio frequency tether, or some combination of these or
4 other types of electronic monitoring.

5 (c) Monthly data on the number of offenders on active GPS
6 tether, passive GPS tether, radio frequency tether, and any other
7 type of tether.

8 Sec. 611. The department shall prepare by March 1 individual
9 reports for the community re-entry program, the electronic tether
10 program, and the special alternative to incarceration program. The
11 reports shall be submitted to the house and senate appropriations
12 subcommittees on corrections, the legislative corrections
13 ombudsman, the house and senate fiscal agencies, and the state
14 budget director. Each program's report shall include information on
15 all of the following:

16 (a) Monthly new participants by type of offender. Community
17 re-entry program participants shall be categorized by reason for
18 placement. For technical rule violators, the report shall sort
19 offenders by length of time since release from prison, by the most
20 recent violation, and by the number of violations occurring since
21 release from prison.

22 (b) Monthly participant unsuccessful terminations, including
23 cause.

24 (c) Number of successful terminations.

25 (d) End month population by facility/program.

26 (e) Average length of placement.

27 (f) Return to prison statistics.

1 (g) Description of each program location or locations,
2 capacity, and staffing.

3 (h) Sentencing guideline scores and actual sentence statistics
4 for participants, if applicable.

5 (i) Comparison with prior year statistics.

6 (j) Analysis of the impact on prison admissions and jail
7 utilization and the cost effectiveness of the program.

8 Sec. 612. (1) The department shall review and revise as
9 necessary policy proposals that provide alternatives to prison for
10 offenders being sentenced to prison as a result of technical
11 probation violations and technical parole violations. To the extent
12 the department has insufficient policies or resources to affect the
13 continued increase in prison commitments among these offender
14 populations, the department shall explore other policy options to
15 allow for program alternatives, including department or OCC-funded
16 programs, local level programs, and programs available through
17 private agencies that may be used as prison alternatives for these
18 offenders.

19 (2) To the extent policies or programs described in subsection
20 (1) are used, developed, or contracted for, the department may
21 request that funds appropriated in part 1 be transferred under
22 section 393(2) of the management and budget act, 1984 PA 431, MCL
23 18.1393, for their operation.

24 (3) The department shall continue to utilize parole violator
25 processing guidelines that require parole agents to utilize all
26 available appropriate community-based, nonincarcerative postrelease
27 sanctions and services when appropriate. The department shall

1 periodically evaluate such guidelines for modification, in response
2 to emerging information from the demonstration projects for
3 substance abuse treatment provided under this article and
4 applicable provisions of prior budget acts for the department.

5 (4) The department shall provide annual reports to the senate
6 and house appropriations subcommittees on corrections, the
7 legislative corrections ombudsman, the senate and house fiscal
8 agencies, and the state budget director on the number of all
9 parolees returned to prison and probationers sentenced to prison
10 for either a technical violation or new sentence during the
11 preceding calendar quarter. The reports shall include the following
12 information each for probationers, parolees after their first
13 parole, and parolees who have been paroled more than once:

14 (a) The numbers of parole and probation violators returned to
15 or sent to prison for a new crime with a comparison of original
16 versus new offenses by major offense type: assaultive,
17 nonassaultive, drug, and sex.

18 (b) The numbers of parole and probation violators returned to
19 or sent to prison for a technical violation and the type of
20 violation, including, but not limited to, zero gun tolerance and
21 substance abuse violations. For parole technical rule violators,
22 the report shall list violations by type, by length of time since
23 release from prison, by the most recent violation, and by the
24 number of violations occurring since release from prison.

25 (c) The educational history of those offenders, including how
26 many had a GED or high school diploma prior to incarceration in
27 prison, how many received a GED while in prison, and how many

1 received a vocational certificate while in prison.

2 (d) The number of offenders who participated in the MPRI
3 versus the number of those who did not.

4 (e) The unduplicated number of offenders who participated in
5 substance abuse treatment programs, mental health treatment
6 programs, or both, while in prison, itemized by diagnosis.

7 Sec. 615. After the parole board has reviewed the cases of all
8 inmates sentenced to imprisonment for life with the possibility of
9 parole who have good institutional records, the parole board shall
10 calculate each inmate's parole guidelines score. The parole board
11 shall provide the legislature with the specific reason or reasons
12 why any individual inmate who scores "high probability of release"
13 is not being paroled. The parole board shall submit a report
14 containing a list of these reasons for each inmate to the house and
15 senate appropriations subcommittees on corrections, the house and
16 senate fiscal agencies, the legislative corrections ombudsman, and
17 the state budget director by January 1.

18 **HEALTH CARE**

19 Sec. 802. As a condition of expenditure of the funds
20 appropriated in part 1, the department shall provide the senate and
21 house of representatives appropriations subcommittees on
22 corrections, the legislative corrections ombudsman, the senate and
23 house fiscal agencies, and the state budget director with all of
24 the following:

25 (a) Quarterly reports on physical and mental health care
26 detailing quarterly and fiscal year-to-date expenditures itemized

1 by vendor, allocations, status of payments from contractors to
2 vendors, and projected year-end expenditures from accounts for
3 prisoner health care, mental health care, pharmaceutical services,
4 and durable medical equipment.

5 (b) Regular updates on progress on requests for proposals and
6 requests for information pertaining to prisoner health care and
7 mental health care, until the applicable contract is approved.

8 Sec. 804. (1) The department shall report quarterly to the
9 senate and house appropriations subcommittees on corrections, the
10 legislative corrections ombudsman, the senate and house fiscal
11 agencies, and the state budget director on prisoner health care
12 utilization. The report shall include the number of inpatient
13 hospital days, outpatient visits, and emergency room visits in the
14 previous quarter and since October 1, 2009, by facility.

15 (2) By March 1, the department shall report to the senate and
16 house appropriations subcommittees on corrections, the legislative
17 corrections ombudsman, the senate and house fiscal agencies, and
18 the state budget director on prisoners receiving off-site inpatient
19 medical care that would have received care in a state correctional
20 facility if beds were available. The report shall include the
21 number of prisoners receiving off-site inpatient medical care and
22 average length of stay in an off-site facility during the period
23 they would have received care in a state correctional facility if
24 beds were available, by month and correctional facilities
25 administration region.

26 Sec. 806. From the funds appropriated in part 1, the
27 department shall require a hepatitis C antibody test and an HIV

1 test for each prisoner prior to release to the community by parole
2 or discharge on the maximum sentence. The requirement for a pre-
3 release test does not apply if the prisoner has previously tested
4 positive. The department shall require an HIV test and a hepatitis
5 C risk factor screening for each prisoner at the health screening
6 at admissions. If hepatitis C risk factors are identified, the
7 department shall offer the prisoner a hepatitis C antibody test. An
8 explanation of results of the tests shall be provided
9 confidentially to the prisoner, and if appropriate based on the
10 test results, the prisoner shall also be provided a recommendation
11 to seek follow-up medical attention.

12 Sec. 807. The department shall ensure that all medications for
13 a prisoner be transported with that prisoner when the prisoner is
14 transferred from 1 correctional facility to another. Prisoners
15 being released shall have access to at least a 30-day supply of
16 medication and a prescription for refills to allow for continuity
17 of care in the community.

18 Sec. 809. The department, in conjunction with efforts to
19 implement prisoner re-entry, shall cooperate with the MDCH to share
20 data and information as they relate to prisoners being released who
21 are HIV positive or positive for the hepatitis C antibody. By March
22 1, the department shall report to the senate and house
23 appropriations subcommittees on corrections, the senate and house
24 fiscal agencies, and the state budget director on all of the
25 following:

26 (a) Programs and the location of programs implemented as a
27 result of the work under this section.

1 (b) The number of prisoners released to the community by
2 parole, discharge on the maximum sentence, or transfer to community
3 residential placement who are HIV positive, positive for the
4 hepatitis C antibody, or both.

5 (c) The number of parolees and offenders discharged on the
6 maximum sentence who are HIV or hepatitis C positive by paroling
7 office as reported to the state department of community health for
8 referral to the local public health department.

9 Sec. 812. (1) The department shall provide the department of
10 human services with a monthly list of prisoners newly committed to
11 the department of corrections. The department and the department of
12 human services shall enter into an interagency agreement under
13 which the department of human services provides the department of
14 corrections with monthly lists of newly committed prisoners who are
15 eligible for Medicaid benefits in order to maintain the process by
16 which Medicaid benefits are suspended rather than terminated. The
17 department shall assist prisoners who may be eligible for Medicaid
18 benefits after release from prison with the Medicaid enrollment
19 process prior to release from prison.

20 (2) The department shall provide the senate and house
21 appropriations subcommittees on corrections, the legislative
22 corrections ombudsman, the senate and house fiscal agencies, and
23 the state budget director with quarterly updates on the utilization
24 of Medicaid benefits for prisoners.

25 Sec. 814. The department shall assure that psychotropic
26 medications are available, when deemed medically necessary by a
27 licensed medical service provider, to prisoners who have mental

1 illness diagnoses but are not enrolled in corrections mental health
2 services.

3 Sec. 816. By April 1, the department shall provide the members
4 of the senate and house appropriations subcommittees on
5 corrections, the senate and house fiscal agencies, the state budget
6 director, and the legislative corrections ombudsman with a report
7 on pharmaceutical expenditures and prescribing practices. In
8 particular, the report shall provide the following information:

9 (a) A detailed accounting of expenditures on antipsychotic
10 medications.

11 (b) Any changes that have been made to the prescription drug
12 formularies.

13 (c) A progress report on the department's efforts to address
14 various findings outlined in audit report 471-0325-09L issued in
15 March 2011 by the Michigan office of the auditor general.

16 **CORRECTIONAL FACILITIES ADMINISTRATION**

17 Sec. 904. The department shall calculate the per prisoner/per
18 day cost for each prisoner security custody level. This calculation
19 shall include all actual direct and indirect costs for the previous
20 fiscal year, including, but not limited to, the value of services
21 provided to the department by other state agencies and the
22 allocation of statewide legacy costs. To calculate the per
23 prisoner/per day costs, the department shall divide these direct
24 and indirect costs by the average daily population for each custody
25 level. For multilevel facilities, the indirect costs that cannot be
26 accurately allocated to each custody level can be included in the

1 calculation on a per-prisoner basis for each facility. A report
2 summarizing these calculations and the direct and indirect costs
3 included in them shall be submitted to the senate and house
4 appropriations subcommittees on corrections, the legislative
5 corrections ombudsman, the senate and house fiscal agencies, and
6 the state budget director not later than December 15.

7 Sec. 906. Any local unit of government or private organization
8 that contracts with the department for public works services shall
9 be responsible for financing the entire cost of such an agreement.

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

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

19 (b) The number of prisoners enrolled in each program, the
20 number of prisoners completing each program, the number of
21 prisoners who fail each program, the number of prisoners who do not
22 complete each program and the reason for not completing the
23 program, the number of prisoners transferred to another facility
24 while enrolled in a program and the reason for transfer, the number
25 of prisoners enrolled who are repeating the program by reason, and
26 the number of prisoners on waiting lists for each program, all
27 itemized by facility.

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

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

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

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

11 (g) An explanation of the department's plans for academic and
12 vocational programs, including plans to contract with intermediate
13 school districts for GED and high school diploma programs.

14 (h) The number of prisoners not paroled at their earliest
15 release date due to lack of a GED, and the reason those prisoners
16 have not obtained a GED.

17 Sec. 910. The department shall allow the Michigan Braille
18 transcribing fund program to operate at its current location. The
19 donation of the building by the Michigan Braille transcribing fund
20 at the G. Robert Cotton correctional facility in Jackson is
21 acknowledged and appreciated. The department shall continue to
22 encourage the Michigan Braille transcribing fund program to produce
23 high-quality materials for use by the visually impaired.

24 Sec. 911. By March 1, the department shall report to the
25 senate and house appropriations subcommittees on corrections, the
26 senate and house fiscal agencies, the legislative corrections
27 ombudsman, and the state budget director the number of critical

1 incidents occurring each month by type and the number and severity
2 of assaults occurring each month at each facility during the
3 immediately preceding calendar year.

4 Sec. 912. The department shall report to the senate and house
5 appropriations subcommittees on corrections, the legislative
6 corrections ombudsman, the senate and house fiscal agencies, and
7 the state budget director by March 1 on the ratio of correctional
8 officers to prisoners for each correctional institution, the ratio
9 of shift command staff to line custody staff, and the ratio of
10 noncustody institutional staff to prisoners for each correctional
11 institution.

12 Sec. 913. (1) It is the intent of the legislature that any
13 prisoner required to complete a violence prevention program, sexual
14 offender program, or other program as a condition of parole shall
15 be transferred to a facility where that program is available in
16 order to accomplish timely completion of that program prior to the
17 expiration of his or her minimum sentence and eligibility for
18 parole. Nothing in this section should be deemed to make parole
19 denial appealable in court.

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

27 (a) A full accounting of the number of individuals who are

1 required to complete the programming, but have not yet done so.

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

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

6 Sec. 916. The department shall report by February 1 to the
7 senate and house appropriations subcommittees on corrections, the
8 legislative corrections ombudsman, the senate and house fiscal
9 agencies, and the state budget director on the number of computers
10 available for use by prisoners within each prison facility. The
11 report shall summarize the purpose and frequency of use of these
12 computers within each facility, and in particular shall provide
13 detail on the extent to which computers are utilized for education
14 programming, for both academic and vocational purposes.

15 Sec. 924. The department shall evaluate all prisoners at
16 intake for substance abuse disorders, developmental disorders,
17 serious mental illness, and other mental health disorders.
18 Prisoners with serious mental illness shall not be confined in
19 administrative segregation due to their serious mental illness. Due
20 to persistent high violence risk or severe disruptive behavior that
21 is unresponsive to treatment, prisoners may be placed in secure
22 specialized housing programs that will facilitate access to
23 institutional programming and ongoing mental health services, under
24 the supervision of a mental health professional. A prisoner with
25 serious mental illness who is confined in administrative
26 segregation under these specialized housing programs shall be
27 evaluated by a medical professional at a frequency of not less than

1 every 12 hours.

2 Sec. 925. By March 1, 2014, the department shall report to the
3 senate and house appropriations subcommittees on corrections, the
4 senate and house fiscal agencies, the legislative corrections
5 ombudsman, and the state budget director on the annual number of
6 prisoners in administrative segregation between October 1, 2003 and
7 September 30, 2013, and the annual number of prisoners in
8 administrative segregation between October 1, 2003 and September
9 30, 2013 who at any time during the current or prior prison term
10 were diagnosed with serious mental illness or have a developmental
11 disorder and the number of days each of the prisoners with serious
12 mental illness or a developmental disorder have been confined to
13 administrative segregation.

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

16 (a) Ensure that any inmate care and control staff in contact
17 with prisoners less than 18 years of age are adequately trained
18 with regard to the developmental and mental health needs of
19 prisoners less than 18 years of age. By April 1, 2014, the
20 department shall report to the senate and house appropriations
21 subcommittees on corrections, the senate and house fiscal agencies,
22 and the state budget director on the training curriculum used and
23 the number and types of staff receiving training under that
24 curriculum since October 2009.

25 (b) Provide appropriate placement for prisoners less than 18
26 years of age who have serious mental illness, serious emotional
27 disturbance, or a developmental disorder and need to be housed

1 separately from the general population. Prisoners less than 18
2 years of age who have serious mental illness, serious emotional
3 disturbance, or a developmental disorder shall not be placed in
4 administrative segregation for behavior due to serious mental
5 illness, serious emotional disturbance, or a developmental
6 disorder. Due to persistent high violence risk or severe disruptive
7 behavior that is unresponsive to treatment, prisoners less than 18
8 years of age may be placed in secure specialized housing programs
9 that will facilitate access to institutional programming and
10 ongoing mental health services, under the supervision of a mental
11 health professional. A prisoner less than 18 years of age with
12 serious mental illness, serious emotional disturbance, or a
13 developmental disorder who is confined in administrative
14 segregation under these specialized housing programs shall be
15 evaluated by a medical professional at a frequency of not less than
16 every 12 hours.

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

20 Sec. 937. No state department or agency shall issue a request
21 for proposal (RFP) for a contract in excess of \$5,000,000.00,
22 unless the department or agency has first considered issuing a
23 request for information (RFI) or a request for qualification (RFQ)
24 relative to that contract to better enable the department or agency
25 to learn more about the market for the products or services that
26 are the subject of the future RFP. The department or agency shall
27 notify the department of technology, management, and budget of the

1 evaluation process used to determine if an RFI or RFQ was not
2 necessary prior to issuing the RFP.

3 Sec. 939. (1) By January 1, the department shall release a
4 request for proposal seeking competitive bids for prison stores,
5 prisoner clothing, and up to 1,750 custody beds.

6 (2) By January 1, the department shall release requests for
7 information for competitive bids for the electronic monitoring
8 center and for a secure detention facility that would house MDOC
9 inmates serving terms of 2 years or less and provide job training
10 and related programming.

11 (3) The department, working with the department of technology,
12 management, and budget, shall issue a quarterly report detailing
13 the current status of any requests for proposal or requests for
14 information required under this section. If the status of any item
15 listed in the report remains unchanged for more than 2 consecutive
16 reporting periods, the report shall provide an explanation of the
17 delay.

18 Sec. 940. (1) Any lease, rental, contract, or other legal
19 agreement that includes a provision allowing a private person or
20 entity to use state-owned facilities or other property to conduct a
21 for-profit business enterprise shall require the lessee to pay fair
22 market value for the use of the state-owned property.

23 (2) The lease, rental, contract, or other legal agreement
24 shall also require the party using the property to make a payment
25 in lieu of taxes to the local jurisdictions that would otherwise
26 receive property tax revenue, as if the property were not owned by
27 the state.

1 Sec. 942. The department shall ensure that any contract with a
2 public or private party to operate a facility to house state
3 prisoners includes a provision to allow access by both the office
4 of the legislative auditor general and the office of the
5 legislative corrections ombudsman to the facility and to
6 appropriate records and documents related to the operation of the
7 facility. These access rights for both offices shall be the same
8 for the contracted facility as for a general state-operated
9 correctional facility.

10 Sec. 947. The department may engage with a state of Michigan
11 501(c)(3) nonprofit agency to develop a pilot program to
12 manufacture prison clothing. This program shall utilize the
13 prisoner re-entry population and provide comprehensive job training
14 with the goal of transitioning into community employment. The pilot
15 program shall be funded from 15% of the current funds allocated to
16 Michigan services industry for the manufacture of prison clothing.
17 The nonprofit agency must have existing statewide capacity to serve
18 paroled prisoners. The agency selected will provide semi-annual
19 reports to the department, the senate and house appropriations
20 subcommittees on corrections, and the senate and house fiscal
21 agencies, detailing cost savings incurred and outcomes of parolee
22 employment programs.

23 **MISCELLANEOUS**

24 Sec. 1009. The department shall make an information packet for
25 the families of incoming prisoners available on the department's
26 website. The information packet shall be updated by February 1 of

1 each year thereafter. The packet shall provide information on
2 topics including, but not limited to: how to put money into
3 prisoner accounts, how to make phone calls or create Jpay email
4 accounts, how to visit in person, proper procedures for filing
5 complaints or grievances, the rights of prisoners to physical and
6 mental health care, how to utilize the offender tracking
7 information system (OTIS), truth-in-sentencing and how it applies
8 to minimum sentences, the parole process, and guidance on the
9 importance of the role of families in the reentry process. The
10 department is encouraged to partner with external advocacy groups
11 and actual families of prisoners in the packet-writing process to
12 ensure that the information is useful and complete.

13 Sec. 1011. The department shall accept in-kind services and
14 equipment donations to facilitate the addition of a cable network
15 that provides programming that will address the religious needs of
16 incarcerated individuals. This network shall be a cable television
17 network that presently reaches the majority of households in the
18 United States. A bilingual channel affiliated with this network may
19 also be added to department programming to assist the religious
20 needs of Spanish-speaking inmates. The addition of these channels
21 shall be of no additional cost to this state.

22 **CAPITAL OUTLAY**

23 Sec. 1051. The appropriations in part 1 for capital outlay
24 shall be carried forward at the end of the fiscal year consistent
25 with the provisions of section 248 of the management and budget
26 act, 1984 PA 431, MCL 18.1248.

1 following funds:

2 **DEPARTMENT OF EDUCATION**

3 APPROPRIATION SUMMARY

4 Full-time equated unclassified positions..... 6.0
 5 Full-time equated classified positions..... 587.5
 6 GROSS APPROPRIATION..... \$ 298,366,000

7 Interdepartmental grant revenues:

8 Total interdepartmental grants and intradepartmental
 9 transfers 0

10 ADJUSTED GROSS APPROPRIATION..... \$ 298,366,000

11 Federal revenues:

12 Total federal revenues..... 211,873,000

13 Special revenue funds:

14 Total local revenues..... 5,633,700

15 Total private revenues..... 1,933,300

16 Total other state restricted revenues..... 8,032,100

17 State general fund/general purpose..... \$ 70,893,900

18 State general fund/general purpose schedule:

19 Ongoing state general fund/general
 20 purpose 70,893,900

21 One-time state general fund/general
 22 purpose 0

23 **Sec. 102. STATE BOARD OF EDUCATION/OFFICE OF THE**

24 **SUPERINTENDENT**

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

26 Full-time equated classified positions..... 11.0

27 State board of education, per diem payments..... \$ 24,400

1	Unclassified positions--6.0 FTE positions		775,700
2	State board/superintendent operations--11.0 FTE		
3	positions		<u>2,092,100</u>
4	GROSS APPROPRIATION.....	\$	2,892,200
5	Appropriated from:		
6	Federal revenues:		
7	Federal revenues.....		219,400
8	Special revenue funds:		
9	Private foundations.....		28,100
10	Certification fees.....		852,000
11	State general fund/general purpose.....	\$	1,792,700
12	Sec. 103. CENTRAL SUPPORT		
13	Full-time equated classified positions..... 23.6		
14	Central support--23.6 FTE positions.....	\$	3,575,900
15	Worker's compensation.....		35,000
16	Building occupancy charges - property management		
17	services		3,031,600
18	Training and orientation workshops.....		150,000
19	Terminal leave payments.....		<u>554,700</u>
20	GROSS APPROPRIATION.....	\$	7,347,200
21	Appropriated from:		
22	Federal revenues:		
23	Federal revenues.....		1,453,900
24	Federal indirect funds.....		2,522,900
25	Special revenue funds:		
26	Certification fees.....		563,900
27	Teacher testing fees.....		15,000

1	Training and orientation workshop fees	150,000
2	State general fund/general purpose	\$ 2,641,500
3	Sec. 104. INFORMATION TECHNOLOGY SERVICES	
4	Information technology operations	\$ <u>4,126,500</u>
5	GROSS APPROPRIATION	\$ 4,126,500
6	Appropriated from:	
7	Federal revenues:	
8	Federal revenues	593,200
9	Federal indirect funds	1,752,800
10	Special revenue funds:	
11	Local cost sharing (schools for deaf/blind)	76,500
12	Certification fees	382,300
13	State general fund/general purpose	\$ 1,321,700
14	Sec. 105. SPECIAL EDUCATION SERVICES	
15	Full-time equated classified positions	47.0
16	Special education operations--47.0 FTE positions	\$ <u>8,850,400</u>
17	GROSS APPROPRIATION	\$ 8,850,400
18	Appropriated from:	
19	Federal revenues:	
20	Federal revenues	8,375,100
21	Special revenue funds:	
22	Private foundations	110,100
23	Certification fees	43,700
24	State general fund/general purpose	\$ 321,500
25	Sec. 106. MICHIGAN SCHOOLS FOR THE DEAF AND BLIND	
26	Full-time equated classified positions	77.0
27	Michigan schools for the deaf and blind operations--	

1	76.0 FTE positions	\$	12,485,600
2	Camp Tuhsmeheeta--1.0 FTE position.....		295,100
3	Private gifts - blind.....		200,000
4	Private gifts - deaf.....		<u>50,000</u>
5	GROSS APPROPRIATION.....	\$	13,030,700
6	Appropriated from:		
7	Federal revenues:		
8	Federal revenues.....		6,721,500
9	Special revenue funds:		
10	Local cost sharing (schools for deaf/blind)		5,233,000
11	Local school district service fees.....		312,500
12	Gifts, bequests, and donations.....		545,100
13	Student insurance revenue.....		218,600
14	State general fund/general purpose.....	\$	0
15	Sec. 107. PROFESSIONAL PREPARATION SERVICES		
16	Full-time equated classified positions.....		34.0
17	Professional preparation operations--34.0 FTE		
18	positions	\$	5,827,100
19	Department of attorney general.....		<u>66,000</u>
20	GROSS APPROPRIATION.....	\$	5,893,100
21	Appropriated from:		
22	Federal revenues:		
23	Federal revenues.....		1,427,700
24	Special revenue funds:		
25	Certification fees.....		3,836,900
26	Teacher college review fees.....		55,300
27	Teacher testing fees.....		355,100

1	State general fund/general purpose	\$	218,100
2	Sec. 108. MICHIGAN OFFICE OF GREAT START		
3	Full-time equated classified positions.....	62.0	
4	Office of great start operations--61.0 FTE positions .	\$	22,192,900
5	Child development and care external support		17,491,000
6	Head start collaboration office--1.0 FTE positions ...		305,300
7	Child development care public assistance		<u>136,344,000</u>
8	GROSS APPROPRIATION.....	\$	176,333,200
9	Appropriated from:		
10	Federal revenues:		
11	Federal revenues.....		135,821,200
12	Special revenue funds:		
13	Private foundations.....		250,000
14	Certification fees.....		63,500
15	State general fund/general purpose	\$	40,198,500
16	Sec. 109. STATE AID AND SCHOOL FINANCE SERVICES		
17	Full-time equated classified positions.....	9.5	
18	State aid and school finance operations--9.5 FTE		
19	positions	\$	<u>1,343,300</u>
20	GROSS APPROPRIATION.....	\$	1,343,300
21	Appropriated from:		
22	State general fund/general purpose	\$	1,343,300
23	Sec. 110. AUDIT SERVICES		
24	Full-time equated classified positions.....	4.5	
25	Audit operations--4.5 FTE positions	\$	<u>594,500</u>
26	GROSS APPROPRIATION.....	\$	594,500
27	Appropriated from:		

1	Federal revenues:		
2	Federal indirect funds.....		472,600
3	Special revenue funds:		
4	Certification fees.....		60,400
5	State general fund/general purpose.....	\$	61,500
6	Sec. 111. ADMINISTRATIVE LAW SERVICES		
7	Full-time equated classified positions.....	2.0	
8	Administrative law operations--2.0 FTE positions.....	\$	<u>1,272,100</u>
9	GROSS APPROPRIATION.....	\$	1,272,100
10	Appropriated from:		
11	Federal revenues:		
12	Federal revenues.....		551,600
13	Special revenue funds:		
14	Certification fees.....		651,000
15	State general fund/general purpose.....	\$	69,500
16	Sec. 112. BUREAU OF ASSESSMENT AND ACCOUNTABILITY		
17	Full-time equated classified positions.....	65.6	
18	Educational assessment operations--65.6 FTE positions.....	\$	<u>12,494,600</u>
19	GROSS APPROPRIATION.....	\$	12,494,600
20	Appropriated from:		
21	Federal revenues:		
22	Federal revenues.....		11,329,100
23	State general fund/general purpose.....	\$	1,165,500
24	Sec. 113. SCHOOL SUPPORT SERVICES		
25	Full-time equated classified positions.....	82.6	
26	Grants coordination and school support services		
27	operations--82.6 FTE positions.....	\$	14,951,700

1	Federal and private grants.....	<u>3,000,000</u>
2	GROSS APPROPRIATION.....	\$ 17,951,700
3	Appropriated from:	
4	Federal revenues:	
5	Federal revenues.....	16,112,600
6	Special revenue funds:	
7	Local school district service fees.....	11,700
8	Private foundations.....	1,000,000
9	Commodity distribution fees.....	71,700
10	Certification fees.....	84,800
11	State general fund/general purpose.....	\$ 670,900
12	Sec. 114. FIELD SERVICES	
13	Full-time equated classified positions..... 45.0	
14	Field services operations--45.0 FTE positions.....	\$ <u>8,976,500</u>
15	GROSS APPROPRIATION.....	\$ 8,976,500
16	Appropriated from:	
17	Federal revenues:	
18	Federal revenues.....	8,683,400
19	Special revenue funds:	
20	Certification fees.....	75,400
21	State general fund/general purpose.....	\$ 217,700
22	Sec. 115. EDUCATIONAL IMPROVEMENT AND INNOVATION	
23	SERVICES	
24	Full-time equated classified positions..... 57.7	
25	Educational improvement and innovation operations--	
26	57.7 FTE positions	\$ <u>8,407,100</u>
27	GROSS APPROPRIATION.....	\$ 8,407,100

1	Appropriated from:		
2	Federal revenues:		
3	Federal revenues.....		6,449,400
4	Special revenue funds:		
5	Certification fees.....		552,500
6	State general fund/general purpose.....	\$	1,405,200
7	Sec. 116. CAREER AND TECHNICAL EDUCATION		
8	Full-time equated classified positions.....	27.0	
9	Career and technical education operations--27.0 FTE		
10	positions	\$	<u>4,704,500</u>
11	GROSS APPROPRIATION.....	\$	4,704,500
12	Appropriated from:		
13	Federal revenues:		
14	Federal revenues.....		3,782,900
15	State general fund/general purpose.....	\$	921,600
16	Sec. 117. LIBRARY OF MICHIGAN		
17	Full-time equated classified positions.....	33.0	
18	Library of Michigan operations--32.0 FTE positions ...	\$	4,308,200
19	Library services and technology program--1.0 FTE		
20	positions		5,603,700
21	State aid to libraries.....		8,876,000
22	Michigan eLibrary.....		1,750,000
23	Renaissance zone reimbursements.....		<u>1,500,000</u>
24	GROSS APPROPRIATION.....	\$	22,037,900
25	Appropriated from:		
26	Federal revenues:		
27	IMLS, library services and technology act.....		5,603,700

1	State general fund/general purpose.....	\$	16,434,200
2	Sec. 118. SCHOOL REFORM OFFICE		
3	Full-time equated classified positions.....	6.0	
4	School reform office operations--6.0 FTE positions ...	\$	<u>2,110,500</u>
5	GROSS APPROPRIATION.....	\$	2,110,500
6	Appropriated from:		
7	State general fund/general purpose.....	\$	2,110,500

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FOR FISCAL YEAR 2013-2014

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, 2014 is \$78,926,000.00 and state spending from state resources to be paid to local units of government for the fiscal year ending September 30, 2014 is \$10,376,000.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF EDUCATION

21	State aid to libraries.....	\$	8,876,000
22	Renaissance zone reimbursements.....	\$	<u>1,500,000</u>
23	Total department of education.....	\$	10,376,000

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

1 to 18.1594.

2 Sec. 203. As used in this article:

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

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

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

9 (d) "HHS" means the United States department of health and
10 human services.

11 (e) "IMLS" means institute of museum and library services.

12 Sec. 204. The state superintendent of public instruction shall
13 take all reasonable steps to ensure businesses in deprived and
14 depressed communities compete for and perform contracts to provide
15 services or supplies, or both. The state superintendent of public
16 instruction shall strongly encourage firms with which the
17 department contracts to subcontract with certified businesses in
18 depressed and deprived communities for services, supplies, or both.

19 Sec. 205. The departments and agencies shall use the Internet
20 to fulfill the reporting requirements of this article. This
21 requirement may include transmission of reports via electronic mail
22 to the recipients identified for each reporting requirement, or it
23 may include placement of reports on an Internet or Intranet site.

24 Sec. 206. The department shall provide through the Internet
25 the state board of education agenda and all supporting documents,
26 and shall notify the state budget director and the senate and house
27 fiscal agencies that the agenda and supporting documents are

1 available on the Internet, at the time the agenda and supporting
2 documents are provided to state board of education members.

3 Sec. 207. The department shall cooperate with the department
4 of technology, management, and budget to maintain a searchable
5 website accessible by the public at no cost that includes, but is
6 not limited to, all of the following for each department or agency:

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

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

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

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

14 (e) Job specifications and wage rates.

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

22 Sec. 211. To the extent the state continues to identify
23 schools as meeting proficiency targets, before publishing a list of
24 schools or districts determined to have failed to make adequate
25 yearly progress as required by the no child left behind act of
26 2001, Public Law 107-110, the department shall allow a school or
27 district to appeal that determination. The department shall

1 consider and act upon the appeal within 30 days after it is
2 submitted and shall not publish the list until after all appeals
3 have been considered and decided.

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

14 Sec. 214. The department and agencies receiving appropriations
15 in part 1 shall prepare a report on out-of-state travel expenses
16 not later than January 1 of each year. The travel report shall be a
17 listing of all travel by classified and unclassified employees
18 outside this state in the immediately preceding fiscal year that
19 was funded in whole or in part with funds appropriated in the
20 department's budget. The report shall be submitted to the senate
21 and house appropriations committees, the house and senate fiscal
22 agencies, and the state budget director. The report shall include
23 the following information:

24 (a) The dates of each travel occurrence.

25 (b) The transportation and related costs of each travel
26 occurrence, including the proportion funded with state general
27 fund/general purpose revenues, the proportion funded with state

1 restricted revenues, the proportion funded with federal revenues,
2 and the proportion funded with other revenues.

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

6 Sec. 218. The department and agencies receiving appropriations
7 in part 1 shall receive and retain copies of all reports funded
8 from appropriations in part 1. Federal and state guidelines for
9 short-term and long-term retention of records shall be followed.
10 The department may electronically retain copies of reports unless
11 otherwise required by federal and state guidelines.

12 Sec. 219. (1) In addition to the funds appropriated in part 1,
13 there is appropriated an amount not to exceed \$5,000,000.00 for
14 federal contingency funds. These funds are not available for
15 expenditure until they have been transferred to another line item
16 in this article under section 393(2) of the management and budget
17 act, 1984 PA 431, MCL 18.1393.

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

24 (3) In addition to the funds appropriated in part 1, there is
25 appropriated an amount not to exceed \$250,000.00 for local
26 contingency funds. These funds are not available for expenditure
27 until they have been transferred to another line item in this

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

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

9 Sec. 220. (1) The department shall provide data requested by a
10 member of the legislature, his or her staff, or the house and
11 senate fiscal agencies in a timely manner. If the department fails
12 to provide reasonably requested data within 30 days after the
13 request, the state money appropriated in part 1 for state
14 board/superintendent operations shall be reduced by 1%.

15 (2) If the department fails to provide to the legislature
16 reports and other data required by boilerplate or statute within 30
17 days after the date the information is due, the state money
18 appropriated in part 1 for state board/superintendent operations
19 shall be reduced by 1%.

20 Sec. 221. Funds appropriated in part 1 shall not be used by a
21 principal executive department, state agency, or authority to hire
22 a person to provide legal services that are the responsibility of
23 the attorney general. This prohibition does not apply to legal
24 services for bonding activities and for those activities that the
25 attorney general authorizes.

26 Sec. 222. The department shall maintain, on a publicly
27 accessible website, a department scorecard that identifies, tracks,

1 and regularly updates key metrics that are used to monitor and
2 improve the agency's performance.

3 Sec. 226. Not later than November 30, the state budget office
4 shall prepare and transmit a report that provides for estimates of
5 the total general fund/general purpose appropriation lapses at the
6 close of the fiscal year. This report shall summarize the projected
7 year-end general fund/general purpose appropriation lapses by major
8 departmental program or program areas. The report shall be
9 transmitted to the office of the state budget, the chairpersons of
10 the senate and house appropriations committees, and the senate and
11 house fiscal agencies.

12 Sec. 227. Within 14 days after the release of the executive
13 budget recommendation, the department shall cooperate with the
14 state budget office to provide the senate and house appropriations
15 chairs, the senate and house appropriations subcommittees
16 responsible for the department budget, respectively, and the senate
17 and house fiscal agencies with an annual report on estimated state
18 restricted fund balances, state restricted fund projected revenues,
19 and state restricted fund expenditures for the fiscal years ending
20 September 30, 2013 and September 30, 2014.

21 Sec. 230. The department may assist the department of
22 community health, other departments, and local school districts to
23 secure reimbursement for eligible services provided in Michigan
24 schools from the federal Medicaid program. The department may
25 submit reports of direct expenses related to this effort to the
26 department of community health for reimbursement.

1 Sec. 231. Funds appropriated in part 1 shall not be used
2 to fund implementation of common core state standards or
3 smarter balanced assessments unless an affirmative action of
4 the legislature authorizing implementation of said standards
5 or assessments is provided.

6 Sec. 232. (1) In addition to the funds appropriated in part 1,
7 there is appropriated up to \$180,000.00 from payments for sub-
8 recipient monitoring services provided to other departments.

9 (2) The funds may be expended for all expenses necessary to
10 provide the required subrecipient monitoring services to other
11 departments.

1 Sec. 233. No state department or agency shall issue a request
2 for proposal (RFP) for a contract in excess of \$5,000,000.00,
3 unless the department or agency has first considered issuing a
4 request for information (RFI) or a request for qualification (RFQ)
5 relative to that contract to better enable the department or agency
6 to learn more about the market for the products or services that
7 are the subject of the future RFP. The department or agency shall
8 notify the department of technology, management, and budget of the
9 evaluation process used to determine if an RFI or RFQ was not
10 necessary prior to issuing the RFP.

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

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

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

17 (b) State board of education - member other than president -
18 \$100.00 per day.

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

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

5 **MICHIGAN SCHOOLS FOR THE DEAF AND BLIND**

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

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

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

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

26 Sec. 407. Revenue received by the Michigan schools for the
27 deaf and blind from gifts, bequests, and donations that is

1 unexpended at the end of the state fiscal year may be carried over
2 to the succeeding fiscal year and shall not revert to the general
3 fund.

4 **PROFESSIONAL PREPARATION SERVICES**

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

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

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

21 **LIBRARY OF MICHIGAN**

22 Sec. 801. In addition to the funds appropriated in part 1, the
23 funds collected by the department for document reproduction and
24 services; conferences, workshops, and training classes; and the use
25 of specialized equipment, facilities, and software are appropriated

1 for all expenses necessary to provide the required services. These
2 funds are available for expenditure when they are received and may
3 be carried forward into the next succeeding fiscal year.

4 Sec. 803. It is the intent of the legislature that the library
5 of Michigan and the component programs currently within the library
6 of Michigan with the exception of the genealogical collections
7 shall be kept together in a state department.

8 Sec. 804. (1) The funds appropriated in part 1 for renaissance
9 zone reimbursements shall be used to reimburse public libraries
10 pursuant to section 12 of the Michigan renaissance zone act, 1996
11 PA 376, MCL 125.2692, for taxes levied in 2013. The allocations
12 shall be made not later than 60 days after the department of
13 treasury certifies to the department and to the state budget
14 director that the department of treasury has received all necessary
15 information to properly determine the amounts due to each eligible
16 recipient.

17 (2) If the amount appropriated under this section is not
18 sufficient to fully pay obligations under this section, payments
19 shall be prorated on an equal basis among all eligible public
20 libraries.

21 SCHOOL SUPPORT SERVICES

22 Sec. 901. Within 10 days of the receipt of a grant
23 appropriated in the federal and private grants line item in part 1,
24 the department shall notify the house and senate chairpersons of
25 the appropriations subcommittees responsible for the department
26 budget, the house and senate fiscal agencies, and the state budget

1 director of the receipt of the grant, including the funding source,
2 purpose, and amount of the grant.

3 **MICHIGAN OFFICE OF GREAT START**

4 Sec. 1001. By November 1, 2013, the department shall submit a
5 report to the house and senate appropriations subcommittees on the
6 department of education budget and the house and senate fiscal
7 agencies on the number of eligible child care providers by type
8 receiving payment for child care services from the department on
9 October 1, 2013.

10 Sec. 1003. (1) The department shall provide the house and
11 senate appropriations subcommittees on the department budget with
12 an annual report on all funding appropriated to the early childhood
13 investment corporation (ECIC) by the state for fiscal year 2012-
14 2013. The report is due by February 15 and shall contain at least
15 the following information:

16 (a) Total funding appropriated to the early childhood
17 investment corporation by the state for fiscal year 2012-2013.

18 (b) The amount of funding for each grant awarded.

19 (c) The grant recipients.

20 (d) The activities funded by each grant.

21 (e) An analysis of each grant recipient's success in
22 addressing the development of a comprehensive system of early
23 childhood services and supports.

24 (2) All department contracts for early childhood comprehensive
25 systems planning shall be bid out through a statewide request-for-
26 proposal process.

1 Sec. 1004. (1) Not later than the 2014-2015 fiscal year, all
2 head start center-based program providers shall ensure that where
3 there is a great start readiness program requirement, policy, or
4 regulation that is more rigorous than the corresponding head start
5 requirement, policy, or regulation, all head start center-based
6 programs will meet the more rigorous great start readiness program
7 requirement, policy, or regulation, in addition to any federal
8 requirements with which head start center-based programs must
9 comply. This shall include, but is not limited to, meeting the
10 current great start readiness program classroom staff
11 qualifications whereby the lead teacher must have a Michigan
12 teaching certificate with an early childhood specialist endorsement
13 or, if subcontracted, the lead teacher must have a valid Michigan
14 teaching certificate with a childhood specialist endorsement; or a
15 valid Michigan teaching certificate with a child development
16 associate credential; or a bachelor's degree in child development
17 with a focus on teaching preschool.

18 (2) A head start center-based program may continue to employ
19 as a lead teacher an individual who does not meet the requirements
20 in subsection (1) if the individual meets both of the following
21 requirements:

22 (a) The lead teacher is annually and continually enrolled and
23 completing credit in an approved teacher preparation program
24 leading to a provisional teaching certificate as described in
25 subsection (1) or enrolled in a program leading to a bachelor's
26 degree in child development with a focus on teaching preschool.

27 (b) The lead teacher has on file with the employing entity,

1 his or her teacher preparation institution, and the department of
2 education a planned program leading to teacher certification or a
3 bachelor's degree in child development with a focus on teaching
4 preschool.

5 PART 2A

6 PROVISIONS CONCERNING ANTICIPATED APPROPRIATIONS

7 FOR FISCAL YEAR 2014-2015

8 **GENERAL SECTIONS**

9 Sec. 1201. It is the intent of the legislature to provide
10 appropriations for the fiscal year ending on September 30, 2015 for
11 the line items listed in part 1. The fiscal year 2014-2015
12 appropriations are anticipated to be the same as those for fiscal
13 year 2013-2014, except that the line items will be adjusted for
14 changes in caseload and related costs, federal fund match rates,
15 economic factors, and available revenue. These adjustments will be
16 determined after the January 2014 consensus revenue estimating
17 conference.

18 Sec. 1202. It is the intent of the legislature that the
19 department identify the amounts for normal retirement costs and
20 legacy retirement costs for the fiscal year ending on September 30,
21 2015 for the line items listed in part 1.

22 ARTICLE VII

23 DEPARTMENT OF ENVIRONMENTAL QUALITY

24 PART 1

1 LINE-ITEM APPROPRIATIONS

2 Sec. 101. There is appropriated for the department of
 3 environmental quality for the fiscal year ending September 30,
 4 2014, from the following funds:

5 DEPARTMENT OF ENVIRONMENTAL QUALITY

6 APPROPRIATION SUMMARY

7	Full-time equated unclassified positions.....	6.0	
8	Full-time equated classified positions.....	1,281.5	
9	GROSS APPROPRIATION.....		\$ 517,168,800
10	Interdepartmental grant revenues:		
11	Total interdepartmental grants and intradepartmental		
12	transfers		9,401,900
13	ADJUSTED GROSS APPROPRIATION.....		\$ 507,766,900
14	Federal revenues:		
15	Federal funds.....		150,779,700
16	Special revenue funds:		
17	Private funds.....		541,800
18	Total other state restricted revenues.....		327,340,900
19	State general fund/general purpose.....		\$ 29,104,500
20	State general fund/general purpose schedule:		
21	Ongoing state general fund/general		
22	purpose	28,104,500	
23	One-time state general fund/general		
24	purpose	1,000,000	
25	FUND SOURCE SUMMARY		
26	Full-time equated unclassified positions.....	6.0	

1	Full-time equated classified positions.....	1,281.5	
2	GROSS APPROPRIATION.....		\$ 517,168,800
3	Interdepartmental grant revenues:		
4	IDG, MDOT - Michigan transportation fund.....		1,285,700
5	IDG, MDSP.....		1,484,800
6	IDT, interdivisional charges.....		2,053,400
7	IDT, laboratory services.....		4,578,000
8	Total interdepartmental grants and intradepartmental		
9	transfers		9,401,900
10	ADJUSTED GROSS APPROPRIATION.....		\$ 507,766,900
11	Federal revenues:		
12	Federal funds.....		150,779,700
13	Special revenue funds:		
14	Private funds.....		541,800
15	Air emissions fees.....		10,601,500
16	Campground fund.....		362,200
17	Clean Michigan initiative - response activities.....		5,500,000
18	Clean Michigan initiative fund - clean water fund....		3,782,100
19	Cleanup and redevelopment fund.....		24,074,400
20	Community pollution prevention fund.....		250,000
21	Electronic waste recycling fund.....		326,400
22	Environmental education fund.....		162,900
23	Environmental pollution prevention fund.....		2,892,500
24	Environmental protection fund.....		2,814,700
25	Environmental response fund.....		6,247,200
26	Fees and collections.....		492,300
27	Financial instruments.....		5,000,000

1	Great Lakes protection fund.....	212,500
2	Groundwater discharge permit fees.....	1,681,400
3	Hazardous materials transportation permit fund.....	780,600
4	Infrastructure construction fund.....	100,000
5	Land and water permit fees.....	3,299,500
6	Landfill maintenance trust fund.....	30,100
7	Medical waste emergency response fund.....	344,100
8	Metallic mining surveillance fee revenue.....	162,500
9	Mineral well regulatory fee revenue.....	230,300
10	Nonferrous metallic mineral surveillance.....	102,100
11	NPDES fees.....	4,471,300
12	Oil and gas regulatory fund.....	11,183,300
13	Orphan well fund.....	2,357,000
14	Public swimming pool fund.....	739,100
15	Public utility assessments.....	282,900
16	Public water supply fees.....	5,084,700
17	Refined petroleum fund.....	50,465,300
18	Retired engineers technical assistance program.....	664,400
19	Revitalization revolving loan fund.....	99,900
20	Revolving loan revenue bonds.....	11,400,000
21	Sand extraction fee revenue.....	102,800
22	Scrap tire regulatory fund.....	5,097,100
23	Septage waste contingency fund.....	17,800
24	Septage waste program fund.....	635,900
25	Settlement funds.....	641,600
26	Sewage sludge land application fees.....	1,148,100
27	Small business pollution prevention revolving loan	

1	fund	168,300
2	Soil erosion and sedimentation control training fund.	155,900
3	Solid waste management fund - staff account	5,425,800
4	Stormwater permit fees.....	3,303,200
5	Strategic water quality initiatives fund.....	140,766,500
6	Waste reduction fee revenue.....	6,284,600
7	Wastewater operator training fees.....	691,400
8	Water analysis fees.....	2,559,700
9	Water pollution control revolving fund.....	3,759,000
10	Water quality protection fund.....	100,000
11	Water use reporting fees.....	286,000
12	Total other state restricted revenues.....	327,340,900
13	State general fund/general purpose.....	\$ 29,104,500
14	Sec. 102. EXECUTIVE OPERATIONS	
15	Full-time equated unclassified positions..... 6.0	
16	Full-time equated classified positions..... 13.0	
17	Unclassified salaries--6.0 FTE positions.....	\$ 707,000
18	Executive direction--13.0 FTE positions.....	<u>2,047,000</u>
19	GROSS APPROPRIATION.....	2,754,000
20	Appropriated from:	
21	Federal revenues:	
22	Federal funds.....	38,900
23	Special revenue funds:	
24	Environmental response fund.....	214,200
25	Oil and gas regulatory fund.....	391,900
26	Refined petroleum fund.....	580,900
27	Settlement funds.....	67,600

1	State general fund/general purpose.....	\$	1,460,500
2	Sec. 103. OFFICE OF THE GREAT LAKES		
3	Full-time equated classified positions.....	12.0	
4	Office of the Great Lakes--12.0 FTE positions.....	\$	2,874,300
5	Coastal management grants.....		<u>1,750,000</u>
6	GROSS APPROPRIATION.....	\$	4,624,300
7	Appropriated from:		
8	Federal revenues:		
9	Federal funds.....		3,415,700
10	Special revenue funds:		
11	Great Lakes protection fund.....		212,500
12	Settlement funds.....		111,300
13	State general fund/general purpose.....	\$	884,800
14	Sec. 104. GREAT LAKES RESTORATION INITIATIVE		
15	Full-time equated classified positions.....	6.0	
16	Great Lakes restoration initiative--6.0 FTE positions	\$	<u>15,020,600</u>
17	GROSS APPROPRIATION.....	\$	15,020,600
18	Appropriated from:		
19	Federal revenues:		
20	Federal funds.....		15,020,600
21	Special revenue funds:		
22	State general fund/general purpose.....	\$	0
23	Sec. 105. DEPARTMENT SUPPORT SERVICES		
24	Full-time equated classified positions.....	34.0	
25	Central support services--34.0 FTE positions.....	\$	4,036,100
26	Accounting service center.....		1,252,100
27	Administrative hearings.....		595,700

1	Automated data processing.....	2,053,400
2	Building occupancy charges.....	6,388,100
3	Environmental support projects.....	5,000,000
4	Rent - privately owned property.....	<u>2,152,100</u>
5	GROSS APPROPRIATION.....	\$ 21,477,500
6	Appropriated from:	
7	Interdepartmental grant revenues:	
8	IDG, MDSP.....	164,800
9	IDT, interdivisional charges.....	2,053,400
10	IDT, laboratory services.....	459,100
11	Federal revenues:	
12	Federal funds.....	5,400
13	Special revenue funds:	
14	Air emissions fees.....	1,386,700
15	Campground fund.....	46,600
16	Cleanup and redevelopment fund.....	2,065,500
17	Electronic waste recycling fund.....	21,300
18	Environmental pollution prevention fund.....	358,800
19	Environmental response fund.....	634,600
20	Fees and collections.....	41,000
21	Financial instruments.....	5,000,000
22	Groundwater discharge permit fees.....	166,200
23	Hazardous materials transportation permit fund.....	40,700
24	Land and water permit fees.....	460,400
25	Medical waste emergency response fund.....	33,500
26	Metallic mining surveillance fee revenue.....	15,200
27	Mineral well regulatory fee revenue.....	19,000

1	NPDES fees.....	297,300
2	Oil and gas regulatory fund.....	821,400
3	Orphan well fund.....	56,600
4	Public swimming pool fund.....	48,800
5	Public utility assessments.....	40,200
6	Public water supply fees.....	369,600
7	Refined petroleum fund.....	1,579,600
8	Sand extraction fee revenue.....	13,100
9	Scrap tire regulatory fund.....	182,900
10	Septage waste program fund.....	82,500
11	Settlement funds.....	205,300
12	Sewage sludge land application fees.....	147,600
13	Small business pollution prevention revolving loan	
14	fund	24,800
15	Soil erosion and sedimentation control training fund.	13,200
16	Solid waste management fund - staff account	654,900
17	Stormwater permit fees.....	160,000
18	Waste reduction fee revenue.....	787,400
19	Wastewater operator training fees.....	73,700
20	Water analysis fees.....	232,500
21	Water use reporting fees.....	32,000
22	State general fund/general purpose.....	\$ 2,681,900
23	Sec. 106. OFFICE OF ENVIRONMENTAL ASSISTANCE	
24	Full-time equated classified positions.....	40.0
25	Office of environmental assistance--40.0 FTE positions	\$ 6,187,200
26	Pollution prevention local grants.....	<u>250,000</u>
27	GROSS APPROPRIATION.....	\$ 6,437,200

1	Appropriated from:	
2	Federal revenues:	
3	Federal funds.....	773,200
4	Special revenue funds:	
5	Private funds.....	356,600
6	Air emissions fees.....	133,600
7	Community pollution prevention fund.....	250,000
8	Environmental education fund.....	162,900
9	Fees and collections.....	117,600
10	Retired engineers technical assistance program.....	664,400
11	Settlement funds.....	257,400
12	Small business pollution prevention revolving loan	
13	fund	131,600
14	Waste reduction fee revenue.....	3,589,900
15	State general fund/general purpose.....	\$ 0
16	Sec. 107. WATER RESOURCE DIVISION	
17	Full-time equated classified positions.....	331.0
18	Land and water interface permit programs--86.0 FTE	
19	positions	\$ 12,208,000
20	Program direction and project assistance--30.0 FTE	
21	positions	3,049,000
22	Water withdrawal assessment program--4.0 FTE positions	605,200
23	Expedited water/wastewater permits--3.0 FTE positions	100,000
24	Fish contaminant monitoring.....	316,100
25	Groundwater discharge--22.0 FTE positions.....	3,024,800
26	NPDES nonstormwater program--89.0 FTE positions.....	12,648,800
27	Surface water--97.0 FTE positions.....	17,749,800

1	Federal - Great Lakes remedial action plan grants	700,000
2	Federal - nonpoint source water pollution grants	6,500,000
3	Wetland mitigation banking grants and loans	3,000,000
4	Water quality protection grants	<u>100,000</u>
5	GROSS APPROPRIATION	\$ 60,001,700
6	Appropriated from:	
7	Interdepartmental grant revenues:	
8	IDG, MDOT - Michigan transportation fund	1,209,200
9	Federal revenues:	
10	Federal funds	23,211,600
11	Special revenue funds:	
12	Clean Michigan initiative fund - clean water fund	3,782,100
13	Environmental protection fund	668,100
14	Environmental response fund	199,900
15	Groundwater discharge permit fees	1,430,700
16	Infrastructure construction fund	100,000
17	Land and water permit fees	2,546,700
18	NPDES fees	4,029,100
19	Refined petroleum fund	439,500
20	Sewage sludge land application fees	928,000
21	Soil erosion and sedimentation control training fund .	136,400
22	Stormwater permit fees	3,062,600
23	Strategic water quality initiatives fund	3,000,000
24	Wastewater operator training fees	334,200
25	Water pollution control revolving fund	802,400
26	Water quality protection fund	100,000
27	Water use reporting fees	237,900

1	State general fund/general purpose.....	\$	13,783,300
2	Sec. 108. LAW ENFORCEMENT DIVISION		
3	Full-time equated classified positions.....	14.0	
4	Environmental investigations--14.0 FTE positions.....	\$	<u>2,790,400</u>
5	GROSS APPROPRIATION.....	\$	2,790,400
6	Appropriated from:		
7	Federal revenues:		
8	Federal funds.....		818,500
9	Special revenue funds:		
10	Air emissions fees.....		55,700
11	Campground fund.....		5,300
12	Cleanup and redevelopment fund.....		231,900
13	Electronic waste recycling fund.....		2,400
14	Environmental pollution prevention fund.....		39,700
15	Environmental response fund.....		95,900
16	Fees and collections.....		5,100
17	Groundwater discharge permit fees.....		19,300
18	Hazardous materials transportation permit fund.....		4,200
19	Land and water permit fees.....		37,400
20	Medical waste emergency response fund.....		3,400
21	Metallic mining surveillance fee revenue.....		1,700
22	Mineral well regulatory fee revenue.....		2,100
23	NPDES fees.....		28,400
24	Oil and gas regulatory fund.....		147,200
25	Orphan well fund.....		6,400
26	Public swimming pool fund.....		5,400
27	Public utility assessments.....		4,300

1	Public water supply fees.....	41,100
2	Refined petroleum fund.....	377,600
3	Sand extraction fee revenue.....	1,000
4	Scrap tire regulatory fund.....	37,900
5	Septage waste program fund.....	9,400
6	Sewage sludge land application fees.....	16,400
7	Small business pollution prevention revolving loan	
8	fund	2,900
9	Soil erosion and sedimentation control training fund.	1,200
10	Solid waste management fund - staff account	74,500
11	Stormwater permit fees.....	18,900
12	Waste reduction fee revenue.....	98,800
13	Wastewater operator training fees.....	8,100
14	Water analysis fees.....	26,200
15	Water use reporting fees.....	3,600
16	State general fund/general purpose.....	\$ 558,500
17	Sec. 109. AIR QUALITY DIVISION	
18	Full-time equated classified positions..... 203.0	
19	Air quality programs--203.0 FTE positions.....	\$ <u>25,766,500</u>
20	GROSS APPROPRIATION.....	\$ 25,766,500
21	Appropriated from:	
22	Federal revenues:	
23	Federal funds.....	7,470,700
24	Special revenue funds:	
25	Air emissions fees.....	8,480,000
26	Fees and collections.....	279,200
27	Oil and gas regulatory fund.....	133,200

1	Refined petroleum fund.....		3,551,500
2	Waste reduction fee revenue.....		1,320,300
3	State general fund/general purpose.....	\$	4,531,600
4	Sec. 110. RESOURCE MANAGEMENT DIVISION		
5	Full-time equated classified positions.....	316.5	
6	Drinking water and environmental health--	106.5 FTE	
7	positions		\$ 15,919,100
8	Hazardous waste management program--	51.0 FTE positions	6,331,600
9	Low-level radioactive waste authority--	2.0 FTE	
10	positions		225,000
11	Medical waste program--	2.0 FTE positions	294,300
12	Municipal assistance--	34.0 FTE positions	6,481,400
13	Radiological protection program--	12.0 FTE positions ..	1,674,800
14	Scrap tire regulatory program--	11.0 FTE positions	1,307,700
15	Oil, gas, and mineral services--	61.0 FTE positions ...	11,916,700
16	Solid waste management program--	37.0 FTE positions ...	4,872,000
17	Drinking water program grants.....		1,330,000
18	Noncommunity water grants.....		2,000,000
19	Septage waste compliance grants.....		275,000
20	Strategic water quality initiative grants and loans ..		97,000,000
21	Strategic water quality initiative loans.....		9,600,000
22	Water pollution control and drinking water revolving		
23	fund		85,443,000
24	Scrap tire grants.....		<u>3,500,000</u>
25	GROSS APPROPRIATION.....	\$	248,170,600
26	Appropriated from:		
27	Interdepartmental grant revenues:		

1	IDG, MDSP.....	1,257,800
2	Federal revenues:	
3	Federal funds.....	89,348,900
4	Special revenue funds:	
5	Campground fund.....	292,500
6	Electronic waste recycling fund.....	294,600
7	Environmental pollution prevention fund.....	2,356,500
8	Fees and collections.....	33,800
9	Hazardous materials transportation permit fund.....	720,100
10	Medical waste emergency response fund.....	294,300
11	Metallic mining surveillance fee revenue.....	139,800
12	Mineral well regulatory fee revenue.....	201,800
13	Nonferrous metallic mineral surveillance.....	102,100
14	Oil and gas regulatory fund.....	9,117,300
15	Orphan well fund.....	2,272,000
16	Public swimming pool fund.....	665,800
17	Public utility assessments.....	225,000
18	Public water supply fees.....	4,198,100
19	Refined petroleum fund.....	664,500
20	Revolving loan revenue bonds.....	11,400,000
21	Sand extraction fee revenue.....	83,700
22	Scrap tire regulatory fund.....	4,807,700
23	Septage waste contingency fund.....	17,800
24	Septage waste program fund.....	512,300
25	Solid waste management fund - staff account.....	4,399,900
26	Strategic water quality initiatives fund.....	107,766,500
27	Waste reduction fee revenue.....	177,500

1	Wastewater operator training fees.....		247,000
2	Water pollution control revolving fund.....		2,798,300
3	State general fund/general purpose.....	\$	3,775,000
4	Sec. 111. REMEDIATION AND REDEVELOPMENT DIVISION		
5	Full-time equated classified positions.....	312.0	
6	Contaminated site investigations, cleanup and		
7	revitalization--204.0 FTE positions.....	\$	27,754,700
8	Federal cleanup project management--60.0 FTE positions		9,546,900
9	Laboratory services--48.0 FTE positions.....		6,528,900
10	Brownfield grants.....		5,500,000
11	Emergency cleanup actions.....		4,000,000
12	Environmental cleanup support.....		1,840,000
13	Environmental cleanup and redevelopment program.....		30,000,000
14	Refined petroleum product cleanup program.....		32,500,000
15	Superfund cleanup.....		<u>3,000,000</u>
16	GROSS APPROPRIATION.....	\$	120,670,500
17	Appropriated from:		
18	Interdepartmental grant revenues:		
19	IDT, laboratory services.....		4,017,900
20	Federal revenues:		
21	Federal funds.....		8,965,100
22	Special revenue funds:		
23	Private funds.....		185,200
24	Clean Michigan initiative - response activities.....		5,500,000
25	Cleanup and redevelopment fund.....		20,915,200
26	Environmental protection fund.....		2,142,000
27	Environmental response fund.....		4,728,700

1	Landfill maintenance trust fund.....		30,100
2	Public water supply fees.....		300,200
3	Refined petroleum fund.....		41,575,400
4	Revitalization revolving loan fund.....		99,900
5	Strategic water quality initiatives fund.....		30,000,000
6	Water analysis fees.....		2,210,800
7	State general fund/general purpose.....	\$	0
8	Sec. 112. INFORMATION TECHNOLOGY		
9	Information technology services and projects.....	\$	<u>8,455,500</u>
10	GROSS APPROPRIATION.....	\$	8,455,500
11	Appropriated from:		
12	Interdepartmental grant revenues:		
13	IDG, MDOT - Michigan transportation fund.....		76,500
14	IDG, MDSP.....		62,200
15	IDT, laboratory services.....		101,000
16	Federal revenues:		
17	Federal funds.....		1,711,100
18	Special revenue funds:		
19	Air emissions fees.....		545,500
20	Campground fund.....		17,800
21	Cleanup and redevelopment fund.....		861,800
22	Electronic waste recycling fund.....		8,100
23	Environmental pollution prevention fund.....		137,500
24	Environmental protection fund.....		4,600
25	Environmental response fund.....		373,900
26	Fees and collections.....		15,600
27	Groundwater discharge permit fees.....		65,200

1	Hazardous materials transportation permit fund.....	15,600
2	Land and water permit fees.....	255,000
3	Medical waste emergency response fund.....	12,900
4	Metallic mining surveillance fee revenue.....	5,800
5	Mineral well regulatory fee revenue.....	7,400
6	NPDES fees.....	116,500
7	Oil and gas regulatory fund.....	572,300
8	Orphan well fund.....	22,000
9	Public swimming pool fund.....	19,100
10	Public utility assessments.....	13,400
11	Public water supply fees.....	175,700
12	Refined petroleum fund.....	1,696,300
13	Sand extraction fee revenue.....	5,000
14	Scrap tire regulatory fund.....	68,600
15	Septage waste program fund.....	31,700
16	Sewage sludge land application fees.....	56,100
17	Small business pollution prevention revolving loan	
18	fund	9,000
19	Soil erosion and sedimentation control training fund.	5,100
20	Solid waste management fund - staff account.....	296,500
21	Stormwater permit fees.....	61,700
22	Waste reduction fee revenue.....	310,700
23	Wastewater operator training fees.....	28,400
24	Water analysis fees.....	90,200
25	Water pollution control revolving fund.....	158,300
26	Water use reporting fees.....	12,500
27	State general fund/general purpose.....	\$ 428,900

1 Sec. 203. As used in this article:

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

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

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

6 (d) "IDG" means interdepartmental grant.

7 (e) "IDT" means intradepartmental transfer.

8 (f) "MDOT" means the state transportation department.

9 (g) "MDSP" means the department of state police.

10 (h) "NPDES" means national pollution discharge elimination
11 system.

12 Sec. 205. Unless otherwise specified, the department shall use
13 the Internet to fulfill the reporting requirements of this article.
14 This requirement may include transmission of reports via electronic
15 mail to the recipients identified for each reporting requirement,
16 or it may include placement of reports on an Internet or Intranet
17 site.

18 Sec. 207. The department and agencies receiving appropriations
19 in part 1 shall receive and retain copies of all reports funded
20 from appropriations in part 1. Federal and state guidelines for
21 short-term and long-term retention of records shall be followed.
22 The department may electronically retain copies of reports unless
23 otherwise required by federal and state guidelines.

24 Sec. 209. The departments and agencies receiving
25 appropriations in part 1 shall prepare a report on out-of-state
26 travel expenses not later than January 1 of each year. The travel
27 report shall be a listing of all travel by classified and

1 unclassified employees outside this state in the immediately
2 preceding fiscal year that was funded in whole or in part with
3 funds appropriated in the department's budget. The report shall be
4 submitted to the house and senate appropriations committee, the
5 house and senate fiscal agencies, and the state budget director.
6 The report shall include the following information:

7 (a) The dates of each travel occurrence.

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

13 Sec. 210. Funds appropriated in part 1 shall not be used for
14 the purchase of foreign goods or services, or both, if
15 competitively priced and of comparable quality American goods or
16 services, or both, are available. Preference shall be given to
17 goods or services, or both, manufactured or provided by Michigan
18 businesses and associated subcontractors if they are competitively
19 priced and of comparable quality. In addition, preference shall be
20 given to goods or services, or both, that are manufactured or
21 provided by Michigan businesses owned and operated by veterans, if
22 they are competitively priced and of comparable quality.

23 Sec. 211. The director shall take all reasonable steps to
24 ensure businesses in deprived and depressed communities compete for
25 and perform contracts to provide services or supplies, or both. The
26 director shall strongly encourage firms with which the department
27 contracts to subcontract with certified businesses in depressed and

1 deprived communities for services, supplies, or both.

2 Sec. 212. The department shall not take disciplinary action
3 against an employee for communicating with a member of the
4 legislature or his or her staff.

5 Sec. 213. (1) Funds appropriated in part 1 shall not be used
6 by the department to promulgate a rule that will apply to a small
7 business and that will have a disproportionate economic impact on
8 small businesses because of the size of those businesses if the
9 department fails to reduce the disproportionate economic impact of
10 the rule on small businesses as provided under section 40 of the
11 administrative procedures act of 1969, 1969 PA 306, MCL 24.240.

12 (2) As used in this section:

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

15 (b) "Small business" means that term as defined under section
16 7a of the administrative procedures act of 1969, 1969 PA 306, MCL
17 24.207a.

18 Sec. 214. Funds appropriated in part 1 shall not be used by a
19 principal executive department, state agency, or authority to hire
20 a person to provide legal services that are the responsibility of
21 the attorney general. This prohibition does not apply to legal
22 services for bonding activities and for those activities that the
23 attorney general authorizes.

24 Sec. 215. (1) In addition to the funds appropriated in part 1,
25 there is appropriated an amount not to exceed \$30,000,000.00 for
26 federal contingency funds. These funds are not available for
27 expenditure until they have been transferred to another line item

1 in this article under section 393(2) of the management and budget
2 act, 1984 PA 431, MCL 18.1393.

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

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

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

21 Sec. 216. (1) The department shall report all of the following
22 information relative to allocations made from appropriations for
23 the environmental cleanup and redevelopment program, state cleanup,
24 emergency actions, superfund cleanup, the revitalization revolving
25 loan program, the brownfield grants and loans program, the leaking
26 underground storage tank cleanup program, the contaminated lake and
27 river sediments cleanup program, the refined petroleum product

1 cleanup program, and the environmental protection bond projects
2 under section 19508(7) of the natural resources and environmental
3 protection act, 1994 PA 451, MCL 324.19508, to the state budget
4 director, the senate and house appropriations subcommittees on
5 environmental quality, and the senate and house fiscal agencies:

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

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

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

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

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

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

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

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

21 (a) The status of all state-owned facilities that are on the
22 list compiled under part 201 of the natural resources and
23 environmental protection act, 1994 PA 451, MCL 324.20101 to
24 324.20142.

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

1 (c) The total amount of bonds issued for the environmental
2 protection bond program pursuant to part 193 of the natural
3 resources and environmental protection act, 1994 PA 451, MCL
4 324.19301 to 324.19306, and bonds issued pursuant to the clean
5 Michigan initiative act, 1998 PA 284, MCL 324.95101 to 324.95108.

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

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

14 (2) Unexpended and unencumbered amounts remaining from
15 appropriations from the environmental protection bond fund
16 contained in 1991 PA 160, 2003 PA 173, 2005 PA 109, 2006 PA 343,
17 2011 PA 63, and 2012 PA 236 are appropriated for expenditure for
18 any site listed in this article and any site listed in the public
19 acts referenced in this section.

20 (3) Unexpended and unencumbered amounts remaining from
21 appropriations from the clean Michigan initiative fund - response
22 activities contained in 2000 PA 52, 2001 PA 120, 2004 PA 309, 2005
23 PA 11, 2006 PA 343, 2007 PA 121, and 2011 PA 63 are appropriated
24 for expenditure for any site listed in this article and any site
25 listed in the public acts referenced in this section.

26 (4) Unexpended and unencumbered amounts remaining from
27 appropriations from the refined petroleum fund activities contained

1 in 2007 PA 121, 2008 PA 247, 2009 PA 118, 2010 PA 189, 2011 PA 63,
2 and 2012 PA 200 are appropriated for expenditure for any site
3 listed in this article and any site listed in the public acts
4 referenced in this section.

5 (5) Unexpended and unencumbered amounts remaining from the
6 appropriations from the strategic water quality initiatives fund
7 contained in 2011 PA 50, 2011 PA 63, and 2012 PA 200 are
8 appropriated for expenditure for any site listed in this article
9 and any site listed in the public acts referenced in this section.

10 Sec. 219. Unexpended settlement revenues at the end of the
11 fiscal year may be carried forward into the settlement fund in the
12 succeeding fiscal year up to a maximum carryforward of
13 \$2,500,000.00.

14 Sec. 221. Not later than November 30, the state budget office
15 shall prepare and transmit a report that provides for estimates of
16 the total general fund/general purpose appropriation lapses at the
17 close of the previous fiscal year. This report shall summarize the
18 projected year-end general fund/general purpose appropriation
19 lapses by major departmental program or program areas. The report
20 shall be transmitted to the chairpersons of the senate and house
21 appropriations committees and the senate and house fiscal agencies.

22 Sec. 222. Within 14 days after the release of the executive
23 budget recommendation, the department shall cooperate with the
24 state budget office to provide the senate and house appropriations
25 chairs, the senate and house appropriations subcommittee chairs,
26 and the senate and house fiscal agencies with an annual report on
27 estimated state restricted fund balances, state restricted fund

1 projected revenues, and state restricted fund expenditures for the
2 fiscal years ending September 30, 2013 and September 30, 2014.

3 Sec. 223. Part 1 provides authorizations to fund 1,285.5 FTE
4 classified positions during the fiscal year ending September 30,
5 2014. Line-item appropriations include limitations on the number of
6 payroll hours to be funded, on the basis of 2,088 hours per each
7 FTE position. The department shall report the number of funded FTE
8 positions within 15 days after the effective date of this article.
9 The number of classified employees compensated through each line
10 item is limited by the authorized FTE positions indicated in this
11 article, as adjusted for the number of reported funded FTE
12 positions. The report shall be provided to the house and senate
13 appropriations subcommittees on environmental quality and the house
14 and senate fiscal agencies.

15 Sec. 224. On a quarterly basis, the department shall report on
16 the number of FTEs in pay status by civil service classification to
17 the senate and house appropriations subcommittees on environmental
18 quality and the senate and house fiscal agencies.

19 Sec. 225. The department shall cooperate with the department
20 of technology, management, and budget to maintain a searchable
21 website accessible by the public at no cost that includes, but is
22 not limited to, all of the following for each department or agency:

- 23 (a) Fiscal year-to-date expenditures by category.
- 24 (b) Fiscal year-to-date expenditures by appropriation unit.
- 25 (c) Fiscal year-to-date payments to a selected vendor,
26 including the vendor name, payment date, payment amount, and
27 payment description.

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

3 (e) Job specifications and wage rates.

4 Sec. 228. The department shall provide a report on the
5 customer satisfaction evaluation program and the feedback received
6 to the house and senate appropriations subcommittees on
7 environmental quality and the house and senate fiscal agencies by
8 July 1, 2014.

9 Sec. 229. The department shall provide a report on the
10 expedited permitting program to the house and senate appropriations
11 subcommittees on environmental quality and the house and senate
12 fiscal agencies by July 1, 2014. The report shall include a list of
13 all actions and program changes taken to implement the expedited
14 permitting program and which programs have implemented the
15 expedited permitting program.

16 Sec. 231. The department shall maintain, on a publicly
17 accessible website, a department scorecard that identifies, tracks,
18 and regularly updates key metrics that are used to monitor and
19 improve the agency's performance.

20 Sec. 232. Effective October 1, 2013, surplus funds not to
21 exceed \$72,600.00 in the publication revenue fund are appropriated
22 to the oil and gas regulatory fund created in section 61525b of the
23 natural resources and environmental protection act, 1994 PA 451,
24 MCL 324.61525b.

25 Sec. 233. The department shall not issue a request for
26 proposal (RFP) for a contract in excess of \$5,000,000.00, unless
27 the department has first considered issuing a request for

1 information (RFI) or a request for qualification (RFQ) relative to
2 that contract to better enable the department to learn more about
3 the market for the products or services that are the subject of the
4 future RFP. The department shall notify the department of
5 technology, management, and budget of the evaluation process used
6 to determine if an RFI or RFQ was not necessary prior to issuing
7 the RFP.

8 **REMEDICATION DIVISION**

9 Sec. 301. Revenues remaining in the interdepartmental
10 transfers, laboratory services at the end of the fiscal year shall
11 carry forward into the succeeding fiscal year.

12 Sec. 302. The unexpended funds appropriated in part 1 for
13 emergency cleanup actions, the environmental cleanup and
14 redevelopment program, and the refined petroleum product cleanup
15 program are considered work project appropriations and any
16 unencumbered or unallotted funds are carried forward into the
17 succeeding fiscal year. The following is in compliance with section
18 451a(1) of the management and budget act, 1984 PA 431, MCL
19 18.1451a:

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

22 (b) The projects will be accomplished by contract.

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

25 (d) The tentative completion date is September 30, 2018.

26 Sec. 303. Effective October 1, 2013, surplus funds not to

1 exceed \$1,000,000.00 in the cleanup and redevelopment trust fund
 2 are appropriated to the environmental protection fund created in
 3 section 503a of the natural resources and environmental protection
 4 act, 1994 PA 451, MCL 324.503a.

5 Sec. 304. Effective October 1, 2013, surplus funds not to
 6 exceed \$1,000,000.00 in the community pollution prevention fund
 7 created in section 3f of 1976 IL 1, MCL 445.573f, are appropriated
 8 to the environmental protection fund created in section 503a of the
 9 natural resources and environmental protection act, 1994 PA 451,
 10 MCL 324.503a.

11 Sec. 305. It is the intent of the legislature to repay the
 12 refined petroleum fund for the \$70,000,000.00 that was transferred
 13 to the environmental protection fund created in section 503a of the
 14 natural resources and environmental protection act, 1994 PA 451,
 15 MCL 324.503a, as part of the resolution for the fiscal year 2006-
 16 2007 budget.

17 Sec. 306. (1) The funds appropriated in part 1 for the refined
 18 petroleum product cleanup program shall be used to fund cleanup
 19 activities on the following sites:

20 Site Name	County
21 Midway Resort Inc.	Alger
22 Country Party Store	Alpena
23 Hubbard Lake General Store	Alpena
24 Don's Auto	Antrim
25 Res. Wells Torch Lake Twp.	Antrim
26 Bud's in Honor	Benzie
27 Frankfort Station	Benzie

1	Randy's Amoco	Berrien
2	Baker Oil (E. Michigan)	Calhoun
3	Clark #767 (Marshall)	Calhoun
4	Clark #768 (Albion)	Calhoun
5	Clark Service Station #500	Calhoun
6	Pioneer Auto Truck Stop	Calhoun
7	Te-Khi Truck Auto Plaza Inc.	Calhoun
8	Dave's Repair	Cass
9	Herb's Auto Care	Cass
10	Unocal 76, Edwardsburg (Energy Oil)	Cass
11	Arnold's Bait and Tackle	Charlevoix
12	Clare's Country Corners	Charlevoix
13	Cook Corporation Site	Cheboygan
14	Corner Store	Cheboygan
15	Donald Johnson	Cheboygan
16	The Depot	Clare
17	State Road Service	Clinton
18	Bay Petroleum Corp	Eaton
19	South End Mobil	Eaton
20	Farmers Petroleum Coop - Petoskey	Emmet
21	Odyssey House, Flint	Genesee
22	Spartan Express (truck terminal)	Genesee
23	Taber's Oil Co., Inc.	Genesee
24	Watkins & Himelhoch Inc.	Genesee
25	Estey Service Station	Gladwin
26	Three Rivers Store	Gladwin
27	Wilson's Grocery	Gratiot

1	Action Auto Store #30	Ingham
2	Bay Gas Station, 3306 N. East St.	Ingham
3	Clark Station #1995	Ingham
4	Former Clark #531	Ingham
5	Fresh-Up Car Wash	Ingham
6	Miller Oil Company	Ingham
7	Washington, 114 N.	Iosco
8	Beach Products	Kalamazoo
9	Davis Country Corners	Kalkaska
10	1200 Monroe Avenue NW	Kent
11	1558 28th Street SW	Kent
12	Lakeside Resort and Party Store	Leelanau
13	Ralph Herman Farms	Leelanau
14	Blissfield Marathon	Lenawee
15	Clark 1457 Adrian	Lenawee
16	Lakeland Montessori School	Livingston
17	Leon Bonner Prop	Livingston
18	Millies Market (dba Toms)	Livingston
19	The Clark Station #2128	Livingston
20	The Oasis Truck Stop	Livingston
21	White Star Tavern	Manistee
22	Travis Thurow Property	Mason
23	Morley General Store	Mecosta
24	Cole's Garage (Allen J Cole)	Midland
25	Dutch Hutch	Missaukee
26	A-1 Party Mart	Montmorency
27	Sports Center, Inc.	Montmorency

1	Ravenna Sunoco	Muskegon
2	Star Mini-Mart #2	Muskegon
3	Village of Ravenna	Muskegon
4	Clear Lake (2 - 213 sites combined)	Ogemaw
5	Hersey Party Store	Osceola
6	Onaway Tax Service	Presque Isle
7	Clark #1072	Saginaw
8	H+Z Oil (Imperial #43)	Saginaw
9	M+K Investments (Imperial #41)	Saginaw
10	Norge Village	Saginaw
11	AMCO Group	Sanilac
12	Sangster Property	Sanilac
13	Raymond Ayotte	Shiawassee
14	Duff's Shell	St. Joseph
15	State-Wide 213 Triage	Statewide
16	Clark Service Station #1586, Former	Tuscola
17	Elm Street, 3474	Tuscola
18	Broekhutzen Produce	Van Buren
19	Anmas Inc.	Wayne

20 (2) The department shall provide a report to the legislature
21 on the amount actually spent at each site listed in subsection (1)
22 and give a detailed account of the work actually performed at each
23 site.

24 Sec. 309. The unexpended funds appropriated in part 1 for the
25 brownfield grant program are considered work project appropriations
26 and any unencumbered or unallotted funds are carried forward into
27 the succeeding fiscal year. The following is in compliance with

1 section 451a(1) of the management and budget act, 1984 PA 431, MCL
2 18.1451a:

3 (a) The purpose of the projects is to provide contaminated
4 site cleanup.

5 (b) The projects will be accomplished by contract.

6 (c) The total estimated cost of all projects is \$5,500,000.00.

7 (d) The tentative completion date is September 30, 2018.

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

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

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

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

19 (2) Upon the sale of bonds for projects described in
20 subsection (1), the department shall credit the general fund of the
21 state an amount equal to that expended from the general fund.

22 **WATER RESOURCES DIVISION**

23 Sec. 401. From the funds appropriated in part 1 for surface
24 water, not less than \$700,000.00 and 5.0 FTEs shall be allocated to
25 support the permit review program within the aquatic nuisance
26 control program. The department shall report to the house and

1 senate appropriations subcommittees on environmental quality and
2 the house and senate fiscal agencies by September 30, 2014 on the
3 use of this funding and the number of permit applications processed
4 by the program in 2014.

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

13 Sec. 407. Funds appropriated in part 1 shall not be used by
14 the department to establish or enforce an effluent limitation for
15 the amount or concentration of sodium in a groundwater discharge.

16 Sec. 408. From the funds appropriated in part 1 for surface
17 water, not less than \$100,000.00 shall be allocated to support
18 funding to provide beach monitoring equipment on water quality for
19 the Lake St. Clair Metropark Beach in Harrison Township.

20 **RESOURCE MANAGEMENT DIVISION**

21 Sec. 602. (1) The department is encouraged to use available
22 pollution prevention funds and work with local public health
23 departments, the department of agriculture and rural development,
24 and the United States department of agriculture to maintain and
25 expand programs for the safe disposal of hazardous household
26 chemicals and prescription drugs.

1 appropriations are anticipated to be the same as those for fiscal
2 year 2013-2014, except that the line items will be adjusted for
3 changes in caseload and related costs, federal fund match rates,
4 economic factors, and available revenue. These adjustments will be
5 determined after the January 2014 consensus revenue estimating
6 conference.

7 Sec. 1202. It is the intent of the legislature that the
8 department identify the amounts for normal retirement costs and
9 legacy retirement costs for the fiscal year ending on September 30,
10 2015 for the line items listed in part 1.

11 ARTICLE VIII

12 GENERAL GOVERNMENT

13 PART 1

14 LINE-ITEM APPROPRIATIONS

15 Sec. 101. There is appropriated for the legislature, the
16 executive, the department of attorney general, the department of
17 state, the department of treasury, the department of technology,
18 management, and budget, the department of civil rights, and certain
19 state purposes related thereto, for the fiscal year ending
20 September 30, 2014, from the following funds:

21 **TOTAL GENERAL GOVERNMENT**

22 APPROPRIATION SUMMARY

23	Full-time equated unclassified positions.....	44.0	
24	Full-time equated classified positions.....	7,615.7	
25	GROSS APPROPRIATION.....		\$ 4,459,313,500

1	Interdepartmental grant revenues:	
2	Total interdepartmental grants and intradepartmental	
3	transfers	738,570,400
4	ADJUSTED GROSS APPROPRIATION.....	\$ 3,720,743,100
5	Federal revenues:	
6	Total federal revenues.....	700,910,000
7	Special revenue funds:	
8	Total local revenues.....	7,713,800
9	Total private revenues.....	6,086,100
10	Total other state restricted revenues.....	1,934,087,700
11	State general fund/general purpose.....	\$ 1,071,945,500
12	State general fund/general purpose schedule:	
13	Ongoing state general fund/general	
14	purpose	964,382,200
15	One-time state general fund/general	
16	purpose	107,563,300

17 **Sec. 102. DEPARTMENT OF ATTORNEY GENERAL**

18 **(1) APPROPRIATION SUMMARY**

19	Full-time equated unclassified positions.....	6.0
20	Full-time equated classified positions.....	511.0
21	GROSS APPROPRIATION.....	\$ 89,139,900
22	Interdepartmental grant revenues:	
23	Total interdepartmental grants and intradepartmental	
24	transfers	27,188,500
25	ADJUSTED GROSS APPROPRIATION.....	\$ 61,951,400
26	Federal revenues:	

1	Total federal revenues.....	9,838,200
2	Special revenue funds:	
3	Total local revenues.....	0
4	Total private revenues.....	0
5	Total other state restricted revenues.....	17,631,900
6	State general fund/general purpose.....	\$ 34,481,300
7	State general fund/general purpose schedule:	
8	Ongoing state general fund/general	
9	purpose	34,481,300
10	One-time state general fund/general	
11	purpose	0
12	(2) ATTORNEY GENERAL OPERATIONS	
13	Full-time equated unclassified positions.....	6.0
14	Full-time equated classified positions.....	511.0
15	Attorney general.....	\$ 112,500
16	Unclassified positions--5.0 FTE positions.....	707,000
17	Attorney general operations--473.0 FTE positions.....	80,460,700
18	Child support enforcement--25.0 FTE positions.....	3,434,200
19	Prosecuting attorneys coordinating council--12.0 FTE	
20	positions	2,074,300
21	Public safety initiative--1.0 FTE position.....	<u>902,800</u>
22	GROSS APPROPRIATION.....	\$ 87,691,500
23	Appropriated from:	
24	Interdepartmental grant revenues:	
25	IDG from MDCH, health policy.....	196,800
26	IDG from MDCH, medical services administration.....	506,500
27	IDG from MDCH, WIC.....	91,800

1	IDG from department of corrections.....	629,100
2	IDG from MDE.....	377,800
3	IDG from MDEQ.....	2,174,000
4	IDG from MDHS.....	5,649,600
5	IDG from MSF, workforce development agency.....	85,400
6	IDG from MDLARA, children's protection registry.....	44,300
7	IDG from MDLARA, financial and insurance regulation..	1,377,000
8	IDG from MDLARA, fireworks safety fund.....	79,000
9	IDG from MDLARA, health professions.....	2,892,500
10	IDG from MDLARA, licensing and regulation fees.....	235,900
11	IDG from MDLARA, Michigan occupational safety and	
12	health administration	106,000
13	IDG from MDLARA, remonumentation fees.....	101,200
14	IDG from MDLARA, unlicensed builders.....	176,000
15	IDG from MDTMB.....	247,900
16	IDG from MDTMB, civil service commission.....	300,600
17	IDG from MDTMB, risk management revolving fund.....	1,442,900
18	IDG from MDMVA.....	156,800
19	IDG from MDOT, comprehensive transportation fund.....	200,900
20	IDG from MDOT, state aeronautics fund.....	174,400
21	IDG from MDOT, state trunkline fund.....	2,387,000
22	IDG from MDSP, Michigan justice training fund.....	157,100
23	IDG from MDSP.....	352,700
24	IDG from Michigan state housing development authority	644,200
25	IDG from treasury.....	6,230,900
26	IDG from treasury, strategic fund.....	170,200
27	Federal revenues:	

1	DAG, state administrative match grant/food stamps	434,500
2	Federal funds	3,021,100
3	HHS, medical assistance, medigrant	678,200
4	HHS-OS, state Medicaid fraud control units	5,590,000
5	National criminal history improvement program	114,400
6	Special revenue funds:	
7	Antitrust enforcement collections	726,100
8	Assigned claims assessments	158,600
9	Attorney general's operations fund	1,175,400
10	Auto repair facilities fees	311,800
11	Franchise fees	375,900
12	Game and fish protection fund	838,000
13	Liquor purchase revolving fund	1,390,100
14	Manufactured housing fees	246,200
15	Merit award trust fund	487,300
16	Michigan employment security act - administrative fund	2,134,600
17	Prisoner reimbursement	614,400
18	Prosecuting attorneys training fees	405,300
19	Public utility assessments	2,141,300
20	Real estate enforcement fund	499,000
21	Reinstatement fees	208,800
22	Retirement funds	992,600
23	Second injury fund	807,500
24	Self-insurers security fund	561,400
25	Silicosis and dust disease fund	221,700
26	State building authority revenue	115,100
27	State casino gaming fund	1,663,000

1	State lottery fund.....	328,700
2	Utility consumers fund.....	743,900
3	Waterways fund.....	133,200
4	Worker's compensation administrative revolving fund..	352,000
5	State general fund/general purpose.....	\$ 33,032,900
6	(3) INFORMATION TECHNOLOGY	
7	Information technology services and projects.....	\$ <u>1,448,400</u>
8	GROSS APPROPRIATION.....	\$ 1,448,400
9	Appropriated from:	
10	State general fund/general purpose.....	\$ 1,448,400
11	Sec. 103. DEPARTMENT OF CIVIL RIGHTS	
12	(1) APPROPRIATION SUMMARY	
13	Full-time equated unclassified positions.....	6.0
14	Full-time equated classified positions.....	122.0
15	GROSS APPROPRIATION.....	\$ 15,198,300
16	Interdepartmental grant revenues:	
17	Total interdepartmental grants and intradepartmental	
18	transfers	0
19	ADJUSTED GROSS APPROPRIATION.....	\$ 15,198,300
20	Federal revenues:	
21	Total federal revenues.....	2,690,200
22	Special revenue funds:	
23	Total local revenues.....	0
24	Private revenues.....	18,700
25	Total other state restricted revenues.....	151,900
26	State general fund/general purpose.....	\$ 12,337,500

1	State general fund/general purpose schedule:		
2	Ongoing state general fund/general		
3	purpose	12,337,500	
4	One-time state general fund/general		
5	purpose	0	
6	(2) CIVIL RIGHTS OPERATIONS		
7	Full-time equated unclassified positions.....	6.0	
8	Full-time equated classified positions.....	122.0	
9	Unclassified positions--6.0 FTE positions.....		\$ 707,000
10	Civil rights operations--114.0 FTE positions.....		12,683,300
11	Division on deaf and hard of hearing--6.0 FTE		
12	positions		771,300
13	Hispanic/Latino commission of Michigan--1.0 FTE		
14	position		255,600
15	Asian Pacific American affairs commission--1.0 FTE		
16	position		<u>103,800</u>
17	GROSS APPROPRIATION.....		\$ 14,521,000
18	Appropriated from:		
19	Federal revenues:		
20	EEOC, state and local antidiscrimination agency		
21	contracts		1,177,600
22	HUD, grant.....		1,497,600
23	Special revenue funds:		
24	Private revenues.....		18,700
25	Division on deafness fund.....		93,400
26	State restricted indirect funds.....		58,500
27	State general fund/general purpose.....		\$ 11,675,200

1 **(3) INFORMATION TECHNOLOGY**

2	Information technology services and projects	\$	<u>677,300</u>
3	GROSS APPROPRIATION.....	\$	677,300
4	Appropriated from:		
5	Federal revenues:		
6	EEOC, state and local antidiscrimination agency		
7	contracts		15,000
8	State general fund/general purpose.....	\$	662,300

9 **Sec. 104. EXECUTIVE OFFICE**

10 **(1) APPROPRIATION SUMMARY**

11	Full-time equated unclassified positions.....	10.0	
12	Full-time equated classified positions.....	74.2	
13	GROSS APPROPRIATION.....	\$	5,370,000
14	Interdepartmental grant revenues:		
15	Total interdepartmental grants and intradepartmental		
16	transfers		0
17	ADJUSTED GROSS APPROPRIATION.....	\$	5,370,000
18	Federal revenues:		
19	Total federal revenues.....		0
20	Special revenue funds:		
21	Total local revenues.....		0
22	Total private revenues.....		0
23	Total other state restricted revenues.....		0
24	State general fund/general purpose.....	\$	5,370,000
25	State general fund/general purpose schedule:		
26	Ongoing state general fund/general		

1	purpose	5,370,000	
2	One-time state general fund/general		
3	purpose	0	
4	(2) EXECUTIVE OFFICE OPERATIONS		
5	Full-time equated unclassified positions.....	10.0	
6	Full-time equated classified positions.....	74.2	
7	Governor.....	\$	159,300
8	Lieutenant governor.....		111,600
9	Executive office--74.2 FTE positions.....		3,841,800
10	Unclassified positions--8.0 FTE positions.....		<u>1,257,300</u>
11	GROSS APPROPRIATION.....	\$	5,370,000
12	Appropriated from:		
13	State general fund/general purpose.....	\$	5,370,000
14	Sec. 105. LEGISLATURE		
15	(1) APPROPRIATION SUMMARY		
16	GROSS APPROPRIATION.....	\$	144,773,700
17	Interdepartmental grant revenues:		
18	Total interdepartmental grants and intradepartmental		
19	transfers		5,092,100
20	ADJUSTED GROSS APPROPRIATION.....	\$	139,681,600
21	Federal revenues:		
22	Total federal revenues.....		0
23	Special revenue funds:		
24	Total local revenues.....		0
25	Total private revenues.....		400,000
26	Total other state restricted revenues.....		3,060,800

1	State general fund/general purpose	\$	136,220,800
2	State general fund/general purpose schedule:		
3	Ongoing state general fund/general		
4	purpose		136,220,800
5	One-time state general fund/general		
6	purpose		0
7	(2) LEGISLATURE		
8	Senate.....	\$	30,955,300
9	Senate automated data processing.....		2,432,200
10	Senate fiscal agency.....		3,426,000
11	House of representatives.....		47,841,200
12	House automated data processing.....		1,930,900
13	House fiscal agency.....		<u>3,426,000</u>
14	GROSS APPROPRIATION.....	\$	90,011,600
15	Appropriated from:		
16	State general fund/general purpose.....	\$	90,011,600
17	(3) LEGISLATIVE COUNCIL		
18	Legislative council.....	\$	10,864,900
19	Legislative service bureau automated data processing .		1,312,200
20	Worker's compensation.....		139,200
21	National association dues.....		425,000
22	Legislative corrections ombudsman.....		<u>670,700</u>
23	GROSS APPROPRIATION.....	\$	13,412,000
24	Appropriated from:		
25	Special revenue funds:		
26	Private - gifts and bequests revenues.....		400,000
27	State general fund/general purpose.....	\$	13,012,000

1	(4) LEGISLATIVE RETIREMENT SYSTEM	
2	General nonretirement expenses	\$ <u>4,561,700</u>
3	GROSS APPROPRIATION	\$ 4,561,700
4	Appropriated from:	
5	Special revenue funds:	
6	Court fees	1,109,800
7	State general fund/general purpose	\$ 3,451,900
8	(5) PROPERTY MANAGEMENT	
9	Capitol building	\$ 3,078,700
10	Cora Anderson building	10,207,700
11	Farnum building and other properties	<u>2,547,600</u>
12	GROSS APPROPRIATION	\$ 15,834,000
13	Appropriated from:	
14	State general fund/general purpose	\$ 15,834,000
15	(6) OFFICE OF THE AUDITOR GENERAL	
16	Unclassified positions	\$ 329,400
17	Field operations	<u>20,625,000</u>
18	GROSS APPROPRIATION	\$ 20,954,400
19	Appropriated from:	
20	Interdepartmental grant revenues:	
21	IDG from MDOT, comprehensive transportation fund	36,400
22	IDG from MDOT, Michigan transportation fund	296,000
23	IDG from MDOT, state aeronautics fund	28,300
24	IDG from MDOT, state trunkline fund	687,600
25	IDG, single audit act	2,730,400
26	IDG, commercial mobile radio system emergency	
27	telephone fund	34,400

1	IDG, contract audit administration fees.....	38,900
2	IDG, deferred compensation funds.....	50,900
3	IDG, Michigan finance authority.....	310,000
4	IDG, Michigan economic development authority.....	90,200
5	IDG, Michigan education trust fund.....	66,300
6	IDG, Michigan strategic fund.....	158,500
7	IDG, office of retirement services.....	204,700
8	IDG, other restricted funding sources.....	359,500
9	Special revenue funds:	
10	21st century jobs fund.....	90,200
11	Brownfield development fund.....	26,400
12	Clean Michigan initiative implementation bond fund...	51,000
13	Fee adequacy, air quality delegated authority.....	13,000
14	Game and fish protection fund.....	29,300
15	Legislative retirement system.....	27,300
16	MDTMB, civil service commission.....	155,700
17	MDLARA, liquor purchase revolving fund.....	26,800
18	Michigan justice training commission fund.....	38,400
19	Michigan state housing development authority fees....	106,500
20	Michigan veterans trust fund.....	33,200
21	Motor transport revolving fund.....	7,000
22	Office services revolving fund.....	9,200
23	State disbursement unit, office of child support....	53,900
24	State services fee fund.....	1,272,600
25	Waterways fund.....	10,500
26	State general fund/general purpose.....	\$ 13,911,300

1	Sec. 106. DEPARTMENT OF STATE		
2	(1) APPROPRIATION SUMMARY		
3	Full-time equated unclassified positions.....	6.0	
4	Full-time equated classified positions.....	1,562.0	
5	GROSS APPROPRIATION.....		\$ 219,548,900
6	Interdepartmental grant revenues:		
7	Total interdepartmental grants and intradepartmental		
8	transfers		20,000,000
9	ADJUSTED GROSS APPROPRIATION.....		\$ 199,548,900
10	Federal revenues:		
11	Total federal revenues.....		1,810,000
12	Special revenue funds:		
13	Total local revenues.....		0
14	Total private revenues.....		100
15	Total other state restricted revenues.....		182,485,400
16	State general fund/general purpose.....		\$ 15,253,400
17	State general fund/general purpose schedule:		
18	Ongoing state general fund/general		
19	purpose	15,253,400	
20	One-time state general fund/general		
21	purpose	0	
22	(2) EXECUTIVE DIRECTION		
23	Full-time equated unclassified positions.....	6.0	
24	Full-time equated classified positions.....	30.0	
25	Secretary of state.....		\$ 112,500
26	Unclassified positions--5.0 FTE positions.....		707,000
27	Operations--30.0 FTE positions.....		<u>4,042,400</u>

1	GROSS APPROPRIATION.....	\$	4,861,900
2	Appropriated from:		
3	Special revenue funds:		
4	Auto repair facilities fees.....		69,200
5	Driver fees.....		277,900
6	Expedient service fees.....		66,800
7	Parking ticket court fines.....		9,300
8	Personal identification card fees.....		32,300
9	Reinstatement fees - operator licenses.....		250,700
10	Transportation administration collection fund.....		2,506,500
11	Vehicle theft prevention fees.....		40,700
12	State general fund/general purpose.....	\$	1,608,500
13	(3) DEPARTMENT SERVICES		
14	Full-time equated classified positions.....	157.0	
15	Operations--157.0 FTE positions.....	\$	<u>29,710,200</u>
16	GROSS APPROPRIATION.....	\$	29,710,200
17	Appropriated from:		
18	Special revenue funds:		
19	Abandoned vehicle fees.....		481,900
20	Auto repair facilities fees.....		1,608,700
21	Child support clearance fees.....		35,200
22	Driver education provider and instructor fund.....		20,800
23	Driver fees.....		1,578,700
24	Driver improvement course fund.....		309,200
25	Expedient service fees.....		274,100
26	Marine safety fund.....		83,400
27	Off-road vehicle title fees.....		8,300

1	Parking ticket court fines.....		71,600
2	Personal identification card fees.....		189,500
3	Reinstatement fees - operator licenses.....		1,290,000
4	Scrap tire fund.....		76,500
5	Snowmobile registration fee revenue.....		18,600
6	Transportation administration collection fund.....		22,379,900
7	Vehicle theft prevention fees.....		629,900
8	State general fund/general purpose.....	\$	653,900
9	(4) LEGAL SERVICES		
10	Full-time equated classified positions.....	32.0	
11	Operations--32.0 FTE positions.....		\$ <u>6,891,300</u>
12	GROSS APPROPRIATION.....		\$ 6,891,300
13	Appropriated from:		
14	Special revenue funds:		
15	Auto repair facilities fees.....		1,449,100
16	Driver education provider and instructor fund.....		25,500
17	Driver fees.....		934,900
18	Expedient service fees.....		12,300
19	Parking ticket court fines.....		7,400
20	Personal identification card fees.....		60,200
21	Reinstatement fees - operator licenses.....		716,300
22	Transportation administration collection fund.....		3,208,300
23	Vehicle theft prevention fees.....		465,300
24	State general fund/general purpose.....	\$	12,000
25	(5) CUSTOMER DELIVERY SERVICES		
26	Full-time equated classified positions.....	1,298.0	
27	Branch operations--910.5 FTE positions.....		\$ 82,249,700

1	Central operations--368.5 FTE positions	47,400,200
2	Commemorative license plates--14.0 FTE positions	1,897,300
3	Motorcycle safety education administration--2.0 FTE	
4	positions	327,400
5	Motorcycle safety education grants	1,500,000
6	Credit and debit assessment service fees	5,000,000
7	Specialty license plates--3.0 FTE positions	750,000
8	Organ donor program.....	<u>129,100</u>
9	GROSS APPROPRIATION.....	\$ 139,253,700
10	Appropriated from:	
11	Interdepartmental grant revenues:	
12	IDG from MDOT, Michigan transportation fund.....	20,000,000
13	Federal revenues:	
14	Federal funds.....	1,460,000
15	Special revenue funds:	
16	Private funds.....	100
17	Abandoned vehicle fees.....	204,800
18	Auto repair facilities fees.....	1,734,600
19	Child support clearance fees.....	311,700
20	Credit and debit assessment service fees.....	5,000,000
21	Driver education provider and instructor fund.....	28,800
22	Driver fees.....	25,852,100
23	Driver improvement course fund.....	1,248,400
24	Enhanced driver license and enhanced official state	
25	personal identification card fund.....	6,559,400
26	Expedient service fees.....	2,569,700
27	Marine safety fund.....	1,394,600

1	Michigan state police auto theft fund.....		123,700
2	Mobile home commission fees.....		508,200
3	Motorcycle safety fund.....		1,827,400
4	Off-road vehicle title fees.....		156,500
5	Parking ticket court fines.....		1,553,600
6	Personal identification card fees.....		2,246,400
7	Recreation passport fee.....		1,000,000
8	Reinstatement fees - operator licenses.....		2,362,100
9	Snowmobile registration fee revenue.....		372,000
10	Thomas Daley gift of life fund.....		50,000
11	Transportation administration collection fund.....		59,534,900
12	Vehicle theft prevention fees.....		743,600
13	State general fund/general purpose.....	\$	2,411,100
14	(6) ELECTION REGULATION		
15	Full-time equated classified positions.....	45.0	
16	Election administration and services--45.0 FTE		
17	positions	\$	6,523,600
18	County clerk education and training fund.....		100,000
19	Help America vote act.....		350,000
20	Fees to local units.....		<u>109,800</u>
21	GROSS APPROPRIATION.....	\$	7,083,400
22	Appropriated from:		
23	Federal revenues:		
24	Federal funds - HAVA HHS.....		350,000
25	Special revenue funds:		
26	Notary education and training fund.....		100,000
27	Notary fee fund.....		344,100

1	State general fund/general purpose	\$	6,289,300
2	(7) DEPARTMENTWIDE APPROPRIATIONS		
3	Building occupancy charges/rent	\$	9,671,900
4	Worker's compensation		<u>313,000</u>
5	GROSS APPROPRIATION	\$	9,984,900
6	Appropriated from:		
7	Special revenue funds:		
8	Auto repair facilities fees		135,900
9	Driver fees		728,700
10	Expedient service fees		26,200
11	Parking ticket court fines		449,700
12	Transportation administration collection fund		5,936,000
13	State general fund/general purpose	\$	2,708,400
14	(8) INFORMATION TECHNOLOGY		
15	Information technology services and projects	\$	<u>21,763,500</u>
16	GROSS APPROPRIATION	\$	21,763,500
17	Appropriated from:		
18	Special revenue funds:		
19	Administrative order processing fee		11,800
20	Auto repair facilities fees		190,600
21	Child support clearance fees		17,200
22	Driver fees		790,000
23	Expedient service fees		1,088,700
24	Parking ticket court fines		87,800
25	Personal identification card fees		170,200
26	Reinstatement fees - operator licenses		594,300
27	Transportation administration collection fund		17,061,100

1	Vehicle theft prevention fees.....		181,600
2	State general fund/general purpose.....	\$	1,570,200
3	Sec. 107. DEPARTMENT OF TECHNOLOGY, MANAGEMENT, AND		
4	BUDGET		
5	(1) APPROPRIATION SUMMARY		
6	Full-time equated unclassified positions.....	6.0	
7	Full-time equated classified positions.....	2,816.0	
8	GROSS APPROPRIATION.....	\$	1,190,375,100
9	Interdepartmental grant revenues:		
10	Total interdepartmental grants and intradepartmental		
11	transfers		677,159,800
12	ADJUSTED GROSS APPROPRIATION.....	\$	513,215,300
13	Federal revenues:		
14	Total federal revenues.....		8,790,900
15	Special revenue funds:		
16	Total local revenues.....		1,320,800
17	Total private revenues.....		190,400
18	Total other state restricted revenues.....		94,125,900
19	State general fund/general purpose.....	\$	408,787,300
20	State general fund/general purpose schedule:		
21	Ongoing state general fund/general		
22	purpose		392,787,300
23	One-time state general fund/general		
24	purpose		16,000,000
25	(2) EXECUTIVE DIRECTION		
26	Full-time equated unclassified positions.....	6.0	

1	Full-time equated classified positions.....	12.0	
2	Unclassified positions--6.0 FTE positions.....		\$ 804,500
3	Executive operations--12.0 FTE positions.....		<u>2,232,600</u>
4	GROSS APPROPRIATION.....		\$ 3,037,100
5	Appropriated from:		
6	Interdepartmental grant revenues:		
7	IDG from building occupancy and parking charges.....		193,200
8	IDG from technology user fees.....		1,875,200
9	Special revenue funds:		
10	Special revenue, internal service, and pension trust		
11	funds.....		289,700
12	State general fund/general purpose.....		\$ 679,000
13	(3) DEPARTMENT SERVICES		
14	Full-time equated classified positions.....	716.5	
15	Administrative services--136.5 FTE positions.....		\$ 17,381,000
16	Budget and financial management--135.0 FTE positions.		17,299,600
17	Office of the state employer--23.0 FTE positions.....		3,316,000
18	Design and construction services--40.0 FTE positions.		6,302,800
19	Business support services--95.0 FTE positions.....		10,923,600
20	Building operation services--210.0 FTE positions.....		90,199,300
21	Building occupancy charges, rent, and utilities.....		5,127,500
22	Motor vehicle fleet--35.0 FTE positions.....		59,221,400
23	Information technology services and projects.....		29,148,300
24	Bureau of labor market information and		
25	strategies--42.0 FTE positions.....		<u>6,309,000</u>
26	GROSS APPROPRIATION.....		\$ 245,228,500
27	Appropriated from:		

1	Interdepartmental grant revenues:	
2	IDG from accounting service centers user charges	2,694,200
3	IDG from building occupancy and parking charges	92,619,900
4	IDG from MDLARA.....	100,000
5	IDG from motor transport fund.....	59,221,400
6	IDG from MDCH.....	477,900
7	IDG from MDHS.....	209,200
8	IDG from user fees.....	6,669,500
9	IDG from technology user fees.....	7,747,500
10	Federal revenues:	
11	Federal funds.....	5,826,500
12	Special revenue funds:	
13	Deferred compensation.....	2,600
14	Health management funds.....	2,158,200
15	MAIN user charges.....	4,648,300
16	Pension trust funds.....	7,322,700
17	Special revenue, internal service, and pension trust	
18	funds	17,089,200
19	State building authority revenue.....	699,100
20	State restricted indirect funds.....	2,874,500
21	State general fund/general purpose.....	\$ 34,867,800
22	(4) TECHNOLOGY SERVICES	
23	Full-time equated classified positions.....	1,469.5
24	Education services--29.0 FTE positions.....	\$ 4,044,900
25	Health and human services--617.5 FTE positions.....	266,662,400
26	Public protection--254.5 FTE positions.....	65,175,300
27	Resources services--146.5 FTE positions.....	19,590,700

1	Transportation services--89.5 FTE positions	30,500,500
2	General services--322.5 FTE positions	91,180,000
3	Information technology innovation fund.....	2,500,000
4	Enterprisewide information technology investments	47,000,000
5	Homeland security initiative/cyber security--10.0 FTE	
6	positions	<u>2,000,000</u>
7	GROSS APPROPRIATION.....	\$ 528,653,800
8	Appropriated from:	
9	Interdepartmental grant revenues:	
10	IDG from technology user fees.....	477,153,800
11	State general fund/general purpose.....	\$ 51,500,000
12	(5) STATEWIDE APPROPRIATIONS	
13	Professional development fund - MPE, SEIU,	
14	scientific and engineering unit.....	\$ 125,000
15	Professional development fund - AFSCME.....	50,000
16	Professional development fund - NERE.....	<u>200,000</u>
17	GROSS APPROPRIATION.....	\$ 375,000
18	Appropriated from:	
19	Interdepartmental grant revenues:	
20	IDG from employer contributions.....	375,000
21	State general fund/general purpose.....	\$ 0
22	(6) SPECIAL PROGRAMS	
23	Full-time equated classified positions..... 172.0	
24	Building occupancy charges - property management	
25	services for executive/legislative building	
26	occupancy	\$ 1,208,200
27	Retirement services--162.0 FTE positions.....	25,257,200

1	Office of children's ombudsman--10.0 FTE positions ...	1,235,100
2	Public private partnership.....	<u>1,500,000</u>
3	GROSS APPROPRIATION.....	\$ 29,200,500
4	Appropriated from:	
5	Special revenue funds:	
6	Deferred compensation.....	1,542,400
7	Pension trust funds.....	18,907,000
8	Public private partnership investment fund.....	1,500,000
9	State general fund/general purpose.....	\$ 7,251,100
10	(7) STATE BUILDING AUTHORITY RENT	
11	State building authority rent - state agencies.....	\$ 70,005,800
12	State building authority rent - department of	
13	corrections	47,379,900
14	State building authority rent - universities.....	117,225,300
15	State building authority rent - community colleges ...	<u>23,959,600</u>
16	GROSS APPROPRIATION.....	\$ 258,570,600
17	Appropriated from:	
18	State general fund/general purpose.....	\$ 258,570,600
19	(8) CIVIL SERVICE COMMISSION	
20	Full-time equated classified positions..... 446.0	
21	Agency services--81.5 FTE positions.....	\$ 12,428,800
22	Executive direction--32.5 FTE positions.....	9,279,000
23	Employee benefits--16.0 FTE positions.....	5,636,600
24	Training.....	1,300,000
25	Human resources operations--316.0 FTE positions.....	35,011,500
26	Information technology services and projects.....	<u>4,353,700</u>
27	GROSS APPROPRIATION.....	\$ 68,009,600

1	Appropriated from:		
2	Interdepartmental grant revenues:		
3	IDG, training charges.....		1,300,000
4	IDG, 1% special funds.....		3,223,000
5	Federal revenues:		
6	Federal funds 1%.....		2,964,400
7	Special revenue funds:		
8	Local funds 1%.....		1,320,800
9	Private funds 1%.....		190,400
10	State restricted funds 1%.....		21,232,900
11	State restricted indirect funds.....		7,327,300
12	State sponsored group insurance.....		2,743,100
13	State sponsored group insurance, flexible spending		
14	accounts and COBRA		5,788,900
15	State general fund/general purpose.....	\$	21,918,800
16	(9) CAPITAL OUTLAY		
17	Major special maintenance, remodeling, and additions		
18	for state agencies	\$	2,000,000
19	Enterprisewide special maintenance for state		
20	facilities		<u>18,000,000</u>
21	GROSS APPROPRIATION.....	\$	20,000,000
22	Appropriated from:		
23	Interdepartmental grant revenues:		
24	IDG from building occupancy charges.....		2,000,000
25	State general fund/general purpose.....	\$	18,000,000
26	(10) ONE-TIME BASIS ONLY APPROPRIATIONS		
27	Delta County bridge removal.....	\$	1,500,000

1	Regional prosperity grants.....	2,500,000
2	Special maintenance, remodeling and addition - state	
3	facilities	10,000,000
4	Technology services funding.....	21,300,000
5	Legal services.....	<u>2,000,000</u>
6	GROSS APPROPRIATION.....	\$ 37,300,000
7	Appropriated from:	
8	Interdepartmental grant revenues:	
9	Interdepartmental grant revenues.....	21,300,000
10	Special revenue funds:	
11	State general fund/general purpose.....	\$ 16,000,000
12	Sec. 108. DEPARTMENT OF TREASURY	
13	(1) APPROPRIATION SUMMARY	
14	Full-time equated unclassified positions..... 10.0	
15	Full-time equated classified positions..... 2,530.5	
16	GROSS APPROPRIATION.....	\$ 2,794,907,600
17	Interdepartmental grant revenues:	
18	Total interdepartmental grants and intradepartmental	
19	transfers	9,130,000
20	ADJUSTED GROSS APPROPRIATION.....	\$ 2,785,777,600
21	Federal revenues:	
22	Total federal revenues.....	677,780,700
23	Special revenue funds:	
24	Total local revenues.....	6,393,000
25	Total private revenues.....	5,476,900
26	Total other state restricted revenues.....	1,636,631,800

1	State general fund/general purpose	\$	459,495,200
2	State general fund/general purpose schedule:		
3	Ongoing state general fund/general		
4	purpose		367,931,900
5	One-time state general fund/general		
6	purpose		91,563,300
7	(2) EXECUTIVE DIRECTION		
8	Full-time equated unclassified positions.....		10.0
9	Full-time equated classified positions.....		5.0
10	Unclassified positions--10.0 FTE positions	\$	1,025,200
11	Office of the director--5.0 FTE positions		<u>1,628,800</u>
12	GROSS APPROPRIATION.....	\$	2,654,000
13	Appropriated from:		
14	Federal revenues:		
15	DED-OPSE, federal lenders allowance		20,000
16	DED-OPSE, higher education act of 1965, insured loans		45,000
17	Special revenue funds:		
18	Michigan state housing development authority fees		
19	and charges		238,900
20	State lottery fund.....		268,000
21	State services fee fund.....		304,500
22	State general fund/general purpose	\$	1,777,600
23	(3) DEPARTMENTWIDE APPROPRIATIONS		
24	Rent and building occupancy charges - property		
25	management services	\$	5,773,300
26	Worker's compensation insurance premium.....		<u>135,000</u>
27	GROSS APPROPRIATION.....	\$	5,908,300

1	Appropriated from:		
2	Special revenue funds:		
3	Delinquent tax collection revenue.....		2,883,100
4	State general fund/general purpose.....	\$	3,025,200
5	(4) LOCAL GOVERNMENT PROGRAMS		
6	Full-time equated classified positions.....	100.0	
7	Supervision of the general property tax law--	75.0	
8	FTE positions	\$	18,650,800
9	Property tax assessor training--4.0 FTE positions....		1,024,300
10	Local finance--21.0 FTE positions.....		<u>2,522,500</u>
11	GROSS APPROPRIATION.....	\$	22,197,600
12	Appropriated from:		
13	Special revenue funds:		
14	Local - assessor training fees.....		1,024,300
15	Local - audit charges.....		795,200
16	Local - equalization study chargebacks.....		40,000
17	Local - revenue from local government.....		100,000
18	Delinquent tax collection revenue.....		1,477,600
19	Land reutilization fund.....		5,256,000
20	Municipal finance fees.....		524,700
21	State general fund/general purpose.....	\$	12,979,800
22	(5) TAX PROGRAMS		
23	Full-time equated classified positions.....	805.0	
24	Customer contact--127.0 FTE positions.....	\$	12,274,900
25	Tax compliance--337.0 FTE positions.....		43,838,200
26	Tax and economic policy--137.0 FTE positions.....		20,763,200
27	Tax processing--176.0 FTE positions.....		18,299,700

1	Health insurance claims fund--15.0 FTE positions	1,997,700
2	Home heating assistance	2,967,800
3	Bottle act implementation	250,000
4	Tobacco tax enforcement--13.0 FTE positions	<u>1,550,700</u>
5	GROSS APPROPRIATION	\$ 101,942,200
6	Appropriated from:	
7	Interdepartmental grant revenues:	
8	IDG from MDOT, Michigan transportation fund	2,100,000
9	IDG from MDOT, state aeronautics fund	69,400
10	Federal revenues:	
11	HHS-SSA, low-income energy assistance	2,967,800
12	Special revenue funds:	
13	Bottle deposit fund	250,000
14	Delinquent tax collection revenue	72,691,100
15	Emergency 911 fund	152,900
16	Health insurance claims assessment fund	1,997,700
17	Tobacco tax revenue	4,005,100
18	Waterways fund	102,700
19	State general fund/general purpose	\$ 17,605,500
20	(6) BANKING AND MANAGEMENT SERVICES	
21	Full-time equated classified positions	353.0
22	Department and budget services--58.0 FTE positions ...	\$ 5,433,800
23	Unclaimed property--29.0 FTE positions	4,709,400
24	Collections--203.0 FTE positions	26,788,100
25	Finance and accounting--24.0 FTE positions	2,388,900
26	Receipts processing--39.0 FTE positions	<u>4,315,600</u>
27	GROSS APPROPRIATION	\$ 43,635,800

1	Appropriated from:		
2	Interdepartmental grant revenues:		
3	IDG from accounting service center user charges		473,600
4	IDG from MDHS, title IV-D.....		752,900
5	IDG, levy/warrant cost assessment fees		2,000,000
6	IDG, state agency collection fees		2,842,500
7	IDG, data/collection services fees		289,600
8	Special revenue funds:		
9	Delinquent tax collection revenue		24,260,000
10	Escheats revenue		4,709,400
11	Garnishment fees		2,445,500
12	Justice system fund		469,700
13	State restricted indirect funds		267,700
14	Treasury fees		45,400
15	State general fund/general purpose	\$	5,079,500
16	(7) FINANCIAL PROGRAMS		
17	Full-time equated classified positions.....	202.5	
18	Investments--82.0 FTE positions		\$ 19,657,900
19	John R. Justice grant program		287,300
20	Common cash and debt management--22.5 FTE positions ..		1,599,500
21	Dual enrollment payments		1,003,200
22	Student financial assistance programs--25.5 FTE		
23	positions		2,649,700
24	Michigan finance authority - bond finance		
25	programs--72.5 FTE positions		<u>38,477,000</u>
26	GROSS APPROPRIATION		\$ 63,674,600
27	Appropriated from:		

1	Interdepartmental grant revenues:	
2	IDG, fiscal agent service fees.....	202,000
3	Federal revenues:	
4	DED-OPSE, federal lenders allowance.....	10,557,900
5	DED-OPSE, higher education act of 1965, insured loans	24,920,100
6	Federal - John R. Justice grant.....	287,300
7	Special revenue funds:	
8	Defined contribution administrative fee revenue.....	100,000
9	MFA, bond and loan program revenue.....	2,999,000
10	Michigan merit award trust fund.....	1,123,700
11	Retirement funds.....	18,174,200
12	School bond fees.....	820,100
13	Treasury fees.....	1,591,500
14	State general fund/general purpose.....	\$ 2,898,800
15	(8) DEBT SERVICE	
16	Water pollution control bond and interest redemption.	\$ 1,132,700
17	Quality of life bond.....	79,965,800
18	Clean Michigan initiative.....	57,187,400
19	Great Lakes water quality bond.....	<u>15,916,600</u>
20	GROSS APPROPRIATION.....	\$ 154,202,500
21	Appropriated from:	
22	Special revenue funds:	
23	Refined petroleum fund.....	3,014,500
24	State general fund/general purpose.....	\$ 151,188,000
25	(9) GRANTS	
26	Convention facility development distribution.....	\$ 74,850,000
27	Senior citizen cooperative housing tax exemption	

1	program	12,020,000
2	Emergency 911 payments.....	27,000,000
3	Facility for rare isotope beams debt service.....	7,300,000
4	Health and safety fund grants.....	<u>9,000,000</u>
5	GROSS APPROPRIATION.....	\$ 130,170,000
6	Appropriated from:	
7	Special revenue funds:	
8	Emergency 911 fund.....	27,000,000
9	Convention facility development fund.....	74,850,000
10	Health and safety fund.....	9,000,000
11	State general fund/general purpose.....	\$ 19,320,000
12	(10) BUREAU OF STATE LOTTERY	
13	Full-time equated classified positions.....	183.0
14	Lottery operations--183.0 FTE positions.....	\$ 23,890,300
15	Promotion and advertising.....	18,622,000
16	Lottery information technology services and projects .	<u>5,162,900</u>
17	GROSS APPROPRIATION.....	\$ 47,675,200
18	Appropriated from:	
19	Special revenue funds:	
20	State lottery fund.....	47,675,200
21	State general fund/general purpose.....	\$ 0
22	(11) CASINO GAMING	
23	Full-time equated classified positions.....	126.0
24	Michigan gaming control board.....	\$ 50,000
25	Casino gaming control administration--116.0 FTE	
26	positions	24,721,600
27	Casino gaming information technology services and	

1	projects		1,820,700
2	Racing commission--10.0 FTE positions		<u>2,312,500</u>
3	GROSS APPROPRIATION.....	\$	28,904,800
4	Appropriated from:		
5	Special revenue funds:		
6	Casino gambling agreements.....		719,300
7	Equine development fund.....		2,435,500
8	Laboratory fees.....		700,000
9	State services fee fund.....		25,050,000
10	State general fund/general purpose.....	\$	0
11	(12) PAYMENTS IN LIEU OF TAXES		
12	Commercial forest reserve.....	\$	3,054,900
13	Purchased lands.....		6,512,400
14	Swamp and tax reverted lands.....		<u>7,779,800</u>
15	GROSS APPROPRIATION.....	\$	17,347,100
16	Appropriated from:		
17	Special revenue funds:		
18	Private funds.....		22,000
19	Game and fish protection fund.....		2,333,600
20	Michigan natural resources trust fund.....		1,434,000
21	Michigan state waterways fund.....		194,600
22	State general fund/general purpose.....	\$	13,362,900
23	(13) MICHIGAN STRATEGIC FUND		
24	Full-time equated classified positions..... 409.0		
25	Administrative services--22.0 FTE positions.....	\$	3,058,700
26	Job creation services--139.0 FTE positions.....		23,429,200
27	Pure Michigan.....		29,000,000

1	Innovation and entrepreneurship.....	28,500,000
2	Business attraction and community revitalization.....	95,200,000
3	Community ventures--7.0 FTE positions.....	9,800,000
4	Michigan film office--6.0 FTE positions.....	883,700
5	Community development block grants.....	47,000,000
6	Arts and cultural program.....	8,150,000
7	Precollege engineering.....	340,000
8	GEAR-UP program grants.....	4,730,700
9	Carl D. Perkins grants.....	19,000,000
10	Adult basic education.....	20,000,000
11	Adult education--16.0 FTE positions.....	2,738,300
12	Bureau of energy systems.....	4,610,900
13	Postsecondary education--9.0 FTE positions.....	2,051,500
14	Employment services--125.0 FTE positions.....	35,166,900
15	Workforce development agency administrative	
16	services--22.0 FTE positions.....	1,740,100
17	Workforce program administration--57.0 FTE positions.	13,404,400
18	Workforce development programs.....	250,819,100
19	Welfare-to-work programs.....	89,357,200
20	Workforce development agency rent and property	
21	management.....	870,500
22	Land bank fast track authority--6.0 FTE positions....	1,142,500
23	Information technology services and projects.....	<u>1,082,500</u>
24	GROSS APPROPRIATION.....	\$ 692,076,200
25	Appropriated from:	
26	Federal revenues:	
27	DAG, employment and training.....	3,500,000

1	DED-OESE, GEAR-UP.....	4,730,700
2	DED-OVAE, adult education.....	20,000,000
3	DED-OVAE, basic grants to states.....	19,000,000
4	DOE-OEERE, multiple grants.....	4,796,800
5	DOL-ETA, workforce investment act.....	184,003,300
6	DOL, federal funds.....	112,800,000
7	Federal funds.....	5,950,000
8	Social security act, temporary assistance to needy	
9	families	64,898,800
10	NFAH-NEA, promotion of the arts, partnership	
11	agreements	1,050,000
12	HUD-CPD, community development block grant.....	49,780,700
13	U.S. EPA revolving loan fund.....	1,000,000
14	Special revenue funds:	
15	Local revenues.....	4,433,500
16	Private funds.....	5,074,900
17	Private - oil overcharge.....	30,000
18	Private - special project advances.....	250,000
19	Private - Michigan council for the arts fund.....	100,000
20	Industry support fees.....	5,500
21	Defaulted loan collection fees.....	150,000
22	Land bank fast track fund.....	300,000
23	Michigan film promotion fund.....	648,800
24	Public utility assessments.....	869,300
25	21st century jobs trust fund.....	75,000,000
26	State general fund/general purpose.....	\$ 133,703,900
27	(14) REVENUE SHARING	

1	Constitutional state general revenue sharing grants ..	\$	737,257,700
2	County incentive program.....		22,652,000
3	County revenue sharing.....		116,608,000
4	Economic vitality incentive program.....		226,340,000
5	Competitive grant assistance program.....		<u>5,000,000</u>
6	GROSS APPROPRIATION.....	\$	1,107,857,700
7	Appropriated from:		
8	Special revenue funds:		
9	Sales tax.....		1,107,857,700
10	State general fund/general purpose.....	\$	0
11	(15) MICHIGAN STRATEGIC FUND - MICHIGAN STATE		
12	HOUSING DEVELOPMENT AUTHORITY		
13	Full-time equated classified positions.....		347.0
14	Payments on behalf of tenants.....	\$	166,860,000
15	Housing and rental assistance--347.0 FTE positions ...		57,191,300
16	Lighthouse preservation program.....		307,500
17	Rent and administrative support.....		3,845,800
18	Michigan state housing development authority		
19	technology services and projects.....		<u>3,533,100</u>
20	GROSS APPROPRIATION.....	\$	231,737,700
21	Appropriated from:		
22	Federal revenues:		
23	HUD, lower income housing assistance.....		166,860,000
24	Special revenue funds:		
25	Michigan state housing development authority fees		
26	and charges		64,570,200
27	Michigan lighthouse preservation fund.....		307,500

1	State general fund/general purpose	\$	0
2	(16) INFORMATION TECHNOLOGY		
3	Treasury operations information technology services		
4	and projects	\$	<u>24,360,600</u>
5	GROSS APPROPRIATION	\$	24,360,600
6	Appropriated from:		
7	Interdepartmental grant revenues:		
8	IDG from MDOT, Michigan transportation fund		400,000
9	Federal revenues:		
10	DED-OPSE, federal lenders allowance		612,300
11	Special revenue funds:		
12	Delinquent tax collection revenue		15,481,800
13	Tobacco tax revenue		125,600
14	Retirement funds		750,200
15	State general fund/general purpose	\$	6,990,700
16	(17) ONE-TIME BASIS ONLY APPROPRIATIONS		
17	Competitive grant assistance program	\$	10,000,000
18	County incentive program		6,500,000
19	Economic vitality incentive program		9,500,000
20	MSF, film incentives		50,000,000
21	MSF, skilled trades training program		10,000,000
22	MSF, business attraction and community revitalization		24,800,000
23	Treasury, sales, use, and withholding system		
24	replacement		1,763,300
25	Michigan casino gaming board system replacement		3,000,000
26	Treasury, distressed communities		<u>5,000,000</u>
27	GROSS APPROPRIATION	\$	120,563,300

1	Appropriated from:	
2	Special revenue funds:	
3	Casino gaming fund.....	2,300,000
4	State services fee fund.....	700,000
5	Sales tax.....	26,000,000
6	State general fund/general purpose.....	\$ 91,563,300

PART 2

PROVISIONS CONCERNING APPROPRIATIONS
FOR FISCAL YEAR 2013-2014

GENERAL SECTIONS

11 Sec. 201. (1) Pursuant to section 30 of article IX of the
12 state constitution of 1963, total state spending from state
13 resources under part 1 for fiscal year 2013-2014 is
14 \$2,866,751,600.00 and state spending from state resources to be
15 paid to local units of government for fiscal year 2013-2014 is
16 \$1,303,826,600.00. The itemized statement below identifies
17 appropriations from which spending to local units of government
18 will occur:

DEPARTMENT OF STATE

20	Fees to local units.....	\$ 109,800
21	Motorcycle safety grants.....	<u>1,251,000</u>
22	Subtotal.....	\$ 1,360,800

DEPARTMENT OF TREASURY

24	Senior citizen cooperative housing tax exemption.....	\$ 12,020,000
25	Health and safety fund grants.....	9,000,000

1	Constitutional state general revenue sharing grants ..	737,257,700
2	Economic vitality incentive program.....	235,840,000
3	Convention facility development fund distribution....	74,850,000
4	Emergency 9-1-1 payments.....	24,700,000
5	Competitive grant assistance program.....	15,000,000
6	County incentive program.....	29,152,000
7	County revenue sharing payments.....	116,608,000
8	Airport parking distribution pursuant to section 909 .	15,466,200
9	Payments in lieu of taxes.....	17,347,100
10	Welfare-to-work programs.....	<u>15,224,800</u>
11	Subtotal.....	\$ <u>1,302,465,800</u>
12	TOTAL GENERAL GOVERNMENT.....	\$ 1,303,826,600

13 (2) Pursuant to section 30 of article IX of the state
14 constitution of 1963, total state spending from state sources for
15 fiscal year 2013-2014 is estimated at \$29,815,416,700.00 in the
16 2013-2014 appropriations acts and total state spending from state
17 sources paid to local units of government for fiscal year 2013-2014
18 is estimated at \$15,790,923,500.00. The state-local proportion is
19 estimated at 53.6% of total state spending from state resources.

20 (3) If payments to local units of government and state
21 spending from state sources for fiscal year 2013-2014 are different
22 than the amounts estimated in subsection (2), the state budget
23 director shall report the payments to local units of government and
24 state spending from state sources that were made for fiscal year
25 2013-2014 to the senate and house of representatives standing
26 committees on appropriations within 30 days after the final book-
27 closing for fiscal year 2013-2014.

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

4 Sec. 203. As used in this article:

5 (a) "AFSCME" means American federation of state, county, and
6 municipal employees.

7 (b) "ATM" means automated teller machine.

8 (c) "COBRA" means the consolidated omnibus budget
9 reconciliation act of 1985, Public Law 99-272, 100 Stat. 82.

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

11 (e) "DED" means the United States department of education.

12 (f) "DED-OESE" means the DED office of elementary and
13 secondary education.

14 (g) "DED-OPSE" means the DED office of postsecondary
15 education.

16 (h) "DED-OVAE" means the DED office of vocational and adult
17 education.

18 (i) "DOE-OEERE" means the United States department of energy,
19 office of energy efficiency and renewable energy.

20 (j) "DOL-ETA" means the United States department of labor,
21 employment and training administration.

22 (k) "EEOC" means the United States equal employment
23 opportunity commission.

24 (l) "EPA" means the United States environmental protection
25 agency.

26 (m) "FTE" means full-time equated.

27 (n) "Fund" means the Michigan strategic fund.

1 (o) "GEAR-UP" means gaining early awareness and readiness for
2 undergraduate programs.

3 (p) "GF/GP" means general fund/general purpose.

4 (q) "HAVA" means help America vote act.

5 (r) "HHS" means the United States department of health and
6 human services.

7 (s) "HHS-OS" means the HHS office of the secretary.

8 (t) "HHS-SSA" means the HHS social security administration.

9 (u) "HUD" means the United States department of housing and
10 urban development.

11 (v) "HUD-CPD" means the United States department of housing
12 and urban development - community planning and development.

13 (w) "IDG" means interdepartmental grant.

14 (x) "JCOS" means the joint capital outlay subcommittee.

15 (y) "MAIN" means the Michigan administrative information
16 network.

17 (z) "MCL" means the Michigan Compiled Laws.

18 (aa) "MDCH" means the Michigan department of community health.

19 (bb) "MDE" means the Michigan department of education.

20 (cc) "MDLARA" means the Michigan department of licensing and
21 regulatory affairs.

22 (dd) "MDEQ" means the Michigan department of environmental
23 quality.

24 (ee) "MDHS" means the Michigan department of human services.

25 (ff) "MDMVA" means the Michigan department of military and
26 veterans affairs.

27 (gg) "MDOT" means the Michigan department of transportation.

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

2 (ii) "MDTMB" means the Michigan department of technology,
3 management, and budget.

4 (jj) "MEDC" means the Michigan economic development
5 corporation, which is the public body corporate created under
6 section 28 of article VII of the state constitution of 1963 and the
7 urban cooperation act of 1967, 1967 (Ex Sess) PA 7, MCL 124.501 to
8 124.512, by contractual interlocal agreement effective April 5,
9 1999, between local participating economic development corporations
10 formed under the economic development corporations act, 1974 PA
11 338, MCL 125.1601 to 125.1636, and the Michigan strategic fund.

12 (kk) "MFA" means the Michigan finance authority.

13 (ll) "MPE" means the Michigan public employees.

14 (mm) "MSF" means the Michigan strategic fund.

15 (nn) "MSHDA" means Michigan state housing development
16 authority.

17 (oo) "NERE" means nonexclusively represented employees.

18 (pp) "NFAH-NEA" means the national foundation of the arts and
19 the humanities - national endowment for the arts.

20 (qq) "PA" means public act.

21 (rr) "PATH" means partnership, accountability, training, and
22 hope.

23 (ss) "RFI" means a request for information.

24 (tt) "RFP" means a request for a proposal.

25 (uu) "RFQ" means a request for qualifications.

26 (vv) "SEIU" means service employees international union.

27 (ww) "WIC" means women, infants, and children.

1 Sec. 206. The departments and agencies receiving
2 appropriations in part 1 shall cooperate with the department of
3 technology, management, and budget to maintain a searchable website
4 that is updated at least quarterly and that is accessible by the
5 public at no cost that includes, but is not limited to, all of the
6 following for each department or agency:

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

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

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

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

14 (e) Job specifications and wage rates.

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

21 Sec. 209. Funds appropriated in part 1 shall not be used for
22 the purchase of foreign goods or services, or both, if
23 competitively priced and of comparable quality American goods or
24 services, or both, are available. Preference shall be given to
25 goods or services, or both, manufactured or provided by Michigan
26 businesses, if they are competitively priced and of comparable
27 quality. In addition, preference should be given to goods or

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

4 Sec. 210. The director of each department and agency receiving
 5 appropriations in part 1 shall take all reasonable steps to ensure
 6 businesses in deprived and depressed communities compete for and
 7 perform contracts to provide services or supplies, or both. Each
 8 director shall strongly encourage firms with which the department
 9 contracts to subcontract with certified businesses in depressed and
 10 deprived communities for services, supplies, or both.

11 Sec. 211. (1) Pursuant to section 352 of the management and
 12 budget act, 1984 PA 431, MCL 18.1352, which provides for a transfer
 13 of state general fund revenue into or out of the countercyclical
 14 budget and economic stabilization fund, the calculations required
 15 by section 352 of the management and budget act, 1984 PA 431, MCL
 16 18.1352, are determined as follows:

	<u>2012</u>	<u>2013</u>	<u>2014</u>
17 Michigan personal income (millions).	\$370,599	\$379,864	\$395,058
18 less: transfer payments.....	<u>83,672</u>	<u>86,768</u>	<u>91,089</u>
19 Subtotal	\$286,927	\$293,096	\$303,969
20 Divided by: Detroit Consumer Price			
21 Index for 12 months ending June 30	2.143	2.181	2.218
22 Equals: real adjusted Michigan			
23 Personal income.....	\$133,890	\$134,386	\$137,042
24 Percentage change.....	N/A	0.4%	2.0%
25 Growth rate in excess of 2%?.....	N/A	NO	N/A
26 Equals: countercyclical budget and			
27			

1	economic stabilization fund pay-in			
2	calculation for the fiscal year ending			
3	September 30, 2014 (millions)...	N/A	\$0.0	N/A
4	Growth rate less than 0%?.....	N/A	N/A	NO
5	Equals: countercyclical budget and			
6	economic stabilization fund pay-out			
7	calculation for the fiscal year ending			
8	September 30, 2014 (millions)...	N/A	N/A	\$0.0

9 (2) Notwithstanding subsection (1), there is appropriated for
10 the fiscal year ending September 30, 2014, from general
11 fund/general purpose revenue for deposit into the countercyclical
12 budget and economic stabilization fund the sum of \$75,000,000.00.

13 Sec. 211b. (1) The roads and risks reserve fund is created
14 within the state treasury.

15 (2) For the fiscal year ending September 30, 2014, there is
16 appropriated \$230,000,000.00 from general fund/general purpose
17 revenue for deposit into the roads and risks reserve fund.

18 (3) Funds may only be spent from the roads and risks reserve
19 fund upon appropriation. One-half of the reserve funds are
20 available for appropriation for roads effective October 1, 2013. It
21 is the intent of the legislature that the balance of the reserve
22 funds will be appropriated for roads effective February 1, 2014 if
23 those funds have not been appropriated for other purposes prior to
24 that date.

25 (4) Interest and earnings from the investment of funds
26 deposited in the roads and risks reserve fund shall be deposited in
27 the general fund.

1 (5) Funds in the roads and risks reserve fund at the close of
2 a fiscal year shall remain in the roads and risks reserve fund and
3 shall not lapse to the general fund.

4 Sec. 212. The departments and agencies receiving
5 appropriations in part 1 shall receive and retain copies of all
6 reports funded from appropriations in part 1. Federal and state
7 guidelines for short-term and long-term retention of records shall
8 be followed. The department may electronically retain copies of
9 reports unless otherwise required by federal and state guidelines.

10 Sec. 213. Funds appropriated in part 1 shall not be used by
11 this state, a department, an agency, or an authority of this state
12 to purchase an ownership interest in a casino enterprise or a
13 gambling operation as those terms are defined in the Michigan
14 gaming control and revenue act, 1996 IL 1, MCL 432.201 to 432.226.

15 Sec. 215. A department or state agency shall not take
16 disciplinary action against an employee for communicating with a
17 member of the legislature or his or her staff.

18 Sec. 216. The departments and agencies receiving
19 appropriations in part 1 shall prepare a report on out-of-state
20 travel expenses not later than January 1 of each year. The travel
21 report shall be a listing of all travel by classified and
22 unclassified employees outside this state in the immediately
23 preceding fiscal year that was funded in whole or in part with
24 funds appropriated in the department's budget. The report shall be
25 submitted to the house and senate standing committees on
26 appropriations, the house and senate fiscal agencies, and the state
27 budget director. The report shall include the following

1 information:

2 (a) The dates of each travel occurrence.

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

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

11 Sec. 219. The departments and agencies receiving
12 appropriations in part 1 shall maintain, on a publicly accessible
13 website, a department or agency scorecard that identifies, tracks,
14 and regularly updates key metrics that are used to monitor and
15 improve the department's or agency's performance.

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

23 Sec. 226. Funds appropriated in part 1 shall not be used by a
24 principal executive department, state agency, or authority to hire
25 a person to provide legal services that are the responsibility of
26 the attorney general. This prohibition does not apply to legal
27 services for bonding activities and for those activities that the

1 attorney general authorizes.

2 Sec. 227. Within 14 days after the release of the executive
3 budget recommendation, the departments and agencies receiving
4 appropriations in part 1 shall cooperate with the state budget
5 director to provide the chairs of the senate and house of
6 representatives standing committees on appropriations, the chairs
7 of the senate and house of representatives standing committees on
8 appropriations subcommittees on general government, and the senate
9 and house fiscal agencies with an annual report on estimated state
10 restricted fund balances, state restricted fund projected revenues,
11 and state restricted fund expenditures for the fiscal years ending
12 September 30, 2013 and September 30, 2014.

13 Sec. 228. Not later than November 30, the state budget office
14 shall prepare and transmit a report that provides for estimates of
15 the total general fund/general purpose appropriation lapses at the
16 close of the prior fiscal year. This report shall summarize the
17 projected year-end general fund/general purpose appropriation
18 lapses by major departmental program or program areas. The report
19 shall be transmitted to the chairpersons of the senate and house of
20 representatives standing committees on appropriations and the
21 senate and house fiscal agencies.

22 Sec. 229. If the office of the auditor general has identified
23 an initiative or made a recommendation that is related to savings
24 and efficiencies in an audit report for an executive branch
25 department or agency, the department or agency shall report within
26 6 months of the release of the audit on their efforts and progress
27 made toward achieving the savings and efficiencies identified in

1 the audit report. The report shall be submitted to the chairs of
2 the senate and house of representatives standing committees on
3 appropriations, the chairs of the senate and house of
4 representatives standing committees with jurisdiction over matters
5 relating to the department that is audited, and the senate and
6 house fiscal agencies.

7 Sec. 231. (1) It is the intent of the legislature that
8 departments and agencies receiving appropriations in part 1
9 properly account for their spending and do not use FTE positions as
10 placeholders for spending in other parts of their budgets.

11 (2) The departments and agencies receiving appropriations
12 under part 1 shall provide a report to the legislature specifying
13 the number of filled, FTE positions in pay status in the
14 immediately preceding fiscal year by February 1. When reporting on
15 the number of filled, FTE positions in pay status, the department
16 or agency shall provide the maximum number of filled, FTE positions
17 in pay status by appropriation line item in the last pay period of
18 each quarter of the immediately preceding fiscal year. The report
19 shall also include a listing of all funded, FTE positions by
20 position title.

21 Sec. 235. No state department or agency shall issue an RFP for
22 a contract in excess of \$5,000,000.00 unless the department or
23 agency has first considered issuing an RFI or an RFQ relative to
24 that contract to better enable the department or the agency to
25 learn more about the market for the products or services that are
26 the subject of the future RFP. The department or agency shall
27 notify MDTMB of the evaluation process used to determine if an RFI

1 or RFQ was not necessary prior to issuing the RFP.

2 **DEPARTMENT OF ATTORNEY GENERAL**

3 Sec. 301. (1) In addition to the funds appropriated in part 1,
4 there is appropriated an amount not to exceed \$1,500,000.00 for
5 federal contingency funds. These funds are not available for
6 expenditure until they have been transferred to another line item
7 in part 1 under section 393(2) of the management and budget act,
8 1984 PA 431, MCL 18.1393.

9 (2) In addition to the funds appropriated in part 1, there is
10 appropriated an amount not to exceed \$1,500,000.00 for state
11 restricted contingency funds. These funds are not available for
12 expenditure until they have been transferred to another line item
13 in part 1 under section 393(2) of the management and budget act,
14 1984 PA 431, MCL 18.1393.

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

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

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

8 (2) The attorney general shall defend judges of all state
9 courts if a claim is made or a civil action is commenced for
10 injuries to persons or property caused by the judge through the
11 performance of the judge's duties while acting within the scope of
12 his or her authority as a judge.

13 (3) The attorney general shall perform the duties specified in
14 1846 RS 12, MCL 14.28 to 14.35, and 1919 PA 232, MCL 14.101 to
15 14.102, and as otherwise provided by law.

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

24 Sec. 304. The department of attorney general is responsible
25 for the legal representation for state of Michigan state employee
26 worker's disability compensation cases. The risk management
27 revolving fund revenue appropriation in part 1 is to be satisfied

1 by billings from the department of attorney general for the actual
2 costs of legal representation, including salaries and support
3 costs.

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

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

23 Sec. 307. (1) In addition to the antitrust revenues in part 1,
24 antitrust, securities fraud, consumer protection or class action
25 enforcement revenues, or attorney fees recovered by the department,
26 not to exceed \$250,000.00, are appropriated to the department for
27 antitrust, securities fraud, and consumer protection or class

1 action enforcement cases.

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

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

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

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

22 Sec. 309. From the prisoner reimbursement funds appropriated
23 in part 1, the department may spend up to \$614,400.00 on activities
24 related to the state correctional facility reimbursement act, 1935
25 PA 253, MCL 800.401 to 800.406. In addition to the funds
26 appropriated in part 1, if the department collects in excess of
27 \$1,131,000.00 in gross annual prisoner reimbursement receipts

1 provided to the general fund, the excess, up to a maximum of
2 \$1,000,000.00, is appropriated to the department of attorney
3 general and may be spent on the representation of the department of
4 corrections and its officers, employees, and agents, including, but
5 not limited to, the defense of litigation against the state, its
6 departments, officers, employees, or agents in civil actions filed
7 by prisoners.

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

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

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

24 DEPARTMENT OF CIVIL RIGHTS

25 Sec. 401. (1) In addition to the funds appropriated in part 1,
26 there is appropriated an amount not to exceed \$2,000,000.00 for

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

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

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

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

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

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

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

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

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

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

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

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

11 Sec. 404. (1) The department of civil rights shall prepare and
12 transmit a detailed report that includes, but is not limited to,
13 the following information for the most recent fiscal year:

14 (a) A detailed description of the department operations.

15 (b) A detailed description of all subunits within the
16 department, including FTE positions associated with each subunit,
17 responsibilities of each subunit, and all revenues and expenditures
18 for each subunit.

19 (c) The number of complaints by type of complaint.

20 (d) The average cost of, and time expended, investigating
21 complaints.

22 (e) The percentage of complaints that are meritorious and
23 worthy of investigation or settlement and the percentage of
24 complaints that have no merit.

25 (f) A listing of amounts awarded to claimants.

26 (g) Expenditures associated with complaint investigation and
27 enforcement.

1 (h) A listing of complaint investigations closed per FTE
2 position for the past 5 years.

3 (2) The report required under subsection (1) shall be
4 transmitted not later than November 30 to the office of the state
5 budget, the chairpersons of the senate and house of representatives
6 standing committees on appropriations, and the senate and house
7 fiscal agencies.

8 Sec. 405. The department of civil rights shall notify the
9 office of the state budget, senate and house of representatives
10 standing committees on appropriations, and senate and house fiscal
11 agencies prior to submitting a report or complaint to the United
12 States commission on civil rights or other federal departments.

13 LEGISLATURE

14 Sec. 600. The senate, the house of representatives, or an
15 agency within the legislative branch may receive, expend, and
16 transfer funds in addition to those authorized in part 1.

17 Sec. 601. (1) Funds appropriated in part 1 to an entity within
18 the legislative branch shall not be expended or transferred to
19 another account without written approval of the authorized agent of
20 the legislative entity. If the authorized agent of the legislative
21 entity notifies the state budget director of its approval of an
22 expenditure or transfer before the year-end book-closing date for
23 that legislative entity, the state budget director shall
24 immediately make the expenditure or transfer. The authorized
25 legislative entity agency shall be designated by the speaker of the
26 house of representatives for house entities, the senate majority

1 leader for senate entities, and the legislative council for
2 legislative council entities.

3 (2) Funds appropriated within the legislative branch, to a
4 legislative council component, shall not be expended by any agency
5 or other subgroup included in that component without the approval
6 of the legislative council.

7 Sec. 602. The senate may charge rent and assess charges for
8 utility costs. The amounts received for rent charges and utility
9 assessments are appropriated to the senate for the renovation,
10 operation, and maintenance of the Farnum building and other
11 properties.

12 Sec. 603. The appropriation contained in part 1 for national
13 association dues is to be distributed by the legislative council.

14 Sec. 604. (1) The appropriation in part 1 to the legislative
15 council includes funds to operate the legislative parking
16 facilities in the capitol area. The legislative council shall
17 establish rules regarding the operation of the legislative parking
18 facilities.

19 (2) The legislative council shall collect a fee from state
20 employees and the general public using certain legislative parking
21 facilities. The revenues received from the parking fees shall be
22 allocated by the legislative council.

23 Sec. 605. The appropriation in part 1 to the legislative
24 council for publication of the Michigan manual is a work project
25 account. The unexpended portion remaining on September 30 shall not
26 lapse and shall be carried forward into the subsequent fiscal year
27 for use in paying the associated biennial costs of publication of

1 the Michigan manual.

2 Sec. 606. The appropriations in part 1 to the legislative
3 branch, for property management, shall be used to purchase
4 equipment and services for building maintenance in order to ensure
5 a safe and productive work environment. These funds are designated
6 as work project appropriations and shall not lapse at the end of
7 the fiscal year, and shall continue to be available for expenditure
8 until the project has been completed. The total cost is estimated
9 at \$500,000.00, and the tentative completion date is September 30,
10 2018.

11 Sec. 607. The appropriations in part 1 to the legislative
12 branch, for automated data processing, shall be used to purchase
13 equipment, software, and services in order to support and implement
14 data processing requirements and technology improvements. These
15 funds are designated as work project appropriations and shall not
16 lapse at the end of the fiscal year, and shall continue to be
17 available for expenditure until the project has been completed. The
18 total cost is estimated at \$500,000.00, and the tentative
19 completion date is September 30, 2018.

20 Sec. 608. In addition to funds appropriated in part 1, the
21 Michigan capitol committee publications save the flags fund account
22 may accept contributions, gifts, bequests, devises, grants, and
23 donations. Those funds that are not expended in the fiscal year
24 ending September 30 shall not lapse at the close of the fiscal
25 year, and shall be carried forward for expenditure in the following
26 fiscal years.

1 **LEGISLATIVE AUDITOR GENERAL**

2 Sec. 620. Pursuant to section 53 of article IV of the state
3 constitution of 1963, the auditor general shall conduct audits of
4 the judicial branch. The audits may include the supreme court and
5 its administrative units, the court of appeals, and trial courts.

6 Sec. 621. (1) The auditor general shall take all reasonable
7 steps to ensure that certified minority- and women-owned and
8 operated accounting firms, and accounting firms owned and operated
9 by persons with disabilities participate in the audits of the
10 books, accounts, and financial affairs of each principal executive
11 department, branch, institution, agency, and office of this state.

12 (2) The auditor general shall strongly encourage firms with
13 which the auditor general contracts to perform audits of the
14 principal executive departments and state agencies to subcontract
15 with certified minority- and women-owned and operated accounting
16 firms, and accounting firms owned and operated by persons with
17 disabilities.

18 (3) The auditor general shall compile an annual report
19 regarding the number of contracts entered into with certified
20 minority- and women-owned and operated accounting firms, and
21 accounting firms owned and operated by persons with disabilities.
22 The auditor general shall deliver the report to the state budget
23 director and the senate and house of representatives standing
24 committees on appropriations subcommittees on general government by
25 November 1 of each year.

26 Sec. 622. From the funds appropriated in part 1 to the
27 legislative auditor general, the auditor general's salary and the

1 salaries of the remaining 2.0 FTE unclassified positions shall be
2 set by the speaker of the house of representatives, the senate
3 majority leader, the house of representatives minority leader, and
4 the senate minority leader.

5 Sec. 623. Any audits, reviews, or investigations requested of
6 the auditor general by the legislature or by legislative
7 leadership, legislative committees, or individual legislators shall
8 include an estimate of the additional costs involved and, when
9 those costs exceed \$50,000.00, should provide supplemental funding.
10 The auditor general shall determine whether to perform those
11 activities in keeping with Audit Directive No. 29, which describes
12 the office of the auditor general's policy on responding to
13 legislative requests.

14 **DEPARTMENT OF STATE**

15 Sec. 701. (1) In addition to the funds appropriated in part 1,
16 there is appropriated an amount not to exceed \$2,000,000.00 for
17 federal contingency funds. These funds are not available for
18 expenditure until they have been transferred to another line item
19 in part 1 under section 393(2) of the management and budget act,
20 1984 PA 431, MCL 18.1393.

21 (2) In addition to the funds appropriated in part 1, there is
22 appropriated an amount not to exceed \$7,500,000.00 for state
23 restricted contingency funds. These funds are not available for
24 expenditure until they have been transferred to another line item
25 in part 1 under section 393(2) of the management and budget act,
26 1984 PA 431, MCL 18.1393.

1 (3) In addition to the funds appropriated in part 1, there is
2 appropriated an amount not to exceed \$50,000.00 for local
3 contingency funds. These funds are not available for expenditure
4 until they have been transferred to another line item in part 1
5 under section 393(2) of the management and budget act, 1984 PA 431,
6 MCL 18.1393.

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

13 Sec. 703. From the funds appropriated in part 1, the
14 department of state shall sell copies of records including, but not
15 limited to, records of motor vehicles, off-road vehicles,
16 snowmobiles, watercraft, mobile homes, personal identification
17 cardholders, drivers, and boat operators and shall charge \$8.00 per
18 record sold only as authorized in section 208b of the Michigan
19 vehicle code, 1949 PA 300, MCL 257.208b, section 7 of 1972 PA 222,
20 MCL 28.297, and sections 80130, 80315, 81114, and 82156 of the
21 natural resources and environmental protection act, 1994 PA 451,
22 MCL 324.80130, 324.80315, 324.81114, and 324.82156. The revenue
23 received from the sale of records shall be credited to the
24 transportation administration collection fund created under section
25 810b of the Michigan vehicle code, 1949 PA 300, MCL 257.810b.

26 Sec. 704. From the funds appropriated in part 1, the secretary
27 of state may enter into agreements with the department of

1 corrections for the manufacture of vehicle registration plates 15
2 months before the registration year in which the registration
3 plates will be used.

4 Sec. 705. (1) The department of state may accept gifts,
5 donations, contributions, and grants of money and other property
6 from any private or public source to underwrite, in whole or in
7 part, the cost of a departmental publication that is prepared and
8 disseminated under the Michigan vehicle code, 1949 PA 300, MCL
9 257.1 to 257.923. A private or public funding source may receive
10 written recognition in the publication and may furnish a traffic
11 safety message, subject to departmental approval, for inclusion in
12 the publication. The department may reject a gift, donation,
13 contribution, or grant. The department may furnish copies of a
14 publication underwritten, in whole or in part, by a private source
15 to the underwriter at no charge.

16 (2) The department of state may sell and accept paid
17 advertising for placement in a departmental publication that is
18 prepared and disseminated under the Michigan vehicle code, 1949 PA
19 300, MCL 257.1 to 257.923. The department may charge and receive a
20 fee for any advertisement appearing in a departmental publication
21 and shall review and approve the content of each advertisement. The
22 department may refuse to accept advertising from any person or
23 organization. The department may furnish a reasonable number of
24 copies of a publication to an advertiser at no charge.

25 (3) Pending expenditure, the funds received under this section
26 shall be deposited in the Michigan department of state publications
27 fund created by section 211 of the Michigan vehicle code, 1949 PA

1 300, MCL 257.211. Funds given, donated, or contributed to the
2 department from a private source are appropriated and allocated for
3 the purpose for which the revenue is furnished. Funds granted to
4 the department from a public source are allocated and may be
5 expended upon receipt. The department shall not accept a gift,
6 donation, contribution, or grant if receipt is conditioned upon a
7 commitment of state funding at a future date. Revenue received from
8 the sale of advertising is appropriated and may be expended upon
9 receipt.

10 (4) Any unexpended revenues received under this section shall
11 be carried over into subsequent fiscal years and shall be available
12 for appropriation for the purposes described in this section.

13 (5) On March 1 of each year, the department of state shall
14 file a report with the senate and house of representatives standing
15 committees on appropriations, the senate and house fiscal agencies,
16 and the state budget director. The report shall include all of the
17 following information:

18 (a) The amount of gifts, contributions, donations, and grants
19 of money received by the department under this section for the
20 prior fiscal year.

21 (b) A listing of the expenditures made from the amounts
22 received by the department as reported in subdivision (a).

23 (c) A listing of any gift, donation, contribution, or grant of
24 property other than funding received by the department under this
25 section for the prior year.

26 (d) The total revenue received from the sale of paid
27 advertising accepted under this section and a statement of the

1 total number of advertising transactions.

2 (6) In addition to copies delivered without charge as the
3 secretary of state considers necessary, the department of state may
4 sell copies of manuals and other publications regarding the sale,
5 ownership, or operation or regulation of motor vehicles, with
6 amendments, at prices to be established by the secretary of state.
7 As used in this subsection, the term "manuals and other
8 publications" includes videos and proprietary electronic
9 publications. All funds received from sales of these manuals and
10 other publications shall be credited to the Michigan department of
11 state publications fund.

12 Sec. 707. Funds collected by the department of state under
13 section 211 of the Michigan vehicle code, 1949 PA 300, MCL 257.211,
14 are appropriated for all expenses necessary to provide for the
15 costs of the publication. Funds are allotted for expenditure when
16 they are received by the department of treasury and shall not lapse
17 to the general fund at the end of the fiscal year.

18 Sec. 708. From the funds appropriated in part 1, the
19 department of state shall use available balances at the end of the
20 state fiscal year to provide payment to the department of state
21 police in the amount of \$332,000.00 for the services provided by
22 the traffic accident records program as first appropriated in 1990
23 PA 196 and 1990 PA 208.

24 Sec. 709. From the funds appropriated in part 1, the
25 department of state may restrict funds from miscellaneous revenue
26 to cover cash shortages created from normal branch office
27 operations. This amount shall not exceed \$50,000.00 of the total

1 funds available in miscellaneous revenue.

2 Sec. 710. (1) Commemorative and specialty license plate fee
3 revenue collected by the department of state and deposited into the
4 transportation administration collection fund created in section
5 810b of the Michigan vehicle code, 1949 PA 300, MCL 257.810b, is
6 authorized for expenditure up to the amount of revenue collected
7 but not to exceed the amount appropriated to the department of
8 state in part 1 to administer commemorative and specialty license
9 plate programs.

10 (2) Commemorative and specialty license plate fee revenue
11 collected by the department of state and deposited in the
12 transportation administration collection fund created in section
13 810b of the Michigan vehicle code, 1949 PA 300, MCL 257.810b, in
14 addition to the amount appropriated in part 1 to the department of
15 state, shall remain in the transportation administration collection
16 fund created in section 810b of the Michigan vehicle code, 1949 PA
17 300, MCL 257.810b, and be available for future appropriation.

18 Sec. 711. Collector plate and fund-raising registration plate
19 revenues collected by the department of state are appropriated and
20 allotted for distribution to the recipient university or public or
21 private agency overseeing a state-sponsored goal when received.
22 Distributions shall occur on a quarterly basis or as otherwise
23 authorized by law. Any revenues remaining at the end of the fiscal
24 year shall not lapse to the general fund but shall remain available
25 for distribution to the university or agency in the next fiscal
26 year.

27 Sec. 712. The department of state may produce and sell copies

1 of a training video designed to inform registered automotive repair
2 facilities of their obligations under Michigan law. The price shall
3 not exceed the cost of production and distribution. The money
4 received from the sale of training videos shall revert to the
5 department of state and be placed in the auto repair facility
6 account.

7 Sec. 713. (1) The department of state, in collaboration with
8 the gift of life transplantation society or its successor federally
9 designated organ procurement organization, may develop and
10 administer a public information campaign concerning the Michigan
11 organ donor program.

12 (2) The department may solicit funds from any private or
13 public source to underwrite, in whole or in part, the public
14 information campaign authorized by this section. The department may
15 accept gifts, donations, contributions, and grants of money and
16 other property from private and public sources for this purpose. A
17 private or public funding source underwriting the public
18 information campaign, in whole or in substantial part, shall
19 receive sponsorship credit for its financial backing.

20 (3) Funds received under this section, including grants from
21 state and federal agencies, shall not lapse to the general fund at
22 the end of the fiscal year but shall remain available for
23 expenditure for the purposes described in this section.

24 (4) Funding appropriated in part 1 for the organ donor program
25 shall be used for producing a pamphlet to be distributed with
26 driver licenses and personal identification cards regarding organ
27 donations. The funds shall be used to update and print a pamphlet

1 that will explain the organ donor program and encourage people to
2 become donors by marking a checkoff on driver license and personal
3 identification card applications.

4 (5) The pamphlet shall include a return reply form addressed
5 to the gift of life organization. Funding appropriated in part 1
6 for the organ donor program shall be used to pay for return postage
7 costs.

8 (6) In addition to the appropriations in part 1, the
9 department of state may receive and expend funds from the organ and
10 tissue donation education fund for administrative expenses.

11 Sec. 714. (1) Except as otherwise provided under subsection
12 (2), at least 180 days before closing a branch office or
13 consolidating a branch office and at least 60 days before
14 relocating a branch office, the department of state shall inform
15 members of the senate and house of representatives standing
16 committees on appropriations and legislators who represent affected
17 areas regarding the details of the proposal. The information
18 provided shall be in written form and include all analyses done
19 regarding criteria for changes in the location of branch offices,
20 including, but not limited to, branch transactions, revenue, and
21 the impact on citizens of the affected area. The impact on citizens
22 shall include information regarding additional distance to branch
23 office locations resulting from the plan. The written notice
24 provided by the department of state shall also include detailed
25 estimates of costs and savings that will result from the overall
26 changes made to the branch office structure and the same level of
27 detail regarding costs for new leased facilities and expansions of

1 current leased space.

2 (2) If the consolidation of a branch office is with another
3 branch office that is located within the same local unit of
4 government or the relocation of a branch office is to another
5 location that is located within the same local unit of government,
6 the department of state is not required to provide the notification
7 or written information described in subsection (1).

8 (3) As used in this section, "local unit of government" means
9 a city, village, township, or county.

10 Sec. 715. (1) Any service assessment collected by the
11 department of state from the user of a credit or debit card under
12 section 3 of 1995 PA 144, MCL 11.23, may be used by the department
13 for necessary expenses related to that service and may be remitted
14 to a credit or debit card company, bank, or other financial
15 institution.

16 (2) The service assessment imposed by the department of state
17 for credit and debit card services may be based either on a
18 percentage of each individual credit or debit card transaction, or
19 on a flat rate per transaction, or both, scaled to the amount of
20 the transaction. However, the department shall not charge any
21 amount for a service assessment which exceeds the costs billable to
22 the department for service assessments.

23 (3) If there is a balance of service assessments received from
24 credit and debit card services remaining on September 30, the
25 balance may be carried forward to the following fiscal year and
26 appropriated for the same purpose.

27 (4) As used in this section, "service assessment" means and

1 includes costs associated with service fees imposed by credit and
2 debit card companies and processing fees imposed by banks and other
3 financial institutions.

4 Sec. 716b. The department of state shall provide a report that
5 calculates the total amount of funds expended for the business
6 application modernization project to date from the inception of the
7 program. The report shall contain information on the original start
8 and completion dates for the project, the original cost to complete
9 the project, and a listing of all revisions to project completion
10 dates and costs. The report shall include the total amount of funds
11 paid to the state by the contract provider for penalties. The
12 report shall be submitted to the senate and house of
13 representatives standing committees on appropriations, the senate
14 and house fiscal agencies, and the state budget director by January
15 1.

16 Sec. 717. (1) The department of state may accept nonmonetary
17 gifts, donations, or contributions of property from any private or
18 public source to support, in whole or in part, the operation of a
19 departmental function relating to licensing, regulation, or safety.
20 The department may recognize a private or public contributor for
21 making the contribution. The department may reject a gift,
22 donation, or contribution.

23 (2) The department of state shall not accept a gift, donation,
24 or contribution under subsection (1) if receipt of the gift,
25 donation, or contribution is conditioned upon a commitment of
26 future state funding.

27 (3) On March 1 of each year, the department of state shall

1 file a report with the senate and house of representatives standing
2 committees on appropriations, the senate and house fiscal agencies,
3 and the state budget director. The report shall list any gift,
4 donation, or contribution received by the department under
5 subsection (1) for the prior calendar year.

6 Sec. 718. From the funds appropriated in part 1 to the
7 department of state, branch operations, the department shall
8 maintain a full service secretary of state branch office in Buena
9 Vista Township.

10 Sec. 721. From the funds appropriated in part 1, the
11 department of state may collect ATM commission fees from companies
12 that have ATMs located in secretary of state branch offices. The
13 commission received from the use of these ATMs shall be credited to
14 the transportation administration collection fund created under
15 section 810b of the Michigan vehicle code, 1949 PA 300, MCL
16 257.810b.

17 **DEPARTMENT OF TECHNOLOGY, MANAGEMENT, AND BUDGET**

18 Sec. 801. (1) In addition to the funds appropriated in part 1,
19 there is appropriated an amount not to exceed \$4,000,000.00 for
20 federal contingency funds. These funds are not available for
21 expenditure until they have been transferred to another line item
22 in part 1 under section 393(2) of the management and budget act,
23 1984 PA 431, MCL 18.1393.

24 (2) In addition to the funds appropriated in part 1, there is
25 appropriated an amount not to exceed \$8,000,000.00 for state
26 restricted contingency funds. These funds are not available for

1 expenditure until they have been transferred to another line item
2 in part 1 under section 393(2) of the management and budget act,
3 1984 PA 431, MCL 18.1393.

4 (3) In addition to the funds appropriated in part 1, there is
5 appropriated an amount not to exceed \$150,000.00 for local
6 contingency funds. These funds are not available for expenditure
7 until they have been transferred to another line item in part 1
8 under section 393(2) of the management and budget act, 1984 PA 431,
9 MCL 18.1393.

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

16 Sec. 802. Proceeds in excess of necessary costs incurred in
17 the conduct of transfers or auctions of state surplus, salvage, or
18 scrap property made pursuant to section 267 of the management and
19 budget act, 1984 PA 431, MCL 18.1267, are appropriated to the
20 department of technology, management, and budget to offset costs
21 incurred in the acquisition and distribution of federal surplus
22 property. The department of technology, management, and budget
23 shall provide consolidated Internet auction services through the
24 state's contractors for all local units of government.

25 Sec. 803. (1) The department of technology, management, and
26 budget may receive and expend funds in addition to those authorized
27 by part 1 for maintenance and operation services provided

1 specifically to other principal executive departments or state
2 agencies, the legislative branch, the judicial branch, or private
3 tenants, or provided in connection with facilities transferred to
4 the operational jurisdiction of the department of technology,
5 management, and budget.

6 (2) The department of technology, management, and budget may
7 receive and expend funds in addition to those authorized by part 1
8 for real estate, architectural, design, and engineering services
9 provided specifically to other principal executive departments or
10 state agencies, the legislative branch, or the judicial branch.

11 (3) The department of technology, management, and budget may
12 receive and expend funds in addition to those authorized in part 1
13 for mail pickup and delivery services provided specifically to
14 other principal executive departments and state agencies, the
15 legislative branch, or the judicial branch.

16 (4) The department of technology, management, and budget may
17 receive and expend funds in addition to those authorized in part 1
18 for purchasing services provided specifically to other principal
19 executive departments and state agencies, the legislative branch,
20 or the judicial branch.

21 Sec. 804. (1) The source of financing in part 1 for statewide
22 appropriations shall be funded by assessments against longevity and
23 insurance appropriations throughout state government in a manner
24 prescribed by the department of technology, management, and budget.
25 Funds shall be used as specified in joint labor/management
26 agreements or through the coordinated compensation hearings
27 process. Any deposits made under this subsection and any

1 unencumbered funds are restricted revenues, may be carried over
2 into the succeeding fiscal years, and are appropriated.

3 (2) In addition to the funds appropriated in part 1 for
4 statewide appropriations, the department of technology, management,
5 and budget may receive and expend funds in such additional amounts
6 as may be specified in joint labor/management agreements or through
7 the coordinated compensation hearings process in the same manner
8 and subject to the same conditions as prescribed in subsection (1).

9 Sec. 805. To the extent a specific appropriation is required
10 for a detailed source of financing included in part 1 for the
11 department of technology, management, and budget appropriations
12 financed from special revenue and internal service and pension
13 trust funds, or MAIN user charges, the specific amounts are
14 appropriated within the special revenue internal service and
15 pension trust funds in portions not to exceed the aggregate amount
16 appropriated in part 1.

17 Sec. 806. In addition to the funds appropriated in part 1 to
18 the department of technology, management, and budget, the
19 department may receive and expend funds from other principal
20 executive departments and state agencies to implement
21 administrative leave bank transfer provisions as may be specified
22 in joint labor/management agreements. The amounts may also be
23 transferred to other principal executive departments and state
24 agencies under the joint agreement and any amounts transferred
25 under the joint agreement are authorized for receipt and
26 expenditure by the receiving principal executive department or
27 state agency. Any amounts received by the department of technology,

1 management, and budget under this section and intended, under the
2 joint labor/management agreements, to be available for use beyond
3 the close of the fiscal year and any unencumbered funds may be
4 carried over into the succeeding fiscal year.

5 Sec. 807. The source of financing in part 1 for the Michigan
6 administrative information network shall be funded by proportionate
7 charges assessed against the respective state funds benefiting from
8 this project in the amounts determined by the department.

9 Sec. 808. (1) Deposits against the interdepartmental grant
10 from building occupancy and parking charges appropriated in part 1
11 shall be collected, in part, from state agencies, the legislative
12 branch, and the judicial branch based on estimated costs associated
13 with maintenance and operation of buildings managed by the
14 department of technology, management, and budget. To the extent
15 excess revenues are collected due to estimates of building
16 occupancy charges exceeding actual costs, the excess revenues may
17 be carried forward into succeeding fiscal years for the purpose of
18 returning funds to state agencies.

19 (2) Appropriations in part 1 to the department of technology,
20 management, and budget, for management and budget services from
21 building occupancy charges and parking charges, may be increased to
22 return excess revenue collected to state agencies.

23 Sec. 809. The department of technology, management, and budget
24 shall notify the chairpersons of the senate and house of
25 representatives standing committees on appropriations and the
26 chairpersons of the senate and house of representatives standing
27 committees on appropriations subcommittees on general government on

1 any revisions that increase or decrease current contracts by more
2 than \$500,000.00 for computer software development, hardware
3 acquisition, or quality assurance at least 14 days before the
4 department of technology, management, and budget finalizes the
5 revisions.

6 Sec. 810. The department of technology, management, and budget
7 shall maintain an Internet website that contains notice of all
8 invitations for bids and requests for proposals over \$50,000.00
9 issued by the department or by any state agency operating under
10 delegated authority. The department shall not accept an invitation
11 for bid or request for proposal in less than 14 days after the
12 notice is made available on the Internet website, except in
13 situations where it would be in the best interest of the state and
14 documented by the department. In addition to the requirements of
15 this section, the department may advertise the invitations for bids
16 and requests for proposals in any manner the department determines
17 appropriate, in order to give the greatest number of individuals
18 and businesses the opportunity to make bids or requests for
19 proposals.

20 Sec. 811. The department of technology, management, and budget
21 may receive and expend funds from the Vietnam veterans memorial
22 monument fund as provided in the Michigan Vietnam veterans memorial
23 act, 1988 PA 234, MCL 35.1051 to 35.1057. Funds are appropriated
24 and allocated when received and may be expended upon receipt.

25 Sec. 812. The Michigan veterans' memorial park commission may
26 receive and expend money from any source, public or private,
27 including, but not limited to, gifts, grants, donations of money,

1 and government appropriations, for the purposes described in
2 Executive Order No. 2001-10. Funds are appropriated and allocated
3 when received and may be expended upon receipt. Any deposits made
4 under this section and unencumbered funds are restricted revenues
5 and may be carried over into succeeding fiscal years.

6 Sec. 813. (1) Funds in part 1 for motor vehicle fleet are
7 appropriated to the department of technology, management, and
8 budget for administration and for the acquisition, lease,
9 operation, maintenance, repair, replacement, and disposal of state
10 motor vehicles.

11 (2) The appropriation in part 1 for motor vehicle fleet shall
12 be funded by revenue from rates charged to principal executive
13 departments and agencies for utilizing vehicle travel services
14 provided by the department. Revenue in excess of the amount
15 appropriated in part 1 from the motor transport fund and any
16 unencumbered funds are restricted revenues and may be carried over
17 into the succeeding fiscal year.

18 (3) Pursuant to the department of technology, management, and
19 budget's authority under sections 213 and 215 of the management and
20 budget act, 1984 PA 431, MCL 18.1213 and 18.1215, the department
21 shall maintain a plan regarding the operation of the motor vehicle
22 fleet. The plan shall include the number of vehicles assigned to,
23 or authorized for use by, state departments and agencies, efforts
24 to reduce travel expenditures, the number of cars in the motor
25 vehicle fleet, the number of miles driven by fleet vehicles, and
26 the number of gallons of fuel consumed by fleet vehicles. The plan
27 shall include a calculation of the amount of state motor vehicle

1 fuel taxes that would have been incurred by fleet vehicles if fleet
2 vehicles were required by law to pay motor fuel taxes. The plan
3 shall include a description of fleet garage operations, the goods
4 sold and services provided by the fleet garage, the cost to operate
5 the fleet garage, the number of fleet garage locations, and the
6 number of employees assigned to each fleet garage. The plan may be
7 adjusted during the fiscal year based on needs and cost savings to
8 achieve the maximum value and efficiency from the state motor
9 fleet. Within 60 days after the close of the fiscal year, the
10 department shall provide a report to the senate and house of
11 representatives standing committees on appropriations and the
12 senate and house fiscal agencies detailing the current plan and
13 changes made to the plan during the fiscal year.

14 (4) The department of technology, management, and budget may
15 charge state agencies for fuel cost increases that exceed \$3.04 per
16 gallon of unleaded gasoline. The department shall notify state
17 agencies, in writing or by electronic mail, at least 30 days before
18 implementing additional charges for fuel cost increases. Revenues
19 received from these charges are appropriated upon receipt.

20 (5) In order to reduce costs and maintain quality, it is the
21 intent of the legislature that, excluding the fleet of motor
22 vehicles for the department of state police, when economically
23 feasible, the department of technology, management, and budget will
24 prioritize the utilization of remanufactured parts as the primary
25 means of maintenance and repair for the state of Michigan's fleet
26 of motor vehicles.

27 Sec. 814. The department of technology, management, and budget

1 shall develop a plan regarding the use of the funds appropriated in
2 part 1 for the enterprisewide information technology investments.
3 The plan shall include, but not be limited to, a description of
4 proposed information technology investments, the time frame for
5 completion of the information technology investments, the proposed
6 cost of the information technology investments, the number of
7 employees assigned to implement each information technology
8 investment, the contracts entered into for each information
9 technology investment, and any other information the department
10 deems necessary. The plan shall be distributed to the senate and
11 house of representatives standing committees on appropriations
12 subcommittees on general government, as well as the senate and
13 house fiscal agencies, by February 1.

14 Sec. 816. An RFP issued for the purpose of privatization shall
15 include all factors used in evaluating and determining price.

16 Sec. 817. The department of technology, management, and budget
17 may require that any vendor or subcontractor providing call or
18 contact center services to the state of Michigan disclose to
19 inbound callers the location from which the call or contact center
20 services are being provided.

21 Sec. 818. In addition to the funds appropriated in part 1, the
22 department of technology, management, and budget may receive and
23 expend money from the Michigan law enforcement officers memorial
24 monument fund as provided in the Michigan law enforcement officers
25 memorial act, 2004 PA 177, MCL 28.781 to 28.787.

26 Sec. 819. In addition to the funds appropriated in part 1, the
27 department of technology, management, and budget may receive and

1 expend money from the Ronald Wilson Reagan memorial monument fund
2 as provided in the Ronald Wilson Reagan memorial monument fund
3 commission act, 2004 PA 489, MCL 399.261 to 399.266.

4 Sec. 820. The department shall make available to the public a
5 list of all parcels of real property owned by the state that are
6 available for purchase. The list shall be posted on the Internet
7 through the department's website.

8 Sec. 821. The department of technology, management, and budget
9 shall develop a plan regarding the office space consolidation
10 project, including the use of the funds appropriated pursuant to
11 2012 PA 200 for the space consolidation fund. The plan shall
12 include, but not be limited to, the description of the proposed
13 office space to be consolidated, the time frame for completion of
14 the office space consolidation, the proposed itemized cost of the
15 office space consolidation, the number of employees assigned to
16 implement the office space consolidation, the contracts entered
17 into for the office space consolidation, and any other information
18 the department deems necessary. The plan shall be updated and
19 distributed annually to the senate and house of representatives
20 standing committees on appropriations subcommittees on general
21 government, as well as the senate and house fiscal agencies.

22 Sec. 822. The department of technology, management, and budget
23 shall compile a report by January 1 pertaining to the salaries of
24 unclassified employees, as well as gubernatorial appointees, within
25 all state departments and agencies. The report shall enumerate each
26 unclassified employee and gubernatorial appointee and his or her
27 annual salary individually. The report shall be distributed to the

1 chairs of the senate and house of representatives standing
2 committees on appropriations subcommittees on general government,
3 as well as the senate and house fiscal agencies.

4 Sec. 822a. In addition to the general fund/general purpose
5 appropriations for special maintenance, remodeling, and addition -
6 state facilities in part 1, there is also appropriated related
7 federal and state restricted funds up to the amounts that will be
8 earned based upon the initiatives undertaken with the funds in part
9 1. The state budget director shall determine and authorize the
10 appropriate manner for implementing this section.

11 Sec. 822b. In addition to the general fund/general purpose
12 appropriations for enterprisewide information technology
13 investments in part 1, there is also appropriated related federal
14 and state restricted funds up to the amounts that will be earned
15 based upon the initiatives undertaken with the funds in part 1. The
16 state budget director shall determine and authorize the appropriate
17 manner for implementing this section.

18 Sec. 822c. Michigan State University shall return all
19 unexpended state appropriations contained in 2011 PA 63 for
20 asbestos abatement at the former state police headquarters site to
21 the state treasury for deposit into the general fund. From the
22 unexpended funds returned by Michigan State University, there is
23 hereby appropriated an amount not to exceed \$430,500.00 to the
24 department of technology, management, and budget for combined sewer
25 overflow connections to the municipal sewer system at the former
26 state police headquarters site. The funds appropriated shall be
27 made available to Michigan State University for reimbursement upon

1 the presentation of documentation related to the expenditure of
2 funds for the completed project.

3 Sec. 822d. (1) A public-private partnership investment fund is
4 created in MDTMB. Subject to subsections (2) and (3), public-
5 private partnership investments shall include, but are not limited
6 to, all of the following:

7 (a) Capital asset improvements including buildings, land, or
8 structures.

9 (b) Energy resource exploration, extraction, generation, and
10 sales.

11 (c) Financial and investment incentive opportunities.

12 (d) Infrastructure construction, maintenance, and operation.

13 (e) Public-private sector joint ventures that provide economic
14 benefit to an area or to the state.

15 (2) Public-private investments shall not include projects,
16 consultant expenses, staff effort, or any other activity related to
17 the development, financing, construction, operation, or
18 implementation of the Detroit River International Crossing or any
19 successor project unless the project is approved by the legislature
20 and signed into law.

21 (3) The state budget director shall determine whether or not a
22 specific public-private partnership investment opportunity
23 qualifies for funding under subsection (1).

24 (4) Investment development revenue, including a portion of the
25 proceeds from the sale of any public-private partnership investment
26 designated in subsection (1), shall be deposited into the fund
27 created in subsection (1) and shall be available for

1 administration, development, financing, marketing, and operating
2 expenditures associated with public-private partnerships, unless
3 otherwise provided by law. Public-private partnership investments
4 authorized in subsection (1) are authorized for public or private
5 operation or sale consistent with state law. Expenditures from the
6 fund are authorized for investment purposes as designated in
7 subsection (1) to enhance the marketable value of each investment.
8 The unencumbered balance remaining in the fund at the end of the
9 fiscal year may be carried forward for appropriation in future
10 years.

11 (5) An annual report shall be transmitted to the senate and
12 house of representatives standing committees on appropriations, the
13 senate and house fiscal agencies, and the state budget office not
14 later than December 31 of each year. This report shall detail both
15 of the following:

16 (a) The revenue and expenditure activity in the fund for the
17 preceding fiscal year.

18 (b) Public-private partnership investments as identified under
19 subsection (1).

20 (6) MDTMB shall monitor the revenue deposited in the public-
21 private partnership investment fund created in subsection (1). If
22 the revenue in the fund is insufficient to pay the amount
23 appropriated in part 1 for public-private partnership investment,
24 then MDTMB shall propose a legislative transfer to fund the line
25 from the appropriations in part 1.

26 Sec. 822e. The funds appropriated in part 1 shall not be used
27 to support any staff effort, projects, consultant expenses, or any

1 other activity related to the development, financing, construction,
2 operation, or implementation of the Detroit River International
3 Crossing or any successor project unless the project is approved by
4 the legislature and signed into law.

5 **INFORMATION TECHNOLOGY**

6 Sec. 823. (1) The department of technology, management, and
7 budget may sell and accept paid advertising for placement on any
8 state website under its jurisdiction. The department shall review
9 and approve the content of each advertisement. The department may
10 refuse to accept advertising from any person or organization or
11 require modification to advertisements based upon criteria
12 determined by the department. Revenue received under this
13 subsection shall be used for operating costs of the department and
14 for future technology enhancements to state of Michigan e-
15 government initiatives. Funds received under this subsection shall
16 be limited to \$250,000.00. Any funds in excess of \$250,000.00 shall
17 be deposited in the state general fund.

18 (2) The department of technology, management, and budget may
19 accept gifts, donations, contributions, bequests, and grants of
20 money from any public or private source to assist with the
21 underwriting or sponsorship of state webpages or services offered
22 on those webpages. A private or public funding source may receive
23 recognition in the webpage. The department of technology,
24 management, and budget may reject any gift, donation, contribution,
25 bequest, or grant.

26 (3) Funds accepted by the department of technology,

1 management, and budget under subsection (1) are appropriated and
2 allotted when received and may be expended upon approval of the
3 state budget director. The state budget office shall notify the
4 senate and house of representatives standing committees on
5 appropriations subcommittees on general government and the senate
6 and house fiscal agencies within 10 days after the approval is
7 given.

8 Sec. 824. The department of technology, management, and budget
9 may enter into agreements to supply spatial information and
10 technical services to other principal executive departments, state
11 agencies, local units of government, and other organizations. The
12 department of technology, management, and budget may receive and
13 expend funds in addition to those authorized in part 1 for
14 providing information and technical services, publications, maps,
15 and other products. The department of technology, management, and
16 budget may expend amounts received for salaries, supplies, and
17 equipment necessary to provide informational products and technical
18 services. Prior to December 1 of each year, the department shall
19 provide a report to the senate and house of representatives
20 standing committees on appropriations subcommittees on general
21 government, detailing the sources of funding and expenditures made
22 under this section.

23 Sec. 825. The legislature shall have access to all historical
24 and current data contained within MAIN pertaining to state
25 departments. State departments shall have access to all historical
26 and current data contained within MAIN.

27 Sec. 826. When used in this article, "information technology

1 services" means services involving all aspects of managing and
2 processing information, including, but not limited to, all of the
3 following:

4 (a) Application and mobile development and maintenance.

5 (b) Desktop computer support and management.

6 (c) Cyber security.

7 (d) Social media.

8 (e) Mainframe computer support and management.

9 (f) Server support and management.

10 (g) Local area network support and management, including, but
11 not limited to, wired and wireless network build-out, support, and
12 management.

13 (h) Information technology project management.

14 (i) Information technology planning and budget management.

15 (j) Telecommunication services, infrastructure, and support.

16 Sec. 827. (1) Funds appropriated in part 1 for the Michigan
17 public safety communications system shall be expended upon approval
18 of an expenditure plan by the state budget director.

19 (2) The department of technology, management, and budget shall
20 assess all subscribers of the Michigan public safety communications
21 system reasonable access and maintenance fees.

22 (3) All money received by the department of technology,
23 management, and budget under this section shall be expended for the
24 support and maintenance of the Michigan public safety
25 communications system.

26 (4) The department of technology, management, and budget shall
27 provide a report to the senate and house of representatives

1 standing committees on appropriations, the senate and house fiscal
2 agencies, and the state budget director on April 15 and on October
3 15, indicating the amount of revenue collected under this section
4 and expended for support and maintenance of the Michigan public
5 safety communications system for the immediately preceding 6-month
6 period. Any deposits made under this section and unencumbered funds
7 are restricted revenues and shall be carried forward into
8 succeeding fiscal years.

9 Sec. 828. The department of technology, management, and budget
10 shall submit a report for the immediately preceding fiscal year
11 ending September 30 to the senate and house of representatives
12 standing committees on appropriations subcommittees on general
13 government and the senate and house fiscal agencies by March 1. The
14 report shall include the following:

15 (a) The total amount of funding appropriated for information
16 technology services and projects, by funding source, for all
17 principal executive departments and agencies.

18 (b) A listing of the expenditures made from the amounts
19 received by the department of technology, management, and budget as
20 reported in subdivision (a).

21 Sec. 829. The department of technology, management, and budget
22 shall provide a report that analyzes and makes recommendations on
23 the life-cycle of information technology hardware and software. The
24 report shall be submitted to the senate and house of
25 representatives standing committees on appropriations subcommittees
26 on general government and the senate and house fiscal agencies by
27 March 1.

1 Sec. 830. By December 31, the department shall provide a
2 report that lists all information technology-related change orders
3 and follow-on contracts, greater than \$50,000.00, whether they are
4 bid, exercise options, or no-bid, and the amount of each change
5 order or contract extension contract entered into by the department
6 to the senate and house of representatives standing committees on
7 appropriations subcommittees on general government, the senate and
8 house fiscal agencies, and the state budget director.

9 Sec. 831. (1) The information, communications, and technology
10 innovation fund, established pursuant to 2011 PA 63 and 2012 PA
11 200, shall be administered by the department of technology,
12 management, and budget for the purpose of providing a revolving,
13 self-sustaining resource for financing information, communications,
14 and technology innovation projects. From the funds appropriated to
15 the information, communications, and technology innovation fund by
16 2011 PA 63 and 2012 PA 200, or received by the information,
17 communications, and technology innovation fund under subsections
18 (2) and (3), the department of technology, management, and budget
19 may issue loans to state agencies, local units of government,
20 colleges and universities in this state, school districts, other
21 public entities that provide public sector services, and nonprofit
22 organizations that provide public sector services, as determined by
23 the department of technology, management, and budget in support of
24 information, communications, and technology innovation projects.

25 (2) In addition to funds appropriated by 2011 PA 63 and 2012
26 PA 200, the information, communications, and technology innovation
27 fund may accept contributions, gifts, bequests, devises, grants,

1 and donations.

2 (3) In addition to the funds appropriated by 2011 PA 63 and
3 2012 PA 200, money received by the department of technology,
4 management, and budget as repayment of information, communications,
5 and technology innovation project loans, or other reimbursement or
6 revenue received by the department of technology, management, and
7 budget as a result of information, communications, and technology
8 innovation project loans, interest earned on that money, or
9 subsection (2) revenue, shall be deposited in the information,
10 communications, and technology innovation fund and is appropriated
11 for information, communications, and technology innovation fund
12 projects described in subsection (1). At the close of the fiscal
13 year, any unencumbered funds remaining in the information,
14 communications, and technology innovation fund shall remain in the
15 fund and be carried forward into the succeeding fiscal year.

16 Sec. 832. (1) The department of technology, management, and
17 budget shall inform the senate and house appropriations
18 subcommittees on general government and the senate and house fiscal
19 agencies within 30 days of any potential or actual penalties
20 assessed by the federal government for failure of the Michigan
21 child support enforcement system to achieve certification by the
22 federal government.

23 (2) If potential penalties are assessed by the federal
24 government, the department of technology, management, and budget
25 shall submit a report to the senate and house appropriations
26 subcommittees on general government and the senate and house fiscal
27 agencies within 90 days specifying the department's plans to avoid

1 actual penalties and ensure federal certification of the Michigan
2 child support enforcement system.

3 Sec. 833. (1) The state budget director, upon notification to
4 the senate and house of representatives standing committees on
5 appropriations, may adjust spending authorization and user fees in
6 the department of technology, management, and budget budget in
7 order to ensure that the appropriations for information technology
8 in the department budget equal the appropriations for information
9 technology in the budgets for all executive branch agencies.

10 (2) If during the course of the fiscal year a transfer or
11 supplemental to or from the information technology line item within
12 an agency budget is made under section 393 of the management and
13 budget act, 1984 PA 431, MCL 18.1393, there is appropriated an
14 equal amount of user fees in the department of technology,
15 management, and budget budget to accommodate an increase or
16 decrease in spending authorization.

17 Sec. 834. (1) Revenue collected from licenses issued under the
18 antenna site management project shall be deposited into the antenna
19 site management revolving fund created for this purpose in the
20 department of technology, management, and budget. The department
21 may receive and expend money from the fund for costs associated
22 with the antenna site management project, including the cost of a
23 third-party site manager. Any excess revenue remaining in the fund
24 at the close of the fiscal year shall be proportionately
25 transferred to the appropriate state restricted funds as designated
26 in statute or by constitution.

27 (2) An antenna shall not be placed on any site pursuant to

1 this section without complying with the respective local zoning
2 codes and local unit of government processes.

3 Sec. 835. In addition to the funds appropriated in part 1, the
4 funds collected by the department for supplying census-related
5 information and technical services, publications, statistical
6 studies, population projections and estimates, and other
7 demographic products are appropriated for all expenses necessary to
8 provide the required services. These funds are available for
9 expenditure when they are received and may be carried forward into
10 the next succeeding fiscal year.

11 **STATE BUILDING AUTHORITY**

12 Sec. 840. (1) Subject to section 242 of the management and
13 budget act, 1984 PA 431, MCL 18.1242, and upon the approval of the
14 state building authority, the department may expend from the
15 general fund of the state during the fiscal year an amount to meet
16 the cash flow requirements of those state building authority
17 projects solely for lease to a state agency identified in both part
18 1 and this section, and for which state building authority bonds or
19 notes have not been issued, and for the sole acquisition by the
20 state building authority of equipment and furnishings for lease to
21 a state agency as permitted by 1964 PA 183, MCL 830.411 to 830.425,
22 for which the issuance of bonds or notes is authorized by a
23 legislative appropriation act that is effective for the fiscal year
24 ending September 30, 2014. Any general fund advances for which
25 state building authority bonds have not been issued shall bear an
26 interest cost to the state building authority at a rate not to

1 exceed that earned by the state treasurer's common cash fund during
2 the period in which the advances are outstanding and are repaid to
3 the general fund of the state.

4 (2) Upon sale of bonds or notes for the projects identified in
5 part 1 or for equipment as authorized by a legislative
6 appropriation act and in this section, the state building authority
7 shall credit the general fund of the state an amount equal to that
8 expended from the general fund plus interest, if any, as defined in
9 this section.

10 (3) For state building authority projects for which bonds or
11 notes have been issued and upon the request of the state building
12 authority, the state treasurer shall make advances without interest
13 from the general fund as necessary to meet cash flow requirements
14 for the projects, which advances shall be reimbursed by the state
15 building authority when the investments earmarked for the financing
16 of the projects mature.

17 (4) In the event that a project identified in part 1 is
18 terminated after final design is complete, advances made on behalf
19 of the state building authority for the costs of final design shall
20 be repaid to the general fund in a manner recommended by the
21 director.

22 Sec. 841. (1) State building authority funding to finance
23 construction or renovation of a facility that collects revenue in
24 excess of money required for the operation of that facility shall
25 not be released to a university or community college unless the
26 institution agrees to reimburse that excess revenue to the state
27 building authority. The excess revenue shall be credited to the

1 general fund to offset rent obligations associated with the
2 retirement of bonds issued for that facility. The auditor general
3 shall annually identify and present an audit of those facilities
4 that are subject to this section. Costs associated with the
5 administration of the audit shall be charged against money
6 recovered pursuant to this section.

7 (2) As used in this section, "revenue" includes state
8 appropriations, facility opening money, other state aid, indirect
9 cost reimbursement, and other revenue generated by the activities
10 of the facility.

11 Sec. 842. (1) The state building authority rent appropriations
12 in part 1 may also be expended for the payment of required premiums
13 for insurance on facilities owned by the state building authority
14 or payment of costs that may be incurred as the result of any
15 deductible provisions in such insurance policies.

16 (2) If the amount appropriated in part 1 for state building
17 authority rent is not sufficient to pay the rent obligations and
18 insurance premiums and deductibles identified in subsection (1) for
19 state building authority projects, there is appropriated from the
20 general fund of the state the amount necessary to pay such
21 obligations.

22 Sec. 843. The state building authority shall provide to the
23 JCOS and senate and house fiscal agencies a report relative to the
24 status of construction projects associated with state building
25 authority bonds as of September 30 of each year, on or before
26 October 15, or not more than 30 days after a refinancing or
27 restructuring bond issue is sold. The report shall include, but is

1 not limited to, the following:

2 (a) A list of all completed construction projects for which
3 state building authority bonds have been sold, and which bonds are
4 currently active.

5 (b) A list of all projects under construction for which sale
6 of state building authority bonds is pending.

7 (c) A list of all projects authorized for construction or
8 identified in an appropriations act for which approval of
9 schematic/preliminary plans or total authorized cost is pending
10 that have state building authority bonds identified as a source of
11 financing.

12 CIVIL SERVICE

13 Sec. 850. (1) In accordance with section 5 of article XI of
14 the state constitution of 1963, all restricted funds shall be
15 assessed a sum not less than 1% of the total aggregate payroll paid
16 from those funds for financing the civil service commission on the
17 basis of actual 1% restricted sources total aggregate payroll of
18 the classified service for the preceding fiscal year. This
19 includes, but is not limited to, restricted funds appropriated in
20 part 1 of any appropriations act. Unexpended 1% appropriated funds
21 shall be returned to each 1% fund source at the end of the fiscal
22 year.

23 (2) The appropriations in part 1 are estimates of actual
24 charges based on payroll appropriations. With the approval of the
25 state budget director, the commission is authorized to adjust
26 financing sources for civil service charges based on actual payroll

1 expenditures, provided that such adjustments do not increase the
2 total appropriation for the civil service commission.

3 (3) The financing from restricted sources shall be credited to
4 the civil service commission by the end of the second fiscal
5 quarter.

6 Sec. 851. Except where specifically appropriated for this
7 purpose, financing from restricted sources shall be credited to the
8 civil service commission. For restricted sources of funding within
9 the general fund that have the legislative authority for carryover,
10 if current spending authorization or revenues are insufficient to
11 accept the charge, the shortage shall be taken from carryforward
12 balances of that funding source. Restricted revenue sources that do
13 not have carryforward authority shall be utilized to satisfy
14 commission operating deducts first and civil service obligations
15 second. General fund dollars are appropriated for any shortfall,
16 pursuant to approval by the state budget director.

17 Sec. 852. The appropriation in part 1 to the civil service
18 commission, for state-sponsored group insurance, flexible spending
19 accounts, and COBRA, represents amounts, in part, included within
20 the various appropriations throughout state government for the
21 current fiscal year to fund the flexible spending account program
22 included within the civil service commission. Deposits against
23 state-sponsored group insurance, flexible spending accounts, and
24 COBRA for the flexible spending account program shall be made from
25 assessments levied during the current fiscal year in a manner
26 prescribed by the civil service commission. Unspent employee
27 contributions to the flexible spending accounts may be used to

1 offset administrative costs for the flexible spending account
2 program, with any remaining balance of unspent employee
3 contributions to be lapsed to the general fund.

4 **CAPITAL OUTLAY**

5 Sec. 860. As used in sections 861 through 865:

6 (a) "Board" means the state administrative board.

7 (b) "Community college" does not include a state agency or
8 university.

9 (c) "Department" means the department of technology,
10 management, and budget.

11 (d) "Director" means the director of the department of
12 technology, management, and budget.

13 (e) "Fiscal agencies" means the senate fiscal agency and the
14 house fiscal agency.

15 (f) "State agency" means an agency of state government. State
16 agency does not include a community college or university.

17 (g) "State building authority" means the authority created
18 under 1964 PA 183, MCL 830.411 to 830.425.

19 (h) "University" means a 4-year university supported by the
20 state. University does not include a community college or a state
21 agency.

22 Sec. 861. Each capital outlay project authorized in this
23 article or any previous capital outlay act shall comply with the
24 procedures required by the management and budget act, 1984 PA 431,
25 MCL 18.1101 to 18.1594.

26 Sec. 862. (1) The department shall provide the JCOS, state

1 budget director, and the senate and house fiscal agencies with
2 reports as considered necessary relative to the status of each
3 planning or construction project financed by the state building
4 authority, by this article, or by previous acts.

5 (2) Before the end of each fiscal year, the department shall
6 report to the JCOS, state budget director, and the senate and house
7 fiscal agencies for each capital outlay project other than lump
8 sums all of the following:

9 (a) The account number and name of each construction project.

10 (b) The balance remaining in each account.

11 (c) The date of the last expenditure from the account.

12 (d) The anticipated date of occupancy if the project is under
13 construction.

14 (e) The appropriations history for the project.

15 (f) The professional service contractor.

16 (g) The amount of the project financed with federal funds.

17 (h) The amount of the project financed through the state
18 building authority.

19 (i) The total authorized cost for the project and the state
20 authorized share if different than the total.

21 (3) Before the end of each fiscal year, the department shall
22 report the following for each project by a state agency,
23 university, or community college that is authorized for planning
24 but is not yet authorized for construction:

25 (a) The name of the project and account number.

26 (b) Whether a program statement is approved.

27 (c) Whether schematics are approved by the department.

1 (d) Whether preliminary plans are approved by the department.

2 (e) The name of the professional service contractor.

3 (4) As used in this section, "project" includes appropriation
4 line items made for purchase of real estate.

5 Sec. 864. The appropriations in part 1 for capital outlay
6 shall be carried forward at the end of the fiscal year consistent
7 with the provisions of section 248 of the management and budget
8 act, 1984 PA 431, MCL 18.1248.

9 Sec. 865. (1) A site preparation economic development fund is
10 created in the department. As used in this section, "economic
11 development sites" means those state-owned sites declared as
12 surplus property pursuant to section 251 of the management and
13 budget act, 1984 PA 431, MCL 18.1251, that would provide economic
14 benefit to the area or to the state. The Michigan economic
15 development corporation board and the state budget director shall
16 determine whether or not a specific state-owned site qualifies for
17 inclusion in the fund created under this subsection.

18 (2) Proceeds from the sale of any sites designated in
19 subsection (1) shall be deposited into the fund created in
20 subsection (1) and shall be available for site preparation
21 expenditures, unless otherwise provided by law. The economic
22 development sites authorized in subsection (1) are authorized for
23 sale consistent with state law. Expenditures from the fund are
24 authorized for site preparation activities that enhance the
25 marketable sale value of the sites. Site preparation activities
26 include, but are not limited to, demolition, environmental studies
27 and abatement, utility enhancement, and site excavation.

1 (3) A cash advance in an amount of not more than
2 \$25,000,000.00 is authorized from the general fund to the site
3 preparation economic development fund.

4 (4) An annual report shall be transmitted to the senate and
5 house of representatives standing committees on appropriations not
6 later than December 31 of each year. This report shall detail both
7 of the following:

8 (a) The revenue and expenditure activity in the fund for the
9 preceding fiscal year.

10 (b) The sites identified as economic development sites under
11 subsection (1).

12 **CAPITAL OUTLAY - UNIVERSITIES AND COMMUNITY COLLEGES**

13 Sec. 873. (1) This section applies only to projects for
14 community colleges.

15 (2) State support is directed towards the remodeling and
16 additions, special maintenance, or construction of certain
17 community college buildings. The community college shall obtain or
18 provide for site acquisition and initial main utility installation
19 to operate the facility. Funding shall be composed of local and
20 state shares and not more than 50% of a capital outlay project, not
21 including a lump-sum special maintenance project or remodeling and
22 addition project, for a community college shall be appropriated
23 from state and federal funds, unless otherwise appropriated by the
24 legislature.

25 (3) An expenditure under this article is authorized when the
26 release of the appropriation is approved by the board upon the

1 recommendation of the director. The director may recommend to the
2 board the release of any appropriation in part 1 only after the
3 director is assured that the legal entity operating the community
4 college to which the appropriation is made has complied with this
5 article and has matched the amounts appropriated as required by
6 this article. A release of funds in part 1 shall not exceed 50% of
7 the total cost of planning and construction of any project, not
8 including lump-sum remodeling and additions and special
9 maintenance, unless otherwise appropriated by the legislature.
10 Further planning and construction of a project authorized by this
11 article or applicable sections of the management and budget act,
12 1984 PA 431, MCL 18.1101 to 18.1594, shall be in accordance with
13 the purpose and scope as defined and delineated in the approved
14 program statements and planning documents. This article is
15 applicable to all projects for which planning appropriations were
16 made in previous acts.

17 (4) The community college shall take the steps necessary to
18 secure available federal construction and equipment money for
19 projects funded for construction in this article if an application
20 was not previously made. If there is a reasonable expectation that
21 a prior year unfunded application may receive federal money in a
22 subsequent year, the college shall take whatever action necessary
23 to keep the application active.

24 Sec. 874. If university and community college matching
25 revenues are received in an amount less than the appropriations for
26 capital projects contained in this article, the state funds shall
27 be reduced in proportion to the amount of matching revenue

1 received.

2 Sec. 875. (1) The director may require that community colleges
3 and universities that have an authorized project listed in part 1
4 submit documentation regarding the project match and governing
5 board approval of the authorized project not more than 60 days
6 after the beginning of the fiscal year.

7 (2) If the documentation required by the director under
8 subsection (1) is not submitted, or does not adequately
9 authenticate the availability of the project match or board
10 approval of the authorized project, the authorization may
11 terminate. The authorization terminates 30 days after the director
12 notifies the JCOS of the intent to terminate the project unless the
13 JCOS convenes to extend the authorization.

14 **ONE-TIME APPROPRIATIONS**

15 Sec. 890. (1) The funds appropriated in part 1 for the
16 regional prosperity initiative are to be used as grants to eligible
17 regional planning organizations qualifying for funding as a
18 regional prosperity collaborative, a regional prosperity council,
19 or a regional prosperity board. A regional planning organization
20 may not qualify for funding under more than 1 category in the same
21 state fiscal year. An eligible regional planning organization is
22 defined under any of the following:

23 (a) An existing regional planning commission pursuant to 1945
24 PA 281, MCL 125.11 to 125.25.

25 (b) An existing regional economic development commission
26 pursuant to 1966 PA 46, MCL 125.1231 to 125.1237.

1 (c) An existing metropolitan area council pursuant to 1989 PA
2 292, MCL 124.651 to 124.729.

3 (d) A Michigan metropolitan planning organization pursuant to
4 the moving ahead for progress in the 21st century act, Public Law
5 112-141.

6 (2) Regional planning organizations may qualify to receive not
7 more than \$250,000.00 of incentive based funding as a regional
8 prosperity collaborative subject to meeting all of the following
9 requirements:

10 (a) The existence or formation of a regional prosperity
11 collaborative, defined as any committee developed by a regional
12 planning organization which serves to bring organizational
13 representation together from private, public, and nonprofit
14 entities within a region for the purpose of creating a phase one:
15 regional prosperity plan, as follows:

16 (i) The collaborative must include regional representatives
17 from adult education, workforce development, economic development,
18 transportation, and higher education organizations.

19 (ii) The phase one: regional prosperity plan is required, at a
20 minimum, to include a 5-year economic development blueprint for the
21 region, a performance dashboard and measurable annual goals.

22 (iii) The 5-year economic development blueprint must include
23 plans related to regional planning of adult education, workforce
24 development, economic development, transportation, and higher
25 education.

26 (iv) The regional prosperity collaborative shall adopt its
27 phase one: regional prosperity plan by a 2/3 majority vote of its

1 members.

2 (b) Accountability and transparency, which requires the
3 regional prosperity collaborative to meet the following
4 requirements:

5 (i) Convene monthly meetings to consider and discuss issues
6 leading to a common vision of economic prosperity for the region,
7 including, but not limited to, economic development, talent, and
8 infrastructure opportunities.

9 (ii) Make available on a publicly accessible Internet site by 1
10 or all of the regional prosperity collaborative member
11 organizations, pertinent documents, including, but not limited to,
12 monthly meeting agendas, minutes of monthly meetings, and the
13 regional prosperity plan and performance dashboard.

14 (3) Regional planning organizations eligible to receive a
15 payment as a regional prosperity collaborative under subsection (2)
16 may qualify to receive a 1-time grant of not more than \$75,000.00
17 for feasibility and process mapping to produce a plan to transform
18 the regional prosperity collaborative into a regional prosperity
19 council or regional prosperity board, including necessary local
20 formal agreements, to make recommendations that eliminate
21 duplicative efforts and administrative functions, and to leverage
22 resources through cooperation, collaboration, and consolidations of
23 structures throughout the region.

24 (4) Regional planning organizations may qualify to receive not
25 more than \$375,000.00 of incentive based funding as a regional
26 prosperity council subject to meeting all of the following
27 requirements:

1 (a) The formation of a regional prosperity council, defined as
2 a regional body with representation from private, public, and
3 nonprofit entities with shared administrative services and an
4 executive governing entity, as demonstrated by a formal local
5 agreement or agreements for the purpose of creating a phase two:
6 regional prosperity plan, as follows:

7 (i) The council must include regional representatives from
8 adult education, workforce development, economic development,
9 transportation, and higher education organizations.

10 (ii) The council shall identify additional opportunities for
11 shared administrative services and decision-making among the
12 private, public, and nonprofit entities within the region and
13 continue collaboration among regional prosperity council members,
14 including, but not limited to, representatives from adult education
15 providers, workforce development agencies, economic development
16 agencies, transportation service providers, and higher education
17 institutions.

18 (iii) The phase two: regional prosperity plan is required to
19 include a status report of the approved 5-year plan and the
20 addition of a 10-year economic development blueprint for the
21 region, including a performance dashboard with measurable annual
22 goals, and a prioritized list of regional projects.

23 (iv) The regional prosperity council shall adopt its phase two:
24 regional prosperity plan by a 2/3 vote.

25 (b) Accountability and transparency, which requires the
26 regional prosperity council to meet the following requirements:

27 (i) Convene monthly meetings to consider, discuss, and make

1 business decisions on issues leading to a common vision of economic
2 prosperity for the region, including, but not limited to, economic
3 development, talent, and infrastructure opportunities.

4 (ii) Make available on a publicly accessible Internet site by 1
5 or all of the regional prosperity council member organizations,
6 pertinent documents, including, but not limited to, monthly meeting
7 agendas, minutes of monthly meetings, local agreements pertinent to
8 the organization and operations of the council, feasibility
9 studies, the regional prosperity plan, and performance dashboard.

10 (5) Regional planning organizations eligible to receive a
11 payment as a regional prosperity council under subsection (4) may
12 qualify to receive a 1-time grant of not more than \$75,000.00 for
13 feasibility and process mapping to produce a plan to transform the
14 regional prosperity council into a regional prosperity board,
15 including a singular private/public governance structure that
16 comports with federal guidelines for governance under the workforce
17 investment act, Public Law 105-220, the moving ahead for progress
18 in the 21st century act, Public Law 112-141, the economic
19 development administration and Appalachian regional development
20 reform act of 1998, Public Law 105-393, and recommendations to
21 eliminate duplicative efforts, administrative functions, and
22 leverage resources through cooperation, collaboration, and
23 consolidations of structures throughout the region.

24 (6) Regional planning organizations may qualify to receive not
25 more than \$500,000.00 of incentive based funding as a regional
26 prosperity board subject to meeting all of the following
27 requirements:

1 (a) The formation of a regional prosperity board, defined as a
2 regional body with representation from private, public, and
3 nonprofit entities engaged in joint decision-making practices for
4 the purpose of creating a phase three: regional prosperity plan, as
5 follows:

6 (i) The board, at a minimum, must demonstrate the consolidation
7 of regional metropolitan planning organization board or boards,
8 state designated regional planning agency board or boards,
9 workforce development board or boards, and federally designated
10 economic development district or districts.

11 (ii) The board shall create a regional services recommendations
12 report outlining the prioritized list of state funded services and
13 programs provided to the region, and recommendations for state-
14 regional partnerships to support the adopted regional prosperity
15 plan.

16 (iii) The phase three: regional prosperity plan is required to
17 include a status report of the approved 10-year plan.

18 (iv) The regional prosperity board shall adopt its phase three:
19 regional prosperity plan by a 2/3 vote of its members.

20 (b) Accountability and transparency, which requires the
21 regional prosperity board to meet the following requirements:

22 (i) Convene monthly meetings to consider, discuss, and make
23 business decisions on issues leading to a common vision of economic
24 prosperity for the region, including, but not limited to, economic
25 development, talent, and infrastructure opportunities.

26 (ii) Make available on a publicly accessible Internet site by 1
27 or all of the regional prosperity board member organizations,

1 pertinent documents, including, but not limited to, monthly meeting
2 agendas, minutes of monthly meetings, local agreements pertinent to
3 the organization and operations of the council, feasibility
4 studies, the regional prosperity plan, performance dashboard, and
5 the regional services recommendation report.

6 (7) Regional planning organizations eligible to receive a
7 payment as a regional prosperity board under subsection (6) may
8 qualify to receive not more than \$125,000.00, to build or enhance
9 infrastructure or tools necessary to facilitate greater
10 collaboration among regional prosperity board members, and to
11 implement the regional prosperity plan projects.

12 (8) The department shall develop an application process and
13 method of grant distribution for the regional prosperity
14 initiative. Funding applications from regional planning
15 organizations shall be due to the department by November 1, 2013.
16 The department shall notify regional planning organizations of
17 grant application status by January 1, 2014. The department shall
18 ensure that processes are established to verify that qualifying
19 regional planning organizations meet the requirements under
20 subsections (2), (3), (4), (5), (6), and (7), as applicable.

21 (9) Unexpended funds appropriated in part 1 for the regional
22 prosperity initiative are designated as work project
23 appropriations, and any unencumbered or unallotted funds shall not
24 lapse at the end of the fiscal year and shall be available for
25 expenditure for regional prosperity initiative projects under this
26 section until the projects have been completed. The following is in
27 compliance with section 451a of the management and budget act, 1984

1 PA 431, MCL 18.1451a:

2 (a) The purpose of the projects is to provide incentive based
3 grants to recipients under this section.

4 (b) The projects will be accomplished by grants to qualified
5 regional planning organizations.

6 (c) The total estimated cost of all projects is \$2,500,000.00.

7 (d) The estimated completion date is September 30, 2018.

8 **DEPARTMENT OF TREASURY**

9 **OPERATIONS**

10 Sec. 901. (1) In addition to the funds appropriated in part 1,
11 there is appropriated an amount not to exceed \$1,000,000.00 for
12 federal contingency funds. These funds are not available for
13 expenditure until they have been transferred to another line item
14 in part 1 under section 393(2) of the management and budget act,
15 1984 PA 431, MCL 18.1393.

16 (2) In addition to the funds appropriated in part 1, there is
17 appropriated an amount not to exceed \$10,000,000.00 for state
18 restricted contingency funds. These funds are not available for
19 expenditure until they have been transferred to another line item
20 in part 1 under section 393(2) of the management and budget act,
21 1984 PA 431, MCL 18.1393.

22 (3) In addition to the funds appropriated in part 1, there is
23 appropriated an amount not to exceed \$200,000.00 for local
24 contingency funds. These funds are not available for expenditure
25 until they have been transferred to another line item in part 1
26 under section 393(2) of the management and budget act, 1984 PA 431,

1 MCL 18.1393.

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

8 Sec. 902. (1) Amounts needed to pay for interest, fees,
9 principal, mandatory and optional redemptions, arbitrage rebates as
10 required by federal law, and costs associated with the payment,
11 registration, trustee services, credit enhancements, and issuing
12 costs in excess of the amount appropriated to the department of
13 treasury in part 1 for debt service on notes and bonds that are
14 issued by the state under sections 14, 15, and 16 of article IX of
15 the state constitution of 1963 as implemented by 1967 PA 266, MCL
16 17.451 to 17.455, are appropriated.

17 (2) In addition to the amount appropriated to the department
18 of treasury for debt service in part 1, there is appropriated an
19 amount for fiscal year cash-flow borrowing costs to pay for
20 interest on interfund borrowing made under 1967 PA 55, MCL 12.51 to
21 12.53.

22 (3) In addition to the amount appropriated to the department
23 of treasury for debt service in part 1, there is appropriated all
24 repayments received by the state on loans made from the school bond
25 loan fund not required to be deposited in the school loan revolving
26 fund by or pursuant to section 4 of 1961 PA 112, MCL 388.984, to
27 the extent determined by the state treasurer, for the payment of

1 debt service, including, without limitation, optional and mandatory
2 redemptions, on bonds, notes or commercial paper issued by the
3 state pursuant to 1961 PA 112, MCL 388.981 to 388.985.

4 Sec. 902a. The department of treasury shall notify the senate
5 and house of representatives standing committees on appropriations,
6 the senate and house fiscal agencies, and the state budget office
7 not more than 30 days after a refunding or restructuring bond issue
8 is sold. The notification shall compare the annual debt service
9 prior to the refinancing or restructuring, the annual debt service
10 after the refinancing or restructuring, the change in the principal
11 and interest over the duration of the debt, and the projected
12 change in the present value of the debt service due to the
13 refinancing and restructuring.

14 Sec. 903. (1) From the funds appropriated in part 1, the
15 department of treasury may contract with private collection
16 agencies and law firms to collect taxes and other accounts due this
17 state. In addition to the amounts appropriated in part 1 to the
18 department of treasury, there are appropriated amounts necessary to
19 fund collection costs and fees not to exceed 25% of the collections
20 or 2.5% plus operating costs, whichever amount is prescribed by
21 each contract. The appropriation to fund collection costs and fees
22 for the collection of taxes or other accounts due this state are
23 from the fund or account to which the revenues being collected are
24 recorded or dedicated. However, if the taxes collected are
25 constitutionally dedicated for a specific purpose, the
26 appropriation of collection costs and fees are from the general
27 purpose account of the general fund.

1 (2) From the funds appropriated in part 1, the department of
2 treasury may contract with private collections agencies and law
3 firms to collect defaulted student loans and other accounts due the
4 Michigan guaranty agency. In addition to the amounts appropriated
5 in part 1 to the department of treasury, there are appropriated
6 amounts necessary to fund collection costs and fees not to exceed
7 24.34% of the collection or a lesser amount as prescribed by the
8 contract. The appropriation to fund collection costs and fees for
9 the auditing and collection of defaulted student loans due the
10 Michigan guaranty agency is from the fund or account to which the
11 revenues being collected are recorded or dedicated.

12 (3) The department of treasury shall submit a report for the
13 immediately preceding fiscal year ending September 30 to the state
14 budget director and the senate and house of representatives
15 standing committees on appropriations not later than November 30
16 stating the agencies or law firms employed, the amount of
17 collections for each, the costs of collection, and other pertinent
18 information relating to determining whether this authority should
19 be continued.

20 Sec. 904. (1) The department of treasury, through its bureau
21 of investments, may charge an investment service fee against the
22 applicable retirement funds. The fees may be expended for necessary
23 salaries, wages, contractual services, supplies, materials,
24 equipment, travel, worker's compensation insurance premiums, and
25 grants to the civil service commission and state employees'
26 retirement funds. Service fees shall not exceed the aggregate
27 amount appropriated in part 1. The department of treasury shall

1 maintain accounting records in sufficient detail to enable the
2 retirement funds to be reimbursed periodically for fee revenue that
3 is determined by the department of treasury to be surplus.

4 (2) In addition to the funds appropriated in part 1 from the
5 retirement funds to the department of treasury, there is
6 appropriated from retirement funds an amount sufficient to pay for
7 the services of money managers, investment advisors, investment
8 consultants, custodians, and other outside professionals, the state
9 treasurer considers necessary to prudently manage the retirement
10 funds' investment portfolios. The state treasurer shall report
11 annually to the senate and house of representatives standing
12 committees on appropriations and the state budget office concerning
13 the performance of each portfolio by investment advisor.

14 Sec. 904a. (1) There is appropriated an amount sufficient to
15 recognize and pay expenditures for financial services provided by
16 financial institutions as provided under section 1 of 1861 PA 111,
17 MCL 21.181.

18 (2) The appropriations under subsection (1) shall be funded by
19 restricting revenues from common cash interest earnings and
20 investment earnings in an amount sufficient to record these
21 expenditures.

22 Sec. 905. A revolving fund known as the municipal finance fee
23 fund is created in the department of treasury. Fees are established
24 under the revised municipal finance act, 2001 PA 34, MCL 141.2101
25 to 141.2821, and the fees collected shall be credited to the
26 municipal finance fee fund and may be carried forward for future
27 appropriation.

1 Sec. 906. (1) The department of treasury shall charge for
2 audits as permitted by state or federal law or under contractual
3 arrangements with local units of government, other principal
4 executive departments, or state agencies. A report detailing audits
5 performed and audit charges for the immediately preceding fiscal
6 year shall be submitted to the state budget director and the senate
7 and house fiscal agencies not later than November 30.

8 (2) A revolving fund known as the audit charges fund is
9 created in the department of treasury. The contractual charges
10 collected shall be credited to the audit charges fund and may be
11 carried forward for future appropriation.

12 Sec. 907. A revolving fund known as the assessor certification
13 and training fund is created in the department of treasury. The
14 assessor certification and training fund shall be used to organize
15 and operate a property assessor certification and training program.
16 Each participant certified and trained shall pay to the department
17 of treasury examination fees not to exceed \$50.00 per examination
18 and certification fees not to exceed \$175.00. Training courses
19 shall be offered in assessment administration. Each participant
20 shall pay a fee to cover the expenses incurred in offering the
21 optional programs to certified assessing personnel and other
22 individuals interested in an assessment career opportunity. The
23 fees collected shall be credited to the assessor certification and
24 training fund.

25 Sec. 908. The amount appropriated in part 1 to the department
26 of treasury, home heating assistance program, is to cover the
27 costs, including data processing, of administering federal home

1 heating credits to eligible claimants and to administer the
2 supplemental fuel cost payment program for eligible tax credit and
3 welfare recipients.

4 Sec. 909. Revenue from the airport parking tax act, 1987 PA
5 248, MCL 207.371 to 207.383, is appropriated and shall be
6 distributed under section 7a of the airport parking tax act, 1987
7 PA 248, MCL 207.377a.

8 Sec. 910. The disbursement by the department of treasury from
9 the bottle deposit fund to dealers as required by section 3c(2) of
10 1976 IL 1, MCL 445.573c, is appropriated.

11 Sec. 911. (1) There is appropriated an amount sufficient to
12 recognize and pay refundable income tax credits as provided by the
13 management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

14 (2) The appropriations under subsection (1) shall be funded by
15 restricting income tax revenue in an amount sufficient to record
16 these expenditures.

17 Sec. 912. A plaintiff in a garnishment action involving this
18 state shall pay to the state treasurer 1 of the following:

19 (a) A fee of \$6.00 at the time a writ of garnishment of
20 periodic payments is served upon the state treasurer, as provided
21 in section 4012 of the revised judicature act of 1961, 1961 PA 236,
22 MCL 600.4012.

23 (b) A fee of \$6.00 at the time any other writ of garnishment
24 is served upon the state treasurer, except that the fee shall be
25 reduced to \$5.00 for each writ of garnishment for individual income
26 tax refunds or credits filed by magnetic media.

27 Sec. 913. (1) The department of treasury may contract with

1 private firms to appraise and, if necessary, appeal the assessments
2 of senior citizen cooperative housing units. Payment for this
3 service shall be from savings resulting from the appraisal or
4 appeal process.

5 (2) Of the funds appropriated in part 1 to the department of
6 treasury for the senior citizens' cooperative housing tax exemption
7 program, a portion may be utilized for a program audit of the
8 program. The department of treasury shall forward copies of any
9 audit report completed to the senate and house of representatives
10 standing committees on appropriations subcommittees on general
11 government and to the state budget office. The department of
12 treasury may utilize up to 1% of the funds for program
13 administration and auditing.

14 Sec. 914. The department of treasury may provide a \$200.00
15 annual prize from the Ehlers internship award account in the gifts,
16 bequests, and deposit fund to the runner-up of the Rosenthal prize
17 for interns. The Ehlers internship award account is interest
18 bearing.

19 Sec. 915. Pursuant to section 61 of the Michigan campaign
20 finance act, 1976 PA 388, MCL 169.261, there is appropriated from
21 the general fund to the state campaign fund an amount equal to the
22 amounts designated for tax year 2012. Except as otherwise provided
23 in this section, the amount appropriated shall not revert to the
24 general fund and shall remain in the state campaign fund. Any
25 amounts remaining in the state campaign fund in excess of
26 \$10,000,000.00 on December 31 shall revert to the general fund.

27 Sec. 916. The department of treasury may make available to

1 interested entities otherwise unavailable customized unclaimed
2 property listings of nonconfidential information in its possession.
3 The charge for this information is as follows: 1 to 100,000 records
4 at 2.5 cents per record and 100,001 or more records at .5 cents per
5 record. The revenue received from this service shall be deposited
6 to the appropriate revenue account or fund. The department shall
7 submit an annual report on or before June 1 to the state budget
8 director and the senate and house of representatives standing
9 committees on appropriations that states the amount of revenue
10 received from the sale of information.

11 Sec. 917. (1) There is appropriated for write-offs and
12 advances an amount equal to total write-offs and advances for
13 departmental programs, but not to exceed current year
14 authorizations that would otherwise lapse to the general fund.

15 (2) The department of treasury shall submit a report for the
16 immediately preceding fiscal year to the state budget director and
17 the senate and house fiscal agencies not later than November 30
18 stating the amounts appropriated for write-offs and advances under
19 subsection (1).

20 Sec. 918. In addition to funds appropriated in part 1, the
21 department of treasury may receive and expend funds for conducting
22 tax orientation workshops and seminars. Funds received may not
23 exceed costs incurred in conducting the workshops and seminars.

24 Sec. 919. (1) From funds appropriated in part 1, the
25 department of treasury may contract with private auditing firms to
26 audit for and collect unclaimed property due this state in
27 accordance with the uniform unclaimed property act, 1995 PA 29, MCL

1 567.221 to 567.265. In addition to the amounts appropriated in part
2 1 to the department of treasury, there are appropriated amounts
3 necessary to fund auditing and collection costs and fees not to
4 exceed 12% of the collections, or a lesser amount as prescribed by
5 the contract. The appropriation to fund collection costs and fees
6 for the auditing and collection of unclaimed property due this
7 state is from the fund or account to which the revenues being
8 collected are recorded or dedicated.

9 (2) The department of treasury shall submit a report for the
10 immediately preceding fiscal year ending September 30 to the state
11 budget director and the senate and house of representatives
12 standing committees on appropriations not later than November 30
13 stating the auditing firms employed, the amount of collections for
14 each, the costs of collection, and other pertinent information
15 relating to determining whether this authority should be continued.

16 Sec. 924. (1) In addition to the funds appropriated in part 1,
17 the department of treasury may receive and expend principal
18 residence audit fund revenue for administration of principal
19 residence audits under the general property tax act, 1893 PA 206,
20 MCL 211.1 to 211.155.

21 (2) The department of treasury shall submit a report for the
22 immediately preceding fiscal year to the state budget director and
23 the senate and house fiscal agencies not later than December 31
24 stating the amount of exemptions denied and the revenue received
25 under the program.

26 Sec. 926. Unexpended appropriations of the John R. Justice
27 grant program are designated as work project appropriations and

1 shall not lapse at the end of the fiscal year and shall continue to
2 be available for expenditure until the project has been completed.
3 The following is in compliance with section 451a of the management
4 and budget act, 1984 PA 431, MCL 18.1451a:

5 (a) The purpose of the project is to provide student loan
6 forgiveness to qualified public defenders and prosecutors.

7 (b) The project will be accomplished by utilizing state
8 employees or contracts with private vendors, or both.

9 (c) The total estimated cost of the project is \$287,300.00.

10 (d) The tentative completion date is September 30, 2015.

11 Sec. 927. The department of treasury shall submit annual
12 progress reports to the senate and house of representatives
13 standing committees on appropriations subcommittees on general
14 government and the senate and house fiscal agencies, regarding
15 personal property tax audits. The report shall include the number
16 of audits, revenue generated, and number of complaints received by
17 the department related to the audits.

18 Sec. 928. The department of treasury may provide receipt,
19 warrant and cash processing, data, collection, investment, fiscal
20 agent, levy and warrant cost assessment, writ of garnishment, and
21 other user services on a contractual basis for other principal
22 executive departments and state agencies. Funds for the services
23 provided are appropriated and shall be expended for salaries and
24 wages, fees, supplies, and equipment necessary to provide the
25 services. Any unobligated balance of the funds received shall
26 revert to the general fund of this state as of September 30.

27 Sec. 930. (1) The department of treasury shall provide

1 accounts receivable collections services to other principal
2 executive departments and state agencies under 1927 PA 375, MCL
3 14.131 to 14.134. The department of treasury shall deduct a fee
4 equal to the cost of collections from all receipts except
5 unrestricted general fund collections. Fees shall be credited to a
6 restricted revenue account and appropriated to the department of
7 treasury to pay for the cost of collections. The department of
8 treasury shall maintain accounting records in sufficient detail to
9 enable the respective accounts to be reimbursed periodically for
10 fees deducted that are determined by the department of treasury to
11 be surplus to the actual cost of collections.

12 (2) The department of treasury shall submit a report for the
13 immediately preceding fiscal year to the state budget director and
14 the senate and house fiscal agencies not later than November 30
15 stating the principal executive departments and state agencies
16 served, funds collected, and costs of collection under subsection
17 (1).

18 Sec. 931. (1) The appropriation in part 1 to the department of
19 treasury for treasury fees shall be assessed against all restricted
20 funds that receive common cash earnings or other investment income.
21 Treasury fees include all costs, including administrative overhead,
22 relating to the investment of each restricted fund. The fee
23 assessed against each restricted fund will be based on the size of
24 the restricted fund (the absolute value of the average daily cash
25 balance plus the market value of investments in the prior fiscal
26 year) and the level of effort necessary to maintain the restricted
27 fund as required by each department. The department of treasury

1 shall provide a report to the state budget director, the senate and
2 house of representatives standing committees on appropriations
3 subcommittees on general government, and the senate and house
4 fiscal agencies by November 30 of each year identifying the fees
5 assessed against each restricted fund and the methodology used for
6 assessment.

7 (2) In addition to the funds appropriated in part 1, the
8 department of treasury may receive and expend investment fees
9 relating to new restricted funding sources that participate in
10 common cash earnings or other investment income during the current
11 fiscal year. When a new restricted fund is created starting on or
12 after October 1, that restricted fund shall be assessed a fee using
13 the same criteria identified in subsection (1).

14 Sec. 932. Revenue received under the Michigan education trust
15 act, 1986 PA 316, MCL 390.1421 to 390.1442, may be expended by the
16 board of directors of the Michigan education trust for necessary
17 salaries, wages, supplies, contractual services, equipment,
18 worker's compensation insurance premiums, and grants to the civil
19 service commission and state employees' retirement fund.

20 Sec. 934. (1) The department of treasury may expend revenues
21 received under the hospital finance authority act, 1969 PA 38, MCL
22 331.31 to 331.84, the shared credit rating act, 1985 PA 227, MCL
23 141.1051 to 141.1076, the higher education facilities authority
24 act, 1969 PA 295, MCL 390.921 to 390.934, the Michigan public
25 educational facilities authority, Executive Reorganization Order
26 No. 2002-3, MCL 12.192, the Michigan tobacco settlement finance
27 authority act, 2005 PA 226, MCL 129.261 to 129.279, the land bank

1 fast track act, 2003 PA 258, MCL 124.751 to 124.774, part 505 of
2 the natural resources and environmental protection act, 1994 PA
3 451, MCL 324.50501 to 324.50522, the state housing development
4 authority act of 1966, 1966 PA 346, MCL 125.1401 to 125.1499c, and
5 the Michigan finance authority, Executive Reorganization Order No.
6 2010-2, MCL 12.194, for necessary salaries, wages, supplies,
7 contractual services, equipment, worker's compensation insurance
8 premiums, grants to the civil service commission and state
9 employees' retirement fund, and other expenses as allowed under
10 those acts.

11 (2) The department of treasury shall report by January 31 to
12 the senate and house appropriations subcommittees, the senate and
13 house fiscal agencies, and the state budget director on the amount
14 and purpose of expenditures made under subsection (1) from funds
15 received in addition to those appropriated in part 1. The report
16 shall also include a listing of reimbursement of revenue, if any.
17 The report shall cover the 2012-2013 fiscal year.

18 Sec. 935. The funds appropriated in part 1 for dual enrollment
19 payments for an eligible student enrolled in a state approved
20 nonpublic school shall be distributed as provided under the
21 postsecondary enrollment options act, 1996 PA 160, MCL 388.511 to
22 388.524, and the career and technical preparation act, 2000 PA 258,
23 MCL 388.1901 to 388.1913, in a form and manner as determined by the
24 department of treasury.

25 Sec. 944. If the department hires a pension plan consultant
26 using any of the funds appropriated in part 1, the department shall
27 annually forward any report provided to the department by that

1 consultant to the senate and house of representatives standing
2 committees on appropriations subcommittees on general government,
3 the senate and house fiscal agencies, and the state budget
4 director.

5 Sec. 945. The assessment and certification division of the
6 department of treasury shall conduct a review of local unit
7 assessment administration practices, procedures, and records, also
8 known as the 14-point review, in at least 1 assessment jurisdiction
9 per county.

10 **REVENUE SHARING**

11 Sec. 950. The funds appropriated in part 1 for constitutional
12 revenue sharing shall be distributed by the department to cities,
13 villages, and townships, as required under section 10 of article IX
14 of the state constitution of 1963. Revenue collected in accordance
15 with section 10 of article IX of the state constitution of 1963 in
16 excess of the amount appropriated in part 1 for constitutional
17 revenue sharing is appropriated for distribution to cities,
18 villages, and townships, on a population basis as required under
19 section 10 of article IX of the state constitution of 1963.

20 Sec. 951. (1) The funds appropriated in part 1 for the
21 competitive grant assistance program are to be used for assistance
22 grants to cities, villages, townships, counties, authorities,
23 school districts, intermediate school districts, public community
24 colleges, and public universities to offset the costs associated
25 with mergers, interlocal agreements, and cooperative efforts for
26 those cities, villages, townships, counties, authorities, school
27 districts, intermediate school districts, public community

1 colleges, and public universities that elect to combine government
2 operations. For an authority, school district, intermediate school
3 district, public community college, or public university to qualify
4 for grant funding under this section, the authority, school
5 district, intermediate school district, public community college,
6 or public university must combine operations with a city, village,
7 township, or county. The department of treasury shall develop an
8 application process and method of grant distribution.

9 (2) The unexpended funds appropriated in part 1 for the
10 competitive grant assistance program, economic vitality incentive
11 program, and the county incentive program are designated as work
12 project appropriations and any unencumbered or unallotted funds
13 shall not lapse at the end of the fiscal year and shall be
14 available for expenditure for projects under this section until the
15 projects have been completed. The following is in compliance with
16 section 451a of the management and budget act, 1984 PA 431, MCL
17 18.1451a:

18 (a) The purpose of the projects is to provide incentive-based
19 grants to recipients under this section.

20 (b) The projects will be accomplished by grants to qualified
21 governmental units.

22 (c) The total estimated cost of all projects is
23 \$279,992,000.00.

24 (d) The tentative completion date is September 30, 2018.

25 Sec. 952. (1) The funds appropriated in part 1 for the
26 economic vitality incentive program are to be used for grants to
27 cities, villages, and townships such that, subject to fulfilling

1 the requirements under subsection (3), (4), or (5), or any
2 combination of those subsections, each city, village, or township
3 that received a payment under section 950(2) of 2009 PA 128 greater
4 than \$4,500.00 is eligible to receive a maximum of 76.18459% of its
5 total payment received under section 950(2) of 2009 PA 128, rounded
6 to the nearest dollar. For the purposes of this subsection, any
7 city or village that according to the 2010 federal decennial census
8 is determined to have population in more than 1 county will be
9 treated as a single entity when determining the payment received
10 under section 950(2) of 2009 PA 128.

11 (2) The funds appropriated in part 1 for the county incentive
12 program are to be used for grants to counties such that each county
13 is eligible to receive an amount equal to the amount by which the
14 balance in its revenue sharing reserve fund under section 44a of
15 the general property tax act, 1893 PA 206, MCL 211.44a, for the
16 county's most recent fiscal year that ends prior to the January 1
17 of the state's fiscal year is less than the amount calculated under
18 section 44a(13) of the general property tax act, 1893 PA 206, MCL
19 211.44a, for the county fiscal year that begins in the state's
20 fiscal year. The amount calculated under this subsection shall be
21 adjusted as necessary to reflect partial county fiscal years and
22 prorated based on the total amount appropriated for distribution to
23 all eligible counties. Payments under this subsection will be
24 distributed to an eligible county subject to the county's
25 fulfilling the requirements under subsection (3), (4), or (5), or
26 any combination of those subsections. Cities, villages, townships,
27 and counties eligible to receive a potential payment from the

1 allocation under this subsection or subsection (1) may qualify to
2 receive payments under 1 or more of the 3 categories described
3 under subsections (3), (4), and (5).

4 (3) Category 1, accountability and transparency, requires each
5 eligible city, village, township, or county to certify by October
6 1, or the first day of a payment month, that it has produced a
7 citizen's guide of its most recent local finances, including a
8 recognition of its unfunded liabilities; a performance dashboard; a
9 debt service report containing a detailed listing of its debt
10 service requirements, including, at a minimum, the issuance date,
11 issuance amount, type of debt instrument, a listing of all revenues
12 pledged to finance debt service by debt instrument, and a listing
13 of the annual payment amounts; and a projected budget report,
14 including, at a minimum, the current fiscal year and a projection
15 for the immediately following fiscal year. The projected budget
16 report shall include revenues and expenditures and an explanation
17 of the assumptions used for the projections. The citizen's guide,
18 performance dashboard, debt service report, and projected budget
19 report shall be made available for public viewing in the city,
20 village, township, or county clerk's office or posted on a publicly
21 accessible Internet site. Each city, village, township, and county
22 applying for a payment under this category shall submit a copy of
23 the citizen's guide, a copy of the performance dashboard, a copy of
24 the debt service report, and a copy of the projected budget report
25 to the department of treasury.

26 (4) Category 2, consolidation of services, requires each
27 eligible city, village, township, or county to certify by February

1 1, or the first day of a payment month for this category, that it
2 has produced a consolidation plan. The consolidation plan shall be
3 made readily available for public viewing in the city, village,
4 township, or county clerk's office or posted on a publicly
5 accessible Internet site. Each city, village, township, and county
6 applying for a payment under this category shall submit a copy of
7 the consolidation plan to the department of treasury. At a minimum,
8 the consolidation plan shall include the following:

9 (a) For a city, village, township, or county that is
10 submitting a consolidation plan for the first time, the plan shall
11 include, but not be limited to, a listing of any previous service
12 cooperations, collaborations, consolidations, innovations, or
13 privatizations with an estimated cost savings amount for each
14 cooperation, collaboration, consolidation, innovation, or
15 privatization. In addition, the plan shall include, but not be
16 limited to, 1 or more new proposals to increase its existing level
17 of cooperation, collaboration, consolidation, innovation, or
18 privatization either within the jurisdiction or with other
19 jurisdictions, an estimate of the potential savings amount, and an
20 estimated timeline for implementing the new proposal.

21 (b) For a city, village, township, or county that submitted a
22 consolidation plan in the previous fiscal year, the plan shall
23 include, but not be limited to, an update on the status of all new
24 proposals that were in the previous years' consolidation plans,
25 including whether or not the previously proposed plans have been
26 fully implemented, a listing of the barriers experienced in
27 implementing the proposals, and an estimated timeline of the steps

1 to accomplish the proposed plans. In addition, the plan shall
2 include, but not be limited to, 1 or more new proposals to increase
3 its existing level of cooperation, collaboration, consolidation,
4 innovation, or privatization either within the jurisdiction or with
5 other jurisdictions, or a detailed explanation of why increasing
6 its existing level of cooperation, collaboration, consolidation,
7 innovation, or privatization is not feasible. The new proposal
8 shall include but not be limited to, an estimate of the potential
9 savings amount and an estimated timeline for implementing the new
10 proposals.

11 (5) Category 3, unfunded accrued liability plan, requires each
12 eligible city, village, township, or county to certify by June 1,
13 or the first day of a payment month for this category, that it has
14 complied with 1 of the following:

15 (a) An eligible city, village, township, or county with
16 unfunded accrued liabilities as of its most recent audited
17 financial report related to employee pensions or other post-
18 employment benefits shall submit a plan to lower all unfunded
19 accrued liabilities. The plan shall include a listing of all
20 previous actions taken to reduce its unfunded accrued liabilities
21 with an estimated cost savings of those actions; a detailed
22 description of how it will continue to implement and maintain
23 previous actions taken; and a listing of additional actions it
24 could take. If no actions have been taken to reduce its unfunded
25 accrued liabilities, it shall provide a detailed explanation of why
26 no actions have been taken and a listing of actions it could
27 implement to reduce unfunded accrued liabilities. Actuarial

1 assumption changes and issuance of debt instruments shall not
2 qualify as a new proposal. The unfunded accrued liabilities plan
3 shall be made available for public viewing in the city, village,
4 township, or county clerk's office or posted on a publicly
5 accessible Internet site. The city, village, township, or county
6 shall certify with the department of treasury that its plan is
7 publicly accessible.

8 (b) Any city, village, township, or county that does not have
9 unfunded accrued liabilities as of its most recent audited
10 financial report related to employee pensions or other post-
11 employment benefits shall certify to the department of treasury by
12 June 1, or the first day of a payment month for this category, that
13 it does not have unfunded accrued liabilities. The certification
14 shall include an explanation of why the city, village, township, or
15 county does not have unfunded accrued liabilities. The department
16 shall develop a certification process and method for cities,
17 villages, townships, or counties to follow.

18 (6) Economic vitality incentive program payments and county
19 incentive program payments are subject to the following conditions:

20 (a) In order for a city, village, township, or county to
21 qualify for a category under subsection (3), (4), or (5), the city,
22 village, township, or county shall meet every criteria for that
23 category, including a certification to the department that it has
24 met the required criteria for that category and submission of the
25 required citizen's guide, performance dashboard, debt service
26 report, and projected budget report; consolidation plan; or the
27 unfunded accrued liability plan, as required by subsection (3),

1 (4), or (5), respectively. A department of treasury review of the
2 citizen's guide, dashboard, reports, or plans is not required in
3 order for a city, village, township, or county to receive a payment
4 under subsection (1) or (2). The department shall develop a
5 certification process and method for cities, villages, townships,
6 and counties to follow.

7 (b) Subject to subdivisions (c), (d), and (e), for each
8 category that a city, village, township, or county qualifies for in
9 subsections (3), (4), and (5), the city, village, township, or
10 county shall receive 1/3 of its potential payment under this
11 section.

12 (c) Payments under this section shall be issued to cities,
13 villages, and townships as follows:

14 (i) Category 1, an eligible city, village, or township that
15 certifies with the department of treasury that it has qualified for
16 a payment under subsection (3) by October 1 shall receive 1/6 of
17 its available distribution on the last business day of October and
18 1/6 of its available distribution on the last business day of
19 December. If an eligible city, village, or township certifies with
20 the department of treasury that it has qualified for a payment
21 under subsection (3) after October 1, but prior to December 1, the
22 city, village, or township shall receive 1/6 of its available
23 distribution on the last business day of December.

24 (ii) Category 2, an eligible city, village, or township that
25 certifies with the department of treasury that it has qualified for
26 a payment under subsection (4) by February 1 shall receive 1/6 of
27 its available distribution on the last business day of February and

1 1/6 of its available distribution on the last business day of
2 April. If an eligible city, village, or township certifies with the
3 department of treasury that it has qualified for a payment under
4 subsection (4) after February 1, but prior to April 1, the city,
5 village, or township shall receive 1/6 of its available
6 distribution on the last business day of April.

7 (iii) Category 3, an eligible city, village, or township that
8 certifies with the department of treasury that it has qualified for
9 a payment under subsection (5) by June 1 shall receive 1/6 of its
10 available distribution on the last business day of June and 1/6 of
11 its available distribution on the last business day of August. If
12 an eligible city, village, or township certifies with the
13 department of treasury that it has qualified for a payment under
14 subsection (5) after June 1, but prior to August 1, the city,
15 village, or township shall receive 1/6 of its available
16 distribution on the last business day of August.

17 (d) Payments under this section shall be issued to counties
18 for each category described in subsections (3), (4), and (5) until
19 the specified due date for the category. After the specified due
20 date for the category, payments shall be made to a county only if
21 that county has complied with subdivision (a).

22 (e) If a county does not provide the required certification or
23 fails to submit the required citizen's guide, performance
24 dashboard, debt service report, projected budget report,
25 consolidation plan, or unfunded accrued liability plan by the first
26 day of a payment month, the county shall forfeit the payment in
27 that payment month for the uncertified category in subsections (3),

1 (4), and (5).

2 (f) Any city, village, township, or county that falsifies
3 certification documents shall forfeit any future economic vitality
4 incentive program payments or county incentive program payments and
5 shall repay to this state all economic vitality incentive program
6 payments or county incentive program payments it has received under
7 this section.

8 (g) Economic vitality incentive program payments and county
9 incentive program payments under this section shall be distributed
10 on the last business day of October, December, February, April,
11 June, and August.

12 (h) Payments distributed under this section may be withheld
13 pursuant to sections 17a and 21 of the Glenn Steil state revenue
14 sharing act of 1971, 1971 PA 140, MCL 141.917a and 141.921.

15 (i) The department of treasury shall develop detailed guidance
16 for an eligible city, village, township, or county to follow to
17 qualify for a payment under subsections (3), (4), and (5). The
18 detailed guidance shall be posted on the department of treasury
19 website and distributed to eligible cities, villages, townships,
20 and counties by October 1.

21 (7) The unexpended funds appropriated in part 1 for the
22 economic vitality incentive program and the county incentive
23 program shall be available for expenditure under the competitive
24 grant assistance program after the approval of transfers by the
25 legislature pursuant to section 393(2) of the management and budget
26 act, 1984 PA 431, MCL 18.1393.

27 Sec. 955. (1) The funds appropriated in part 1 for county

1 revenue sharing shall be distributed by the department to eligible
2 counties pursuant to the Glenn Steil state revenue sharing act of
3 1971, 1971 PA 140, MCL 141.901 to 141.921.

4 (2) The department of treasury shall annually certify to the
5 state budget director the amount each county is authorized to
6 expend from its revenue sharing reserve fund.

7 **LOTTERY**

8 Sec. 960. In addition to the funds appropriated in part 1 to
9 the bureau of state lottery, there is appropriated from state
10 lottery fund revenues the amount necessary for, and directly
11 related to, implementing and operating lottery games under the
12 McCauley-Traxler-Law-Bowman-McNeely lottery act, 1972 PA 239, MCL
13 432.1 to 432.47, and activities under the Traxler-McCauley-Law-
14 Bowman bingo act, 1972 PA 382, MCL 432.101 to 432.120, including
15 expenditures for contractually mandated payments for vendor
16 commissions, contractually mandated payments for instant tickets
17 intended for resale, the contractual costs of providing and
18 maintaining the online system communications network, and incentive
19 and bonus payments to lottery retailers.

20 Sec. 963. The bureau of state lottery shall inform all lottery
21 retailers that the cash side of department of human services bridge
22 cards cannot be used to purchase lottery tickets.

23 **CASINO GAMING**

24 Sec. 971. From the revenue collected by the Michigan gaming
25 control board regarding the total annual assessment of each casino
26 licensee, \$2,000,000.00 is appropriated and shall be deposited in
27 the compulsive gaming prevention fund as described in section

1 12a(5) of the Michigan gaming control and revenue act, 1996 IL 1,
2 MCL 432.212a.

3 Sec. 973. (1) Funds appropriated in part 1 for local
4 government programs may be used to provide assistance to a local
5 revenue sharing board referenced in an agreement authorized by the
6 Indian gaming regulatory act, Public Law 100-497.

7 (2) A local revenue sharing board described in subsection (1)
8 shall comply with the open meetings act, 1976 PA 267, MCL 15.261 to
9 15.275, and the freedom of information act, 1976 PA 442, MCL 15.231
10 to 15.246.

11 (3) A county treasurer is authorized to receive and administer
12 funds received for and on behalf of a local revenue sharing board.
13 Funds appropriated in part 1 for local government programs may be
14 used to audit local revenue sharing board funds held by a county
15 treasurer. This section does not limit the ability of local units
16 of government to enter into agreements with federally recognized
17 Indian tribes to provide financial assistance to local units of
18 government or to jointly provide public services.

19 (4) A local revenue sharing board described in subsection (1)
20 shall comply with all applicable provisions of any agreement
21 authorized by the Indian gaming regulatory act, Public Law 100-497,
22 in which the local revenue sharing board is referenced, including,
23 but not limited to, the disbursement of tribal casino payments
24 received under applicable provisions of the tribal-state class III
25 gaming compact in which those funds are received.

26 (5) The director of the department of state police and the
27 executive director of the Michigan gaming control board are

1 authorized to assist the local revenue sharing boards in
2 determining allocations to be made to local public safety
3 organizations.

4 (6) The department of treasury shall submit a report by
5 September 30 to the senate and house of representatives standing
6 committees on appropriations and the state budget director on the
7 receipts and distribution of revenues by local revenue sharing
8 boards.

9 Sec. 974. If revenues collected in the state services fee fund
10 are less than the amounts appropriated from the fund, available
11 revenues shall be used to fully fund the appropriation in part 1
12 for casino gaming regulation activities before distributions are
13 made to other state departments and agencies. If the remaining
14 revenue in the fund is insufficient to fully fund appropriations to
15 other state departments or agencies, the shortfall shall be
16 distributed proportionally among those departments and agencies.

17 Sec. 976. The executive director of the Michigan gaming
18 control board may pay rewards of not more than \$5,000.00 to a
19 person who provides information that results in the arrest and
20 conviction on a felony or misdemeanor charge for a crime that
21 involves the horse racing industry. A reward paid pursuant to this
22 section shall be paid out of the appropriation in part 1 for the
23 racing commission.

24 Sec. 977. All appropriations from the Michigan agriculture
25 equine industry development fund, except for the racing commission
26 and laboratory analysis program appropriations, shall be reduced
27 proportionately if revenues to the Michigan agriculture equine

1 industry development fund decline during the fiscal year ending
2 September 30, 2014 to a level lower than the amount appropriated in
3 part 1.

4 Sec. 978. The Michigan gaming control board shall use actual
5 expenditure data in determining the actual regulatory costs of
6 conducting racing dates and shall provide that data to the senate
7 and house appropriations subcommittees on agriculture and general
8 government and the senate and house fiscal agencies. The Michigan
9 gaming control board shall not be reimbursed for more than the
10 actual regulatory cost of conducting race dates. If a certified
11 horsemen's organization funds more than the actual regulatory cost,
12 the balance shall remain in the agriculture equine industry
13 development fund to be used to fund subsequent race dates conducted
14 by race meeting licensees with which the certified horsemen's
15 organization has contracts. If a certified horsemen's organization
16 funds less than the actual regulatory costs of the additional horse
17 racing dates, the Michigan gaming control board shall reduce the
18 number of future race dates conducted by race meeting licensees
19 with which the certified horsemen's organization has contracts.
20 Prior to the reduction in the number of authorized race dates due
21 to budget deficits, the executive director of the Michigan gaming
22 control board shall provide notice to the certified horsemen's
23 organizations with an opportunity to respond with alternatives. In
24 determining actual costs, the Michigan gaming control board shall
25 take into account that each specific breed may require different
26 regulatory mechanisms.

27 Sec. 979. In addition to the funds appropriated in part 1, the

1 Michigan gaming control board may receive and expend state lottery
2 fund revenue in an amount not to exceed \$4,000,000.00 for necessary
3 expenses incurred in the licensing and regulation of millionaire
4 parties pursuant to Executive Order No. 2012-4. In accordance with
5 section 8 of the Traxler-McCauley-Law-Bowman bingo act, 1972 PA
6 382, MCL 432.108, the amount of necessary expenses shall not exceed
7 the amount of revenue received under that act. The Michigan gaming
8 control board shall provide a report to the senate and house of
9 representatives appropriations subcommittees on general government,
10 the senate and house fiscal agencies, and the state budget office
11 by April 15. The report shall include, but not be limited to, total
12 expenditures related to the licensing and regulating of millionaire
13 parties, steps taken to ensure charities are receiving revenue due
14 to them, progress on promulgating rules to ensure compliance with
15 the Traxler-McCauley-Law-Bowman bingo act, 1972 PA 382, MCL 432.101
16 to 432.120, and any enforcement actions taken.

17 **MICHIGAN STRATEGIC FUND - HOUSING AND COMMUNITY DEVELOPMENT**

18 Sec. 980. MSHDA shall annually present a report to the state
19 budget office and the subcommittees on the status of the
20 authority's housing production goals under all financing programs
21 established or administered by the authority. The report shall give
22 special attention to efforts to raise affordable multifamily
23 housing production goals.

24 Sec. 981. MSHDA shall report to the subcommittees, the state
25 budget director, and the fiscal agencies by December 1 on the
26 status of the loans entered into by the Michigan broadband
27 development authority.

1 Sec. 984. In addition to the funds appropriated in part 1, the
2 funds collected by state historic preservation programs for
3 document reproduction and services and application fees are
4 appropriated for all expenses necessary to provide the required
5 services. These funds are available for expenditure when they are
6 received and may be carried forward into the succeeding fiscal
7 year.

8 **MICHIGAN STRATEGIC FUND**

9 Sec. 1001. (1) In addition to the funds appropriated in part
10 1, there is appropriated an amount not to exceed \$20,000,000.00 for
11 federal contingency funds. These funds are not available for
12 expenditure until they have been transferred to another line item
13 in part 1 under section 393(2) of the management and budget act,
14 1984 PA 431, MCL 18.1393.

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

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

27 (4) In addition to the funds appropriated in part 1, there is

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

6 Sec. 1005. In addition to the appropriations in part 1, Travel
7 Michigan may receive and expend private revenue related to the use
8 of "Pure Michigan" and all other copyrighted slogans and images.
9 This revenue may come from the direct licensing of the name and
10 image or from the royalty payments from various merchandise sales.
11 Revenue collected is appropriated for the marketing of the state as
12 a travel destination. The funds are available for expenditure when
13 they are received by the department of treasury. The fund shall
14 provide a report that lists the revenues by source received from
15 the use of "Pure Michigan" and all other copyrighted slogans and
16 images. The report shall provide a detailed list of expenditures of
17 revenues received under this section. The report shall be provided
18 to the appropriations subcommittees on general government, the
19 fiscal agencies, and the state budget office by June 1.

20 Sec. 1007. (1) The fund shall provide reports to the relevant
21 subcommittees, the state budget director, and the fiscal agencies
22 concerning the activities of the Michigan economic development
23 corporation grants and investment programs financed from the fund
24 using investment, Indian gaming revenues, or other revenues. The
25 report shall provide a list of individual grants, loans, and
26 investments made from the fund or by the Michigan economic
27 development corporation from the funds appropriated in part 1 and

1 shall include the name of the recipient, the amount awarded to the
2 recipient, and the purpose of the grant. The activities report
3 shall also include, but not be limited to, the following programs
4 funded in part 1:

5 (a) Travel Michigan, including any expenditures authorized
6 under section 89b of the Michigan strategic fund act, 1984 PA 270,
7 MCL 125.2089b, to supplement the Michigan promotion program. The
8 report shall include the number of commercials produced, the
9 markets in which media buys have been made, any web-based products
10 that were created with these funds and identify the geographical
11 market locations and recreational activities used in Michigan
12 tourism promotion material.

13 (b) Business attraction, retention, and growth, including any
14 expenditures authorized under section 89b of the Michigan strategic
15 fund act, 1984 PA 270, MCL 125.2089b, to supplement the Michigan
16 business marketing program. The report shall include the number of
17 commercials produced, the markets in which media buys have been
18 made, and any web-based products that were created as a result of
19 this appropriation.

20 (c) Business services.

21 (d) Community development block grants.

22 (e) Strategic fund administration.

23 (f) Renaissance zones.

24 (g) 21st century investment program.

25 (h) Business and clean air ombudsman.

26 (i) Michigan business development program.

27 (j) Community revitalization program.

1 (k) Film incentives.

2 (l) Any other programs of the fund.

3 (2) The reports in subsection (1) shall be submitted by
4 February 15. The report for each program in subsection (1)(a)
5 through (l) shall include details on all revenue sources, actual
6 expenditures, and number of FTEs for that program for the previous
7 fiscal year.

8 Sec. 1008. As a condition of receiving funds under part 1, any
9 interlocal agreement entered into by the fund shall include
10 language which states that if a local unit of government has a
11 contract or memorandum of understanding with a private economic
12 development agency, the Michigan economic development corporation
13 will work cooperatively with that private organization in that
14 local area.

15 Sec. 1009. (1) Of the funds appropriated to the fund or
16 through grants to the Michigan economic development corporation, no
17 funds shall be expended for the purchase of options on land or the
18 purchase of land unless at least 1 of the following conditions
19 applies:

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

21 (b) The land is obtained through a purchase or exercise of an
22 option at the invitation of the local unit of government and local
23 economic development agency.

24 (2) Consideration may be given to purchases where the proposed
25 use of the land is consistent with a regional land use plan, will
26 result in the redevelopment of an economically distressed area, can
27 be supported by existing infrastructure, and will not cause shifts

1 in population away from the area's population centers.

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

9 Sec. 1011. (1) From the appropriations in part 1 to the fund
10 and granted or transferred to the Michigan economic development
11 corporation, any unexpended or unencumbered balance shall be
12 disposed of in accordance with the requirements in the management
13 and budget act, 1984 PA 431, MCL 18.1101 to 18.1594, unless
14 carryforward authorization has been otherwise provided for.

15 (2) Any encumbered funds shall be used for the same purposes
16 for which funding was originally appropriated in this article.

17 Sec. 1012. (1) As a condition of receiving funds under part 1,
18 the fund shall ensure that the MEDC and the fund comply with all of
19 the following:

20 (a) The freedom of information act, 1976 PA 442, MCL 15.231 to
21 15.246.

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

23 (c) Annual audits of all financial records by the auditor
24 general or his or her designee.

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

27 (2) If the MEDC is unable for any reason to perform duties

1 under this part, the fund may exercise those duties.

2 Sec. 1013. As a condition for receiving the appropriations in
3 part 1, any staff of the Michigan economic development corporation
4 involved in private fund-raising activities shall not be party to
5 any decisions regarding the awarding of grants, incentives, or tax
6 abatements from the fund, the Michigan economic development
7 corporation, or the Michigan economic growth authority.

8 Sec. 1014. (1) All funds received from repayment of loans,
9 unused grants, revenues received from sales or cash flow
10 participation agreements, guarantees, or any combination of these
11 or accrued interest originally distributed as part of the core
12 communities fund, created by 2000 PA 291, shall be received, held,
13 and applied by the fund for the purposes described in 2000 PA 291.

14 (2) The fund shall provide an annual report on the status of
15 this fund which includes information that details the awards made.
16 The report shall be provided to the appropriations subcommittees on
17 general government, the fiscal agencies, and the state budget
18 office by January 31.

19 Sec. 1020. Federal pass-through funds to local institutions
20 and governments that are received in amounts in addition to those
21 included in part 1 and that do not require additional state
22 matching funds are appropriated for the purposes intended. The fund
23 may carry forward into the succeeding fiscal year unexpended
24 federal pass-through funds to local institutions and governments
25 that do not require additional state matching funds. The fund shall
26 report the amount and source of the funds to the senate
27 appropriation subcommittee on economic development, the house

1 appropriation subcommittee on general government, the senate and
2 house fiscal agencies, and the state budget office within 10
3 business days after receiving any additional pass-through funds.

4 Sec. 1024. From the funds appropriated in part 1 for business
5 attraction and community revitalization, not less than
6 \$20,000,000.00 shall be granted by the Michigan strategic fund
7 board for brownfield redevelopment and historic preservation
8 projects under the community revitalization program authorized by
9 chapter 8C of the Michigan strategic fund act, 1984 PA 270, MCL
10 125.2090 to 125.2090d.

11 Sec. 1031. The Michigan strategic fund shall report to the
12 senate and house of representatives appropriations subcommittees on
13 general government, the senate and house fiscal agencies, and the
14 state budget office by April 15 on the spending plan for the line
15 items for innovation and entrepreneurship and business attraction
16 and community revitalization. If the spending plan for the fiscal
17 year is changed after that date, the fund shall notify the report
18 recipients listed previously within 10 business days.

19 Sec. 1032. (1) The Michigan film office shall report to the
20 subcommittees and the fiscal agencies on the status of the film
21 incentives at the same time as it submits the annual report
22 required under section 455 of the Michigan business tax act, 2007
23 PA 36, MCL 208.1455. The department of treasury and the Michigan
24 strategic fund shall provide the Michigan film office with the data
25 necessary to prepare the report. Incentives included in the report
26 shall include all of the following:

27 (a) The tax credit provided under section 455 of the Michigan

1 business tax act, 2007 PA 36, MCL 208.1455.

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

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

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

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

11 (f) Loans to an eligible production company or film and
12 digital media private equity fund authorized under section 88d(3),
13 (4), and (5) of the Michigan strategic fund act, 2005 PA 225, MCL
14 125.2088d.

15 (g) Any spending or activities supported by the appropriations
16 in part 1 for film incentives.

17 (2) The report shall include all of the following information:

18 (a) For each tax credit, the number of contracts signed, the
19 projected expenditures qualifying for the credit, and the estimated
20 value of the credits. For loans, the number of loans made under
21 each section, the interest rate of those loans, the loan amount,
22 the percent of the projected budget of each production financed by
23 those loans, and the estimated interest earnings from the loan. For
24 each film incentive awarded, including any program to support and
25 promote a qualified facility and other film infrastructure as
26 defined in section 29h of the Michigan strategic fund act, 1984 PA
27 270, MCL 125.2029h, the total funding awarded for each of the

1 following:

2 (i) Direct production expenditures.

3 (ii) Michigan personnel expenditures.

4 (iii) Crew personnel expenditures.

5 (iv) Qualified personnel expenditures.

6 (v) Postproduction expenditures.

7 (vi) Qualified facility or infrastructure expenditures.

8 (vii) Spending for program administration.

9 (b) For credits authorized under section 455 of the Michigan
10 business tax act, 2007 PA 36, MCL 208.1455, for productions
11 completed by December 31, the expenditures of each production
12 eligible for the credit that has filed a request for certificate of
13 completion with the film office, broken down into expenditures for
14 goods, services, or salaries and wages and showing separately
15 expenditures in each local unit of government, including
16 expenditures for personnel, whether or not they were made to a
17 Michigan entity, and whether or not they were taxable under the
18 laws of this state. For loans, the report shall include the number
19 of loans that have been fully repaid, with principal and interest
20 shown separately, and the number of loans that are delinquent or in
21 default, and the amount of principal that is delinquent or is in
22 default.

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

26 (i) The number of temporary jobs created.

27 (ii) The number of permanent jobs created.

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

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

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

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

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

13 (4) Any information not disclosed due to the provisions of
14 section 455(6), 457(6), or 459(6) of the Michigan business tax act,
15 2007 PA 36, MCL 208.1455, 208.1457, and 208.1459, shall be
16 presented at the lowest level of aggregation that would no longer
17 describe the commercial and financial operations or intellectual
18 property of the company.

19 Sec. 1033. The Michigan film office shall report to the
20 chairpersons of the senate and house of representatives standing
21 committees on appropriations subcommittees on general government
22 and the senate and house fiscal agencies on the status of the film
23 incentives approved under section 29h of the Michigan strategic
24 fund act, 1984 PA 270, MCL 125.2029h, not later than 30 days
25 following the end of each quarter of the fiscal year. The report
26 shall include all of the following:

27 (a) Direct and indirect economic impacts in this state

1 attributable to the assistance.

2 (b) Direct and indirect job creation in this state
3 attributable to the assistance.

4 (c) Direct and indirect private investment in this state
5 attributable to the assistance.

6 (d) The name of each eligible production company and the
7 amount of each incentive disbursed for each state certified
8 qualified production.

9 Sec. 1033b. For funds appropriated in part 1 from the general
10 fund/general purpose revenue and used for the purpose of the
11 Michigan strategic fund - film incentive program, the applicable
12 percentage of the state certified qualified production expenditures
13 provided in section 29h(3)(d) of the Michigan strategic fund act,
14 1984 PA 270, MCL 125.2029h, shall be determined based on the date
15 of the agreement.

16 Sec. 1034. (1) Each business incubator or accelerator that
17 received an award pursuant to section 1034 of article VIII of 2012
18 PA 200 shall maintain and update a dashboard of indicators to
19 measure the effectiveness of the business incubator and accelerator
20 programs. Indicators shall include the direct jobs created, new
21 companies launched as a direct result of business incubator or
22 accelerator involvement, businesses expanded as a direct result of
23 business incubator or accelerator involvement, direct investment in
24 client companies, private equity financing obtained by client
25 companies, grant funding obtained by client companies, and other
26 measures developed by the recipient business incubators and
27 accelerators in conjunction with the Michigan economic development

1 corporation. Dashboard indicators shall be reported for the prior
2 fiscal year and cumulatively, if available. Each recipient shall
3 submit a copy of their dashboard indicators to the Michigan
4 strategic fund by March 1. The Michigan strategic fund shall
5 transmit the local reports to the senate and house of
6 representatives appropriations subcommittees on general government,
7 the senate and house fiscal agencies, and the state budget office
8 by March 15.

9 (2) It is the intent of the legislature that any additional
10 funding awarded for business incubators or accelerators shall be
11 based on the performance of the program as a whole and the results
12 of each incubator or accelerator as reported in the dashboard
13 indicators.

14 Sec. 1034b. From the funds appropriated in part 1 for
15 innovation and entrepreneurship, the fund shall allocate
16 \$500,000.00 to the Van Andel Institute to be used as a match for
17 funding received from the department of defense and the national
18 institutes of health for advanced medical research.

19 Sec. 1035. (1) From the appropriation in part 1, the Michigan
20 council for arts and cultural affairs shall administer an arts and
21 cultural grant program that maintains an equitable geographic
22 distribution of funding and utilizes past arts and cultural grant
23 programs as a guideline for administering this program. The council
24 shall do all of the following:

25 (a) On or before October 1, the fund shall publish proposed
26 application criteria, instructions, and forms for use by eligible
27 applicants. The fund shall provide at least a 2-week period for

1 public comment before finalizing the application criteria,
2 instructions, and forms.

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

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

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

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

17 Sec. 1036. (1) The general fund/general purpose funds
18 appropriated in part 1 to the Michigan strategic fund for the
19 programs listed below shall be transferred to the specific funds
20 designated by statute for those programs as follows:

21 (a) The business attraction and community revitalization funds
22 shall be transferred to the 21st century jobs trust fund per
23 section 90b(3) of the Michigan strategic fund act, 1984 PA 270, MCL
24 125.2090b.

25 (b) The film incentives program funds shall be transferred to
26 the Michigan film promotion fund established in the Michigan
27 strategic fund act, 1984 PA 270, MCL 125.2029d.

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

5 Sec. 1037. (1) No long-term indebtedness shall be issued by
6 the Michigan strategic fund or funds expended from the
7 appropriations in part 1 for facility for rare isotope beams debt
8 service until Michigan State University provides certification to
9 the Michigan strategic fund and the state budget director that all
10 necessary approvals have been secured and federal funds are
11 available to commence construction of the facility for rare isotope
12 beams project from the United States department of energy.

13 (2) Bond proceeds may only be spent to reimburse costs
14 incurred by Michigan State University in the construction of the
15 facility for rare isotope beams project up to an amount not to
16 exceed \$90,960,100.00. All construction costs for the project in
17 excess of this amount are the responsibility of Michigan State
18 University. The Michigan strategic fund is not responsible for
19 operating costs of the project facility. Prior to reimbursement,
20 the Michigan strategic fund and Michigan State University shall
21 enter into an agreement providing for the terms of reimbursement,
22 allowable costs, financial reporting, and any other requirements
23 necessary to complete the transaction.

24 (3) The state budget director retains the authority and
25 fiduciary responsibility normally associated with the maintenance
26 of the public's financial and policy interests relative to state-
27 financed construction projects. The state budget director may take

1 appropriate action to protect the public's financial and policy
2 interests, including, but not limited to, rescinding subsection (2)
3 reimbursement payments for construction of the facility for rare
4 isotope beams project should Michigan State University or the
5 United States department of energy not provide the necessary
6 resources to complete the project. The state budget director shall
7 provide notification to the senate and house appropriations
8 committees, senate fiscal agency, house fiscal agency, and the
9 Michigan strategic fund within 10 days of exercising the authority
10 under this subsection.

11 (4) The department of technology, management and budget may
12 assist the Michigan strategic fund with implementation of this
13 program for purposes of administrative efficiency.

14 Sec. 1038. In addition to the amounts appropriated in part 1,
15 the land bank fast track authority may expend revenues received
16 under the land bank fast track act, 2003 PA 258, MCL 124.751 to
17 124.774, for the purposes authorized by the act, including, but not
18 limited to, the acquisition, lease, management, demolition,
19 maintenance, or rehabilitation of real or personal property,
20 payment of debt service for notes or bonds issued by the authority,
21 and other expenses to clear or quiet title property held by the
22 authority.

23 Sec. 1039. The fund shall provide a report by February 15 to
24 the senate and house of representatives standing committees on
25 appropriations subcommittees on general government, the state
26 budget director, and the fiscal agencies on the status of the
27 skilled trades training program funded in part 1. The report shall

1 include the following:

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

4 (b) The amount of funding received by each awardee under the
5 program.

6 (c) Amount of funding leveraged from each awardee or other
7 funding source for each awardee project.

8 (d) Training models established by each awardee.

9 (e) The number of individuals enrolled in a skilled trades
10 training program by awardee.

11 (f) The number of individuals who completed the program and
12 were hired by awardee.

13 Sec. 1040. As a condition of receiving funds in part 1, the
14 fund shall utilize MAIN, or a successor MDTMB-administered
15 administrative information system used across state government, as
16 an appropriation and expenditure reporting system to track all
17 financial transactions with individual vendors, contractual
18 partners, grantees, recipients of business incentives, and
19 recipients of other economic assistance. Encumbrances and
20 expenditures shall be reported in a timely manner.

21 Sec. 1041. From the funds appropriated in part 1 for business
22 attraction and community revitalization, the fund shall request the
23 transfer by the state treasurer of not more than 60% of the funds
24 prior to April 1, 2014.

25 Sec. 1050. (1) The fund shall publish the "activities
26 classification structure data book" for Michigan community colleges
27 on or before March 1.

1 (2) The fund shall compile information received from community
2 colleges on North American Indian tuition waivers granted pursuant
3 to 1976 PA 174, MCL 390.1251 to 390.1253, and shall submit this
4 compilation to the house and senate appropriations subcommittees on
5 community colleges, the fiscal agencies, and the state budget
6 director by March 1.

7 (3) The fund shall compile information received from community
8 colleges on the number and types of associate degrees and other
9 certificates awarded during the previous fiscal year and shall
10 submit this compilation to the house and senate appropriations
11 subcommittees on community colleges, the fiscal agencies, and the
12 state budget director by March 1.

13 (4) The fund shall place the reports required in this section
14 on a publicly available website.

15 Sec. 1053. The appropriation in part 1 for precollege
16 engineering is for precollege programs in engineering and sciences.
17 The fund shall allocate 1/2 of the appropriated amount to the
18 Detroit precollege engineering program and the Grand Rapids area
19 precollege engineering program which were appropriated funds under
20 2005 PA 156.

21 Sec. 1054. From the funds appropriated in part 1 for workforce
22 programs subgrantees, the fund may allocate funding for grants to
23 nonprofit organizations that offer programs to workforce investment
24 act - eligible youth focusing on entrepreneurship, work-readiness
25 skills, job shadowing, and financial literacy. Organizations
26 eligible for funding under this section must have the capacity to
27 provide similar programs in urban areas, as determined by the

1 United States bureau of the census according to the most recent
2 federal decennial census. Additionally, programs eligible for
3 funding under this section must include the participation of local
4 business partners. The fund shall develop other appropriate
5 eligibility requirements to ensure compliance with applicable
6 federal rules and regulations.

7 **MICHIGAN STRATEGIC FUND - WORKFORCE DEVELOPMENT**

8 Sec. 1060. The fund shall administer the PATH training program
9 in accordance with the requirements of section 407(d) of title IV
10 of the social security act, 42 USC 607, the state social welfare
11 act, 1939 PA 280, MCL 400.1 to 400.119b, and all other applicable
12 laws and regulations.

13 Sec. 1062. The fund shall make available, in person or by
14 telephone, 1 disabled veterans outreach program specialist or local
15 veterans employment representative to Michigan works! service
16 centers, as resources permit, during hours of operation, and shall
17 continue to make the appropriate placement of veterans and disabled
18 veterans a priority.

19 Sec. 1063. (1) In addition to the funds appropriated in part
20 1, any unencumbered and unrestricted federal workforce investment
21 act or trade adjustment assistance funds available from prior
22 fiscal years are appropriated for the purposes originally intended.

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

27 Sec. 1068. (1) Of the funds appropriated in part 1 for the

1 workforce training programs, the fund shall provide a report by
2 February 1 to the senate and house of representatives standing
3 committees on appropriations subcommittees on general government,
4 the state budget director, and the fiscal agencies on the status of
5 the workforce training programs. The report shall include the
6 following:

7 (a) The amount of funding allocated to each Michigan works!
8 agency and the total funding allocated to the workforce training
9 programs statewide by fund source.

10 (b) The number of participants enrolled in education or
11 training programs by each Michigan works! agency.

12 (c) The average duration of training for training program
13 participants by each Michigan works! agency.

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

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

19 (f) The number of participants enrolled in 4-year
20 institutions.

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

23 (h) The number of participants that have completed education
24 or training programs.

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

27 (j) The number of participants who completed a training

1 program and secured employment in a field related to their
2 training.

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

5 (2) Data collection for the report shall be for the period
6 October 1, 2012 through September 30, 2013.

7 **REVENUE STATEMENT**

8 Sec. 1101. Pursuant to section 18 of article V of the state
9 constitution of 1963, fund balances and estimates are presented in
10 the following statement:

11 BUDGET RECOMMENDATIONS BY OPERATING FUNDS

12 (Amounts in millions)

13 Fiscal Year 2013-2014

		Beginning			
		Available	Estimated	Ending	
	<u>Fund</u>	<u>Balance</u>	<u>Revenue</u>	<u>Balance</u>	
14					
15					
16					
17	OPERATING FUNDS				
18	General fund/general purpose	0110	278.4	8,973.8	15.7
19	General fund/special purpose		1,007.0	24,628.1	193.5
20	Special Revenue Funds:				
21	Countercyclical budget and				
22	economic stabilization	0111	505.8	0.7	506.5
23	Game and fish protection	0112	5.9	65.5	6.1
24	Michigan employment security act				
25	administration	0113	0.0	5.5	0.0

1	State aeronautics	0114	2.2	102.5	0.0
2	Michigan veterans' benefit				
3	trust	0115	3.3	5.9	3.3
4	State trunkline	0116	0.0	1,855.0	0.0
5	Michigan state waterways	0117	4.3	26.5	4.4
6	Blue Water Bridge	0118	0.0	24.4	0.0
7	Michigan transportation	0119	0.0	1,882.5	0.0
8	Comprehensive transportation	0120	14.0	428.6	1.9
9	School aid	0122	0.0	13,426.9	0.0
10	Game and fish protection trust	0124	0.0	8.6	0.0
11	State park improvement	0125	2.0	53.6	3.2
12	Forest development	0126	0.0	29.2	0.0
13	Michigan natural resources				
14	trust	0129	24.2	25.6	24.2
15	Michigan state parks endowment	0130	7.7	48.2	7.5
16	Safety education and training	0131	6.2	9.4	5.1
17	Bottle deposit	0136	14.6	14.1	6.0
18	State construction code	0138	13.1	10.3	3.8
19	Children's trust	0139	1.1	2.1	1.1
20	State casino gaming	0140	8.0	38.3	2.6
21	Michigan nongame fish and				
22	wildlife	0143	0.1	0.5	0.1
23	Michigan merit award trust	0154	62.0	118.7	62.4
24	Outdoor recreation legacy	0162	0.6	3.0	0.6
25	Off-road vehicle account	0163	1.1	3.3	1.1
26	Snowmobile account	0164	3.9	10.8	3.8
27	Silicosis dust disease				

1	and logging	0870	1.6	1.3	1.6
2	Utility consumer representation	0893	2.1	0.5	1.7
3	TOTALS		\$1,968.8	\$51,803.4	\$856.2

4 PART 2A
5 PROVISIONS CONCERNING ANTICIPATED APPROPRIATIONS
6 FOR FISCAL YEAR 2014-2015

7 GENERAL SECTIONS

8 Sec. 1201. It is the intent of the legislature to provide
9 appropriations for the fiscal year ending on September 30, 2015 for
10 the line items listed in part 1. The fiscal year 2014-2015
11 appropriations are anticipated to be the same as those for fiscal
12 year 2013-2014, except that the line items will be adjusted for
13 changes in caseload and related costs, federal fund match rates,
14 economic factors, and available revenue. These adjustments will be
15 determined after the January 2014 consensus revenue estimating
16 conference.

17 Sec. 1202. It is the intent of the legislature that the
18 department identify the amounts for normal retirement costs and
19 legacy retirement costs for the fiscal year ending on September 30,
20 2015 for the line items listed in part 1.

21 ARTICLE X
22 DEPARTMENT OF HUMAN SERVICES
23 PART 1
24 LINE-ITEM APPROPRIATIONS

1 Sec. 101. There is appropriated for the department of human
2 services for the fiscal year ending September 30, 2014, from the
3 following funds:

4 **DEPARTMENT OF HUMAN SERVICES**

5 APPROPRIATION SUMMARY

6	Full-time equated classified positions.....	12,144.5	
7	Full-time equated unclassified positions.....	6.0	
8	Total full-time equated positions.....	12,150.5	
9	GROSS APPROPRIATION.....		\$ 6,018,383,400
10	Interdepartmental grant revenues:		
11	Total interdepartmental grants and intradepartmental		
12	transfers		18,127,100
13	ADJUSTED GROSS APPROPRIATION.....		\$ 6,000,256,300
14	Federal revenues:		
15	Federal - supplemental nutrition assistance revenues		
16	(ARRA)		35,846,200
17	Social security act, temporary assistance for needy		
18	families		546,239,200
19	Federal supplemental security income.....		8,543,100
20	Total other federal revenues.....		4,223,889,400
21	Special revenue funds:		
22	Total private revenues.....		11,582,800
23	Total local revenues.....		35,685,600
24	Total other state restricted revenues.....		135,470,000
25	State general fund/general purpose.....		\$ 1,003,000,000
26	State general fund/general purpose schedule:		

1	Ongoing state general fund/general	
2	purpose	1,000,960,400
3	One-time state general fund/general	
4	purpose	2,039,600
5	Sec. 102. EXECUTIVE OPERATIONS	
6	Total full-time equated positions.....	673.7
7	Full-time equated unclassified positions.....	6.0
8	Full-time equated classified positions.....	667.7
9	Unclassified salaries--6.0 FTE positions.....	\$ 707,000
10	Salaries and wages--270.7 FTE positions.....	16,223,900
11	Contractual services, supplies, and materials.....	12,115,400
12	Demonstration projects--7.0 FTE positions.....	6,796,000
13	Inspector general salaries and wages--132.0 FTE	
14	positions	7,495,100
15	Electronic benefit transfer EBT.....	9,509,000
16	Michigan community service commission--15.0 FTE	
17	positions	11,382,900
18	AFC, children's welfare and day care licensure--243.0	
19	FTE positions	25,237,400
20	State office of administrative hearings and rules....	<u>7,351,400</u>
21	GROSS APPROPRIATION.....	\$ 96,818,100
22	Appropriated from:	
23	Interdepartmental grant revenues:	
24	IDG from department of education.....	8,100,700
25	Federal revenues:	
26	Social security act, temporary assistance for needy	
27	families	10,149,200

1	Total other federal revenues.....	45,714,100
2	Special revenue funds:	
3	Total private revenues.....	3,845,800
4	Total local revenues.....	16,400
5	Total other state restricted revenues.....	5,400
6	State general fund/general purpose.....	\$ 28,986,500
7	Sec. 103. CHILD SUPPORT ENFORCEMENT	
8	Full-time equated classified positions.....	191.7
9	Child support enforcement operations--185.7 FTE	
10	positions	\$ 21,697,200
11	Legal support contracts.....	113,253,600
12	Child support incentive payments.....	32,409,600
13	State disbursement unit--6.0 FTE positions	<u>11,315,400</u>
14	GROSS APPROPRIATION.....	\$ 178,675,800
15	Appropriated from:	
16	Federal revenues:	
17	Total federal revenues.....	155,489,700
18	State general fund/general purpose.....	\$ 23,186,100
19	Sec. 104. COMMUNITY ACTION AND ECONOMIC OPPORTUNITY	
20	Full-time equated classified positions.....	16.0
21	Bureau of community action and economic opportunity	
22	operations--16.0 FTE positions.....	\$ 2,044,200
23	Community services block grant.....	25,840,000
24	Weatherization assistance.....	<u>16,340,000</u>
25	GROSS APPROPRIATION.....	\$ 44,224,200
26	Appropriated from:	
27	Federal revenues:	

1	Social security act, temporary assistance for needy		
2	families		500
3	Total other federal revenues.....		44,223,700
4	State general fund/general purpose.....	\$	0
5	Sec. 105. ADULT AND FAMILY SERVICES		
6	Full-time equated classified positions.....	594.7	
7	Executive direction and support--4.0 FTE positions ...	\$	379,400
8	Guardian contract.....		490,200
9	Adult services policy and administration--7.0 FTE		
10	positions		819,100
11	Office of program policy--31.7 FTE positions		4,151,200
12	Michigan rehabilitation services--550.0 FTE positions		138,275,900
13	Independent living.....		5,988,600
14	Employment and training support services.....		4,819,100
15	Wage employment verification reporting.....		547,300
16	Nutrition education--2.0 FTE positions		30,034,200
17	Elder law of Michigan MiCAFE contract.....		175,000
18	Elder abuse prosecuting attorney.....		<u>300,000</u>
19	GROSS APPROPRIATION.....	\$	185,980,000
20	Appropriated from:		
21	Interdepartmental grant revenues:		
22	IDG from department of education.....		13,200
23	Federal revenues:		
24	Social security act, temporary assistance for needy		
25	families		4,869,700
26	Federal supplemental security income.....		8,543,100
27	Total other federal revenues.....		141,040,800

1	Special revenue funds:	
2	Total private revenues.....	1,935,000
3	Local vocational rehabilitation match.....	6,500,000
4	Second injury fund.....	148,400
5	Rehabilitation service fees.....	1,434,300
6	State general fund/general purpose.....	\$ 21,495,500
7	Sec. 106. CHILDREN'S SERVICES	
8	Full-time equated classified positions.....	120.8
9	Salaries and wages--58.2 FTE positions.....	\$ 2,848,900
10	Contractual services, supplies, and materials.....	1,143,000
11	Interstate compact.....	179,600
12	Families first.....	17,244,500
13	Strong families/safe children.....	12,350,100
14	Child protection and permanency--23.0 FTE positions ..	13,184,000
15	Family reunification program.....	3,977,100
16	Family preservation and prevention services	
17	administration--11.0 FTE positions.....	1,408,300
18	Children's trust fund administration--12.0 FTE	
19	positions	787,600
20	Children's trust fund grants.....	2,325,100
21	Attorney general contract.....	3,939,000
22	Prosecuting attorney contracts.....	2,561,700
23	Child protection.....	673,900
24	Domestic violence prevention and treatment--14.6 FTE	
25	positions	15,205,800
26	Rape prevention and services--0.5 FTE positions	5,072,300
27	Child advocacy centers--0.5 FTE positions	2,000,000

1	Child abuse and neglect - children's justice act--1.0	
2	FTE positions	817,700
3	Family preservation and prevention services programs .	<u>2,500,000</u>
4	GROSS APPROPRIATION.....	\$ 88,218,600
5	Appropriated from:	
6	Federal revenues:	
7	Social security act, temporary assistance for needy	
8	families	44,643,400
9	Total other federal revenues.....	30,881,100
10	Special revenue funds:	
11	Compulsive gaming prevention fund.....	1,040,000
12	Sexual assault victims' prevention and treatment fund	3,000,000
13	Child advocacy centers fund.....	2,000,000
14	Children's trust fund.....	2,070,100
15	State general fund/general purpose.....	\$ 4,584,000
16	Sec. 107. CHILD WELFARE SERVICES	
17	Full-time equated classified positions..... 3,997.2	
18	Children's services administration--97.0 FTE positions	\$ 6,892,600
19	Title IV-E compliance and accountability office--4.0	
20	FTE positions	506,900
21	Child welfare institute--45.0 FTE positions.....	8,010,900
22	Child welfare field staff - caseload compliance--	
23	2,511.0 FTE positions	119,472,400
24	Child welfare field staff - noncaseload compliance--	
25	330.0 FTE positions	17,250,000
26	Education planners--15.0 FTE positions.....	807,700
27	Permanency planning conference coordinators--56.0 FTE	

1	positions	3,366,500
2	Child welfare first line supervisors--585.0 FTE	
3	positions	39,776,300
4	Administrative support workers--243.0 FTE positions ..	10,175,400
5	Second line supervisors and technical staff--59.0 FTE	
6	positions	4,584,600
7	Permanency resource managers--30.5 FTE positions	1,864,400
8	Contractual services, supplies, and materials	8,920,400
9	Settlement monitor.....	1,625,800
10	Foster care payments.....	187,703,500
11	Serious emotional disturbance - waiver program.....	3,275,800
12	Serious emotional disturbance - nonwaiver program....	2,932,000
13	Guardianship assistance program.....	5,862,900
14	Child care fund.....	171,036,600
15	Child care fund administration--6.2 FTE positions	828,200
16	Adoption subsidies.....	244,074,500
17	Adoption support services--10.0 FTE positions	24,696,700
18	Youth in transition--5.5 FTE positions	14,443,600
19	Child welfare medical/psychiatric evaluations	6,607,500
20	Psychotropic oversight contracts.....	<u>1,118,200</u>
21	GROSS APPROPRIATION.....	\$ 885,833,400
22	Appropriated from:	
23	Interdepartmental grant revenues:	
24	IDG from department of education.....	138,700
25	Federal revenues:	
26	Social security act, temporary assistance for needy	
27	families	202,330,600

1	Total other federal revenues.....		305,175,100
2	Special revenue funds:		
3	Private - collections.....		3,200,900
4	Local funds - county chargeback.....		14,494,000
5	State general fund/general purpose.....	\$	360,494,100
6	Sec. 108. JUVENILE JUSTICE SERVICES		
7	Full-time equated classified positions.....	182.0	
8	W.J. Maxey training school--69.0 FTE positions.....		\$ 10,592,400
9	Bay pines center--42.0 FTE positions.....		4,769,000
10	Shawono center--42.0 FTE positions.....		4,851,500
11	County juvenile officers.....		3,904,300
12	Community support services--2.0 FTE positions.....		1,295,200
13	Juvenile justice administration and maintenance--24.0		
14	FTE positions		4,044,700
15	Juvenile accountability block grant--0.5 FTE positions		1,281,300
16	Committee on juvenile justice administration--2.5 FTE		
17	positions		340,300
18	Committee on juvenile justice grants.....		3,000,000
19	In-home community care.....		1,000,000
20	Juvenile justice behavioral health study.....		<u>250,000</u>
21	GROSS APPROPRIATION.....	\$	35,328,700
22	Appropriated from:		
23	Federal revenues:		
24	Total federal revenues.....		5,107,500
25	Special revenue funds:		
26	Local funds - state share education funds.....		2,168,100
27	Local funds - county chargeback.....		9,158,000

1	State general fund/general purpose.....	\$	18,895,100
2	Sec. 109. LOCAL OFFICE STAFF AND OPERATIONS		
3	Full-time equated classified positions.....		5,790.0
4	Field staff, salaries and wages--5,548.0 FTE positions	\$	295,152,500
5	Contractual services, supplies, and materials.....		13,404,800
6	Medical/psychiatric evaluations.....		1,420,100
7	Donated funds positions--208.0 FTE positions.....		13,757,600
8	Training and program support--24.0 FTE positions.....		2,441,300
9	Volunteer services and reimbursement.....		1,142,400
10	SSI advocates--10.0 FTE positions.....		<u>786,400</u>
11	GROSS APPROPRIATION.....	\$	328,105,100
12	Appropriated from:		
13	Interdepartmental grant revenues:		
14	IDG from department of corrections.....		100,000
15	IDG from department of education.....		4,574,600
16	Federal revenues:		
17	Social security act, temporary assistance for needy		
18	families.....		65,310,100
19	Total other federal revenues.....		121,004,200
20	Special revenue funds:		
21	Local funds.....		3,349,100
22	Private funds - donated funds.....		2,601,100
23	Supplemental security income recoveries.....		786,400
24	State general fund/general purpose.....	\$	130,379,600
25	Sec. 110. DISABILITY DETERMINATION SERVICES		
26	Full-time equated classified positions.....		576.4
27	Disability determination operations--546.9 FTE		

1	positions	\$	85,975,200
2	Medical consultation program--25.4 FTE positions		3,316,500
3	Retirement disability determination--4.1 FTE positions		<u>423,900</u>
4	GROSS APPROPRIATION.....	\$	89,715,600
5	Appropriated from:		
6	Interdepartmental grant revenues:		
7	IDG from DTMB - office of retirement services		536,100
8	Federal revenues:		
9	Total federal revenues.....		85,423,900
10	State general fund/general purpose.....	\$	3,755,600
11	Sec. 111. CENTRAL SUPPORT ACCOUNTS		
12	Rent.....	\$	45,568,100
13	Occupancy charge.....		10,203,400
14	Travel.....		8,288,000
15	Equipment.....		62,600
16	Worker's compensation.....		1,727,100
17	Payroll taxes and fringe benefits.....		<u>427,618,100</u>
18	GROSS APPROPRIATION.....	\$	493,467,300
19	Appropriated from:		
20	Interdepartmental grant revenues:		
21	IDG from department of education.....		3,529,000
22	Federal revenues:		
23	Social security act, temporary assistance for needy		
24	families		116,624,800
25	Total other federal revenues.....		201,266,400
26	State general fund/general purpose.....	\$	172,047,100
27	Sec. 112. PUBLIC ASSISTANCE		

1	Full-time equated classified positions.....	8.0	
2	Family independence program.....		\$ 214,316,000
3	State disability assistance payments.....		20,831,800
4	Food assistance program benefits.....		2,798,081,200
5	Food assistance program benefits (ARRA).....		35,846,200
6	State supplementation.....		62,535,000
7	State supplementation administration.....		2,381,100
8	Low-income home energy assistance program.....		149,951,600
9	Michigan energy assistance program--1.0 FTE positions		60,000,000
10	Food bank funding.....		1,795,000
11	Homeless programs.....		15,721,900
12	Chaldean community foundation.....		1,000,000
13	Multicultural integration funding.....		2,015,500
14	Indigent burial.....		4,300,000
15	Emergency services local office allocations.....		13,608,500
16	Refugee assistance program--7.0 FTE positions.....		27,955,900
17	Energy self-sufficiency program.....		<u>25,000,000</u>
18	GROSS APPROPRIATION.....		\$ 3,435,339,700
19	Appropriated from:		
20	Federal revenues:		
21	Federal supplemental nutrition assistance revenues		
22	(ARRA)		35,846,200
23	Social security act, temporary assistance for needy		
24	families		85,966,700
25	Total other federal revenues.....		2,998,121,100
26	Special revenue funds:		
27	Child support collections.....		17,257,800

1	Low-income home energy assistance fund.....	60,000,000
2	Supplemental security income recoveries.....	10,617,600
3	Merit award trust fund.....	30,100,000
4	Public assistance recoupment revenue.....	7,010,000
5	State general fund/general purpose.....	\$ 190,420,300
6	Sec. 113. INFORMATION TECHNOLOGY	
7	Information technology services and projects.....	\$ 114,559,200
8	Child support automation.....	<u>42,117,700</u>
9	GROSS APPROPRIATION.....	\$ 156,676,900
10	Appropriated from:	
11	Interdepartmental grant revenues:	
12	IDG from department of education.....	1,134,800
13	Federal revenues:	
14	Social security act, temporary assistance for needy	
15	families	16,344,200
16	Total other federal revenues.....	88,981,400
17	State general fund/general purpose.....	\$ 50,216,500
18	Sec. 114. ONE-TIME BASIS ONLY	
19	Information technology services and projects.....	\$ 2,000,000
20	Demonstration projects.....	<u>1,500,000</u>
21	GROSS APPROPRIATION.....	\$ 3,500,000
22	Appropriated from:	
23	Federal revenues:	
24	Total other federal revenues.....	1,460,400
25	State general fund/general purpose.....	\$ 2,039,600
26	Sec. 115. BUDGETARY SAVINGS	
27	Staffing reductions.....	\$ <u>(3,500,000)</u>

1	GROSS APPROPRIATION.....	\$	(3,500,000)
2	Appropriated from:		
3	State general fund/general purpose.....	\$	(3,500,000)

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FOR FISCAL YEAR 2013-2014

GENERAL SECTIONS

8 Sec. 201. Pursuant to section 30 of article IX of the state
 9 constitution of 1963, total state spending from state resources
 10 under part 1 for fiscal year 2013-2014 is \$1,138,470,000.00 and
 11 state spending from state resources to be paid to local units of
 12 government for fiscal year 2013-2014 is \$92,153,400.00. The
 13 itemized statement below identifies appropriations from which
 14 spending to local units of government will occur:

15	DEPARTMENT OF HUMAN SERVICES		
16	Child care fund.....	\$	85,118,900
17	County juvenile officers.....		3,656,500
18	State disability assistance payments.....		976,400
19	Legal support contracts.....		2,341,000
20	Family independence program.....		<u>60,600</u>
21	TOTAL.....	\$	92,153,400

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

25 Sec. 203. As used in this article:

1 (a) "AFC" means adult foster care.

2 (b) "ARRA" means the American recovery and reinvestment act of
3 2009, Public Law 111-5.

4 (c) "Current fiscal year" means the fiscal year ending
5 September 30, 2014.

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

7 (e) "Director" means the director of the department of human
8 services.

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

10 (g) "IDG" means interdepartmental grant.

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

13 (i) "Previous fiscal year" means the fiscal year ending
14 September 30, 2013.

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

18 (k) "SSI" means supplemental security income.

19 (l) "Temporary assistance for needy families" or "TANF" or
20 "title IV-A" means part A of title IV of the social security act,
21 42 USC 601 to 619.

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

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

26 Sec. 204. The civil service commission shall bill departments
27 and agencies at the end of the first fiscal quarter for the 1%

1 charge authorized by section 5 of article XI of the state
2 constitution of 1963. Payments shall be made for the total amount
3 of the billing by the end of the second fiscal quarter.

4 Sec. 207. (1) Sanctions, suspensions, conditions for
5 provisional license status, and other penalties shall not be more
6 stringent for private service providers than for public entities
7 performing equivalent or similar services.

8 (2) Neither the department nor private service providers or
9 licensees shall be granted preferential treatment or considered
10 automatically to be in compliance with administrative rules based
11 on whether they have collective bargaining agreements with direct
12 care workers. Private service providers or licensees without
13 collective bargaining agreements shall not be subjected to
14 additional requirements or conditions of licensure based on their
15 lack of collective bargaining agreements.

16 Sec. 208. Unless otherwise specified, the department shall use
17 the Internet to fulfill the reporting requirements of this article.
18 This requirement shall include transmission of reports via
19 electronic mail to the recipients identified for each reporting
20 requirement, and it shall include placement of reports on the
21 Internet.

22 Sec. 209. Funds appropriated in part 1 shall not be used for
23 the purchase of foreign goods or services, or both, if
24 competitively priced and of comparable quality American goods or
25 services, or both, are available. Preference should be given to
26 goods or services, or both, manufactured or provided by Michigan
27 businesses, if they are competitively priced and of comparable

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

5 Sec. 211. Funds appropriated in part 1 shall not be used by a
6 principal executive department, state agency, or authority to hire
7 a person to provide legal services that are the responsibility of
8 the attorney general. This prohibition does not apply to legal
9 services for bonding activities and for those outside services that
10 the attorney general authorizes.

11 Sec. 212. (1) In addition to funds appropriated in part 1 for
12 all programs and services, there is appropriated for write-offs of
13 accounts receivable, deferrals, and for prior year obligations in
14 excess of applicable prior year appropriations, an amount equal to
15 total write-offs and prior year obligations, but not to exceed
16 amounts available in prior year revenues or current year revenues
17 that are in excess of the authorized amount.

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

23 Sec. 213. The department may retain all of the state's share
24 of food assistance overissuance collections as an offset to general
25 fund/general purpose costs. Retained collections shall be applied
26 against federal funds deductions in all appropriation units where
27 department costs related to the investigation and recoupment of

1 food assistance overissuances are incurred. Retained collections in
2 excess of such costs shall be applied against the federal funds
3 deducted in the executive operations appropriation unit.

4 Sec. 214. On a bimonthly basis, the department shall report on
5 the number of FTEs in pay status by type of staff.

6 Sec. 215. If a legislative objective of this article or of a
7 bill or amendment to a bill to amend the social welfare act, 1939
8 PA 280, MCL 400.1 to 400.119b, cannot be implemented because
9 implementation would conflict with or violate federal regulations,
10 the department shall notify the state budget director, the house
11 and senate appropriations committees, and the house and senate
12 fiscal agencies and policy offices of that fact.

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

23 (a) The dates of each travel occurrence.

24 (b) The total transportation and related costs of each travel
25 occurrence, including the proportion funded with state general
26 fund/general purpose revenues, the proportion funded with state
27 restricted revenues, the proportion funded with federal revenues,

1 and the proportion funded with other revenues.

2 Sec. 219. The department shall cooperate with the department
3 of technology, management, and budget to maintain a searchable
4 website accessible by the public at no cost that includes, but is
5 not limited to, all of the following for each department or agency:

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

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

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

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

13 (e) Job specifications and wage rates.

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

20 Sec. 221. (1) If the revenue collected by the department from
21 private and local sources exceeds the amount spent from amounts
22 appropriated in part 1, the revenue may be carried forward, with
23 approval from the state budget director, into the subsequent fiscal
24 year.

25 (2) The department shall provide a report on the amount of
26 each revenue stream to be carried forward, as well as the
27 cumulative amount, for the closing fiscal year by October 30 of the

1 current fiscal year to the senate and house appropriations
2 subcommittees on the department budget, the senate and house
3 standing committees on families and human services, and the senate
4 and house fiscal agencies and policy offices.

5 Sec. 222. (1) The department shall provide written
6 notification to the chairpersons of the senate and house
7 appropriations subcommittees on the budget for the department of
8 any policy changes at least 30 days before the implementation date.

9 (2) The department shall make the entire policy and procedures
10 manual available and accessible to the public via the department
11 website.

12 (3) The department shall report no later than April 1 of the
13 current fiscal year on each specific policy change made to
14 implement a public act affecting the department that took effect
15 during the prior calendar year to the house and senate
16 appropriations subcommittees on the budget for the department, the
17 joint committee on administrative rules, and the senate and house
18 fiscal agencies. The department shall attach each policy bulletin
19 issued during the prior calendar year to this report.

20 Sec. 225. The department may hire physicians to be part of the
21 medical review team (MRT) on a temporary basis if Medicaid
22 applications are backlogged more than 2,000. The temporary
23 physicians shall be retained until the backlog has dropped below
24 2,000 for 2 consecutive months. The role of the physicians will be
25 to obtain medical evidence from and grant medical determinations to
26 applicants.

27 Sec. 226. The department shall not approve any contract for

1 new services, programs, or concepts in excess of \$1,000,000.00
2 unless both of the following requirements have been met:

3 (a) The department has issued and received a request for
4 information (RFI) or a request for qualification (RFQ) before
5 issuing a request for proposal for the contract. The request for
6 information or request for qualification will enable the department
7 to learn more about the market for the products or services that
8 are the subject of the future request for proposal.

9 (b) The department has provided the legislature with the
10 results of the request for information or request for qualification
11 and posted a summary of the results of the request for information
12 or request for qualification on the department's webpage.

13 Sec. 240. The department shall notify the house and senate
14 appropriations committees and the house and senate fiscal agencies
15 of any changes to a child welfare master contract that results in
16 increased rates or increased spending on services not less than 30
17 days before the change takes effect.

18 Sec. 250. Amounts appropriated in part 1 for information
19 technology may be designated as work projects and carried forward
20 to support technology projects under the direction of the
21 department of technology, management, and budget. Funds designated
22 in this manner are not available for expenditure until approved as
23 work projects under section 451a of the management and budget act,
24 1984 PA 431, MCL 18.1451a.

25 Sec. 251. The department and agencies receiving appropriations
26 in part 1 shall receive and retain copies of all reports funded
27 from appropriations in part 1. Federal and state guidelines for

1 short-term and long-term retention of records shall be followed.
2 The department may electronically retain copies of reports unless
3 otherwise required by federal and state guidelines.

4 Sec. 252. (1) It is the intent of the legislature that the
5 department shall allocate funds appropriated in part 1 for an
6 addition of 4.0 FTEs for medical review team staff as 1-time
7 funding and the staff shall be hired as limited-term staff.

8 (2) It is the intent of the legislature that the department
9 shall allocate funds appropriated in part 1 for a juvenile justice
10 behavioral study as 1-time funding.

11 Sec. 264. The department shall not take disciplinary action
12 against an employee for communicating with a member of the
13 legislature or his or her staff.

14 Sec. 265. Within 14 days after the release of the executive
15 budget recommendation, the department shall provide the state
16 budget director, the senate and house appropriations chairs, the
17 senate and house appropriations subcommittees on the department
18 budget, respectively, and the senate and house fiscal agencies with
19 an annual report on estimated state restricted fund balances, state
20 restricted fund projected revenues, and state restricted fund
21 expenditures for the fiscal years ending September 30, 2013 and
22 September 30, 2014.

23 Sec. 274. (1) The department, in collaboration with the state
24 budget office, shall submit to the house and senate appropriations
25 subcommittees on the department budget, the house and senate fiscal
26 agencies, and the house and senate policy offices on the day the
27 governor submits to the legislature the budget for the ensuing

1 fiscal year a report on spending and revenue projections for each
2 of the capped federal funds listed below. The report shall contain
3 actual spending and revenue in the previous fiscal year, spending
4 and revenue projections for the current fiscal year as enacted, and
5 spending and revenue projections within the executive budget
6 proposal for the fiscal year beginning October 1, 2014 for each
7 individual line item for the department budget. The report shall
8 also include federal funds transferred to other departments. The
9 capped federal funds shall include, but not be limited to, all of
10 the following:

11 (a) TANF.

12 (b) Title XX social services block grant.

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

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

16 (e) Low-income home energy assistance program.

17 (2) By February 15 of the current fiscal year, the department
18 shall prepare an annual report of its efforts to identify
19 additional TANF maintenance of effort sources and rationale for any
20 increases or decreases from all of the following, but not limited
21 to:

22 (a) Other departments.

23 (b) Local units of government.

24 (c) Private sources.

25 Sec. 275. (1) The negative appropriation in the staffing
26 reductions line in part 1 shall be offset only through FTE
27 reductions. The line item shall not be offset through cuts to

1 programs, benefits, caseload savings, or policy changes.

2 (2) The department shall provide monthly reports on the
3 savings realized under subsection (1) to the chairpersons of the
4 senate and house appropriations subcommittees on the department
5 budget, the senate and house fiscal agencies, and the senate and
6 house policy offices.

7 (3) The staffing reductions line shall achieve a zero balance
8 by the close of the current fiscal year.

9 (4) Funds to offset the staffing reductions line shall be made
10 available through the legislative transfer process provided by
11 section 393(2) of the management and budget act, 1984 PA 431, MCL
12 18.1393.

13 Sec. 279. (1) All master contracts relating to human services
14 shall be performance-based contracts that employ a client-centered
15 results-oriented process that is based on measurable performance
16 indicators and desired outcomes and includes the annual assessment
17 of the quality of services provided.

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

25 Sec. 284. (1) In addition to the funds appropriated in part 1,
26 there is appropriated an amount not to exceed \$200,000,000.00 for
27 federal contingency funds. These funds are not available for

1 expenditure until they have been transferred to another line item
2 in this article under section 393(2) of the management and budget
3 act, 1984 PA 431, MCL 18.1393. These funds shall not be made
4 available to increase TANF authorization.

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

11 (3) In addition to the funds appropriated in part 1, there is
12 appropriated an amount not to exceed \$20,000,000.00 for local
13 contingency funds. These funds are not available for expenditure
14 until they have been transferred to another line item in this
15 article under section 393(2) of the management and budget act, 1984
16 PA 431, MCL 18.1393.

17 (4) In addition to the funds appropriated in part 1, there is
18 appropriated an amount not to exceed \$20,000,000.00 for private
19 contingency funds. These funds are not available for expenditure
20 until they have been transferred to another line item in this
21 article under section 393(2) of the management and budget act, 1984
22 PA 431, MCL 18.1393.

23 Sec. 290. Any public advertisement for state assistance shall
24 also inform the public of the welfare fraud hotline operated by the
25 department.

26 Sec. 291. (1) The department shall verify, using the e-verify
27 system, that all new department employees, and new hire employees

1 of contractors and subcontractors paid from funds appropriated in
2 part 1, are legally present in the United States. The department
3 may verify this information directly or may require contractors and
4 subcontractors to verify the information and submit a certification
5 to the department.

6 (2) By February 15 of the current fiscal year, the department
7 shall submit to the house and senate appropriations subcommittees
8 on the department budget, the house and senate fiscal agencies, and
9 the house and senate policy offices a report on the number of new
10 department employees and new hire employees of contractors and
11 subcontractors that were found to not be legally present in the
12 United States.

13 Sec. 293. The department may use funds from the funds
14 appropriated in part 1 to strengthen marriage and family relations
15 through the practice of marriage and family therapy for
16 individuals, families, couples, or groups. The goal of the therapy
17 shall be strengthening families by helping them avoid, eliminate,
18 relieve, manage, or resolve marital or family conflict or discord.

19 Sec. 295. If the department fails to provide to the
20 legislature reports and other data required by this article or
21 other statute within 30 days after the date the information is due,
22 the state money appropriated in part 1 for salaries and wages
23 responsible for preparing and submitting the report shall be
24 reduced by \$150,000.00.

25 Sec. 296. Not later than November 30, the state budget office
26 shall prepare and transmit a report that provides for estimates of
27 the total general fund/general purpose appropriation lapses at the

1 close of the prior fiscal year. This report shall summarize the
2 projected year-end general fund/general purpose appropriation
3 lapses by major departmental program or program areas. The report
4 shall be transmitted to the office of the state budget, the
5 chairpersons of the senate and house appropriations committees, and
6 the senate and house fiscal agencies.

7 Sec. 298. By March 1 of the current fiscal year, the
8 department shall provide to the senate and house appropriations
9 subcommittees on the department budget, the senate and house fiscal
10 agencies, and the senate and house policy offices an annual report
11 on the supervisor-to-staff ratio by department divisions and
12 subdivisions.

13 Sec. 299. The department shall maintain, on a publicly
14 accessible website, a department scorecard that identifies, tracks,
15 and regularly updates key metrics that are used to monitor and
16 improve the department's performance.

17 **EXECUTIVE OPERATIONS**

18 Sec. 307. (1) From the funds appropriated in part 1 for
19 demonstration projects, \$400,000.00 shall be distributed as
20 provided in subsection (2). The amount distributed under this
21 subsection shall not exceed 50% of the total operating expenses of
22 the program described in subsection (2), with the remaining 50%
23 paid by local United Way organizations and other nonprofit
24 organizations and foundations.

25 (2) Funds distributed under subsection (1) shall be
26 distributed to Michigan 2-1-1, a nonprofit corporation organized

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

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

10 (4) Michigan 2-1-1 shall report annually to the department and
11 the house and senate standing committees with primary jurisdiction
12 over matters relating to human services and telecommunications on
13 2-1-1 system performance, including, but not limited to, call
14 volume by community health and human service needs and unmet needs
15 identified through caller data and customer satisfaction metrics.

16 **ADULT AND FAMILY SERVICES**

17 Sec. 401. All funds appropriated in part 1 for independent
18 living shall be used to support centers for independent living in
19 compliance with federal rules and regulations for those centers, by
20 existing centers for independent living to serve underserved areas,
21 and for projects to build capacity of centers for independent
22 living to deliver independent living services. Applications for the
23 funds shall be reviewed in accordance with criteria and procedures
24 established by the department. Funds shall be used in a manner
25 consistent with the state plan for independent living.

26 Sec. 402. The Michigan rehabilitation services shall work

1 collaboratively with the Michigan commission for the blind, service
2 organizations, and government entities to identify qualified match
3 dollars to maximize use of available federal vocational
4 rehabilitation funds.

5 Sec. 403. (1) It is the intent of the legislature that the
6 funds appropriated in part 1 for Michigan rehabilitation services,
7 and any future funds appropriated for that purpose, shall not be
8 spent unless Michigan rehabilitation services addresses, works to
9 remedy, and accounts for the deficiencies found in Michigan
10 rehabilitation services as detailed in the most recent auditor
11 general report of Michigan rehabilitation services.

12 (2) Beginning October 1, 2013, the department shall provide
13 quarterly status reports to the house and senate appropriations
14 subcommittees on the department budget, the house and senate fiscal
15 agencies, and house and senate policy offices on Michigan
16 rehabilitation services that include all of the following items:

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

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

20 (c) Reorganization plans and implementation steps achieved.

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

23 (e) Quarterly expenditures by major spending category.

24 Sec. 404. From the funds appropriated in part 1 for
25 independent living, the department shall allocate \$1,500,000.00 to
26 Michigan's centers for independent living to pilot guide services
27 to develop accessible, comprehensive, and integrated services for

1 persons with disabilities. The pilot guide services shall also
2 assist persons with disabilities and their families in navigating
3 state systems when accessing public assistance to become
4 financially self-sufficient.

5 Sec. 405. It is the intent of the legislature that Michigan
6 rehabilitation services shall not implement an order of selection
7 for vocational and rehabilitative services.

8 Sec. 415. (1) If funds become available in part 1, the
9 department may contract with independent contractors from various
10 counties, including, but not limited to, faith-based and nonprofit
11 organizations. Preference shall be given to independent contractors
12 that provide at least 10% in matching funds, through any
13 combination of local, state, or federal funds or in-kind or other
14 donations. However, an independent contractor that cannot secure
15 matching funds shall not be excluded from consideration for the
16 fatherhood program.

17 (2) The department may choose providers that will work with
18 counties to help eligible fathers under TANF guidelines to acquire
19 skills that will enable them to increase their responsible behavior
20 toward their children and the mothers of their children. An
21 increase of financial support for their children should be a very
22 high priority as well as emotional support.

23 (3) A fatherhood initiative program established under this
24 section shall minimally include at least 3 of the following
25 components: promoting responsible, caring, and effective parenting
26 through counseling; mentoring and parental education; enhancing the
27 abilities and commitment of unemployed or low-income fathers to

1 provide material support for their families and to avoid or leave
2 welfare programs by assisting them to take advantage of job search
3 programs, job training, and education to improve their work habits
4 and work skills; improving fathers' ability to effectively manage
5 family business affairs by means such as education, counseling, and
6 mentoring in household matters; infant care; effective
7 communication and respect; anger management; children's financial
8 support; and drug-free lifestyle.

9 (4) The department is authorized to make allocations of TANF
10 funds, of not more than 20% per county, under this section only to
11 agencies that report necessary data to the department for the
12 purpose of meeting TANF eligibility reporting requirements.

13 (5) Upon receipt of the promotion of responsible fatherhood
14 funds from the United States department of health and human
15 services, the department shall use the program criteria set forth
16 in subsection (3) to implement the program with the federal funds.

17 Sec. 416. (1) If funds become available in part 1, the
18 department may contract with independent contractors from various
19 counties, including, but not limited to, faith-based and nonprofit
20 organizations. Preference shall be given to independent contractors
21 that provide at least 10% in matching funds, through any
22 combination of local, state, or federal funds or in-kind or other
23 donations. However, an independent contractor that cannot secure
24 matching funds shall not be excluded from consideration for a
25 marriage initiative program.

26 (2) The department may choose providers to work with counties
27 that will work to support and strengthen marriages of those

1 eligible under the TANF guidelines. The areas of work may include,
2 but are not limited to, marital counseling, domestic violence
3 counseling, family counseling, effective communication, and anger
4 management as well as parenting skills to improve the family
5 structure.

6 (3) A marriage initiative program established under this
7 section may include, but is not limited to, 1 or more of the
8 following: public advertising campaigns on the value of marriage
9 and the skills needed to increase marital stability and health;
10 education in high schools on the value of marriage, relationship
11 skills, and budgeting; premarital, marital, family, and domestic
12 violence counseling; effective communication; marriage mentoring
13 programs which use married couples as role models and mentors in
14 at-risk communities; anger management; and parenting skills to
15 improve the family structure.

16 (4) The department is authorized to make allocations of TANF
17 funds, of not more than 20% per county, under this section only to
18 agencies that report necessary data to the department for the
19 purpose of meeting TANF eligibility reporting requirements.

20 (5) Upon receipt of the healthy marriage promotion grant from
21 the United States department of health and human services, the
22 department shall use the program criteria set forth in subsection
23 (3) to implement the program with the federal funds.

24 Sec. 420. (1) From the funds appropriated in part 1, the
25 department shall contract with the prosecuting attorneys
26 association of Michigan for 2 elder abuse resource prosecuting
27 attorneys positions to provide the support and services necessary

1 to increase the capability of the state's prosecutors, adult
2 protective service system, and criminal justice system to
3 effectively identify, investigate, and prosecute elder abuse and
4 financial exploitation.

5 (2) By March 1 of the current fiscal year, the prosecuting
6 attorneys association shall provide a report on the efficacy of the
7 contract to the state budget office, the house and senate
8 appropriations subcommittees on the department budget, the house
9 and senate fiscal agencies, and the house and senate policy
10 offices.

11 Sec. 423. From the funds appropriated in part 1 for elder law
12 of Michigan MiCAFE contract, the department shall allocate not less
13 than \$175,000.00 to the elder law of Michigan MiCAFE to assist this
14 state's elderly population to participate in the food assistance
15 program. The funds may be used as state matching funds to acquire
16 available United States department of agriculture funding to
17 provide outreach program activities, such as eligibility screen and
18 information services, as part of a statewide food stamp hotline.

19 Sec. 424. The department may enter into a contract with a
20 nonprofit entity that operates throughout this state to provide
21 vehicle purchases and vehicle repairs for all low-income
22 individuals who the department determines are eligible. The
23 department shall work in conjunction with the nonprofit entity to
24 ensure that the barriers to self-sufficiency are removed for each
25 individual.

26 Sec. 425. (1) From the funds appropriated in part 1, the
27 department shall provide individuals not more than \$500.00 for

1 vehicle repairs, including any repairs done in the previous 12
2 months. However, the department may in its discretion pay for
3 repairs up to \$900.00. Payments under this section shall include
4 the combined total of payments made by the department and work
5 participation program.

6 (2) By November 30 of the current fiscal year, the department
7 shall provide to the senate and house appropriations subcommittees
8 on the department budget, the senate and house fiscal agencies, and
9 the senate and house policy offices a report detailing the total
10 number of payments for repairs, the number of payments for repairs
11 that exceeded \$500.00, the number of payments for repairs that cost
12 exactly \$500.00, and the number of payments for repairs that cost
13 exactly \$900.00 in the previous fiscal year.

14 CHILDREN'S SERVICES

15 Sec. 501. A goal is established that not more than 31% of all
16 children in foster care at any given time during the current fiscal
17 year will have been in foster care for 24 months or more. During
18 the annual budget presentation, the department shall provide a
19 report describing the steps that will be taken to achieve the
20 specific goal established in this section.

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

26 Sec. 503. The department, in conjunction with members from

1 both the house of representatives and senate, shall carry out a
2 workgroup to review the feasibility of establishing performance-
3 based funding for all public and private child welfare services
4 providers. By March 1, 2014, the department shall provide a report
5 on the findings of the workgroup to the senate and house
6 appropriations subcommittees on the department budget, the senate
7 and house standing committees on families and human services, and
8 the senate and house fiscal agencies and policy offices.

9 Sec. 505. By March 1 of the current fiscal year, the
10 department and Wayne County shall provide to the senate and house
11 appropriations committees on the department budget and the senate
12 and house fiscal agencies and policy offices a report for youth
13 served in the previous fiscal year and in the first quarter of the
14 current fiscal year outlining the number of youth served within
15 each juvenile justice system, the type of setting for each youth,
16 performance outcomes, and financial costs or savings.

17 Sec. 506. The department shall submit a report by February 15
18 of the current fiscal year on the number of foster children under
19 department supervision who did not receive Medicaid coverage and
20 the number of foster children under department supervision that
21 experienced a break in Medicaid coverage during the previous fiscal
22 year to the house and senate appropriations subcommittees on the
23 department budget, the house and senate fiscal agencies, and the
24 house and senate policy offices.

25 Sec. 507. The department's ability to satisfy appropriation
26 deducts in part 1 for foster care private collections shall not be
27 limited to collections and accruals pertaining to services provided

1 only in the current fiscal year but may include revenues collected
2 during the current fiscal year for services provided in prior
3 fiscal years.

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

8 (2) The department and the child abuse neglect and prevention
9 board shall collaborate to ensure that administrative delays are
10 avoided and the local grant recipients and direct service providers
11 receive money in an expeditious manner. The department and board
12 shall seek to have the children's trust fund grants distributed no
13 later than November 30 of the current fiscal year.

14 Sec. 509. (1) From the funds appropriated in part 1 for the
15 child welfare training institute, the department shall use up to
16 \$100,000.00 to enter into a contract for a pilot program for gentle
17 teaching methods.

18 (2) The department shall report to the senate and house
19 appropriations subcommittees on the department budget, the senate
20 and house fiscal agencies, the senate and house policy offices, and
21 the state budget office by March 1, 2014 on the results of the
22 pilot program, including the number of participants, actual costs
23 of the pilot program, and a cost estimate to make the gentle
24 teaching method a required training component for all new and
25 existing field staff workers by March 1, 2015.

26 Sec. 510. By March 1 of the current fiscal year, the
27 department shall provide to the senate and house appropriations

1 subcommittees on the department budget, the senate and house
2 standing committees on families and human services, and the senate
3 and house fiscal agencies and policy offices a report on the
4 implementation of the workgroup findings described in section 510
5 of article X of 2012 PA 200.

6 Sec. 511. The department shall provide quarterly reports to
7 the senate and house appropriations subcommittees on the department
8 budget, the senate and house standing committees on families and
9 human services, and the senate and house fiscal agencies and policy
10 offices on the number and percentage of children who received
11 timely health examinations after entry into foster care and the
12 number and percentage of children entering foster care who received
13 a required mental health examination after entry into foster care.

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

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

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

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

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

27 (e) The department has done an on-site visit to the out-of-

1 state facility, reviewed the facility records, reviewed licensing
2 records and reports on the facility, and believes that the facility
3 is an appropriate placement for the child.

4 (2) The department shall not expend money for a child placed
5 in an out-of-state facility without approval of the deputy director
6 for children's services. The department shall notify the
7 appropriate state agency in that state including the name of the
8 out-of-state provider who accepted the placement.

9 (3) The department shall submit quarterly reports to the state
10 court administrative office, the house and senate appropriations
11 subcommittees on the department budget, the house and senate fiscal
12 agencies, and the house and senate policy offices on the number of
13 Michigan children residing in out-of-state facilities at the time
14 of the report, the total cost and average per diem cost of these
15 out-of-state placements to this state, and a list of each such
16 placement arranged by the Michigan county of residence for each
17 child.

18 (4) The department shall submit an annual report by February
19 15 of the current fiscal year on per diem costs of each residential
20 care provider that has an established state rate and is located or
21 doing business in this state.

22 (5) It is the intent of the legislature that the department
23 shall work in conjunction with the courts and the state court
24 administrative office to identify data needed to calculate
25 statewide recidivism rates for adjudicated youth placed in either
26 residential secure or nonsecure facilities, defined at 6 months
27 after a youth is released from placement.

1 (6) By March 1 of the current fiscal year, the department
2 shall notify the legislature on the status of efforts to accomplish
3 the intent of subsection (5).

4 Sec. 514. The department shall make a comprehensive report
5 concerning children's protective services (CPS) to the legislature,
6 including the senate and house policy offices and the state budget
7 director, by January 1 of the current fiscal year, that shall
8 include all of the following:

9 (a) Statistical information including, at a minimum, all of
10 the following:

11 (i) The total number of reports of abuse or neglect
12 investigated under the child protection law, 1975 PA 238, MCL
13 722.621 to 722.638, and the number of cases classified under
14 category I or category II and the number of cases classified under
15 category III, category IV, or category V.

16 (ii) Characteristics of perpetrators of abuse or neglect and
17 the child victims, such as age, relationship, race, and ethnicity
18 and whether the perpetrator exposed the child victim to drug
19 activity, including the manufacture of illicit drugs, that exposed
20 the child victim to substance abuse, a drug house, or
21 methamphetamine.

22 (iii) The mandatory reporter category in which the individual
23 who made the report fits, or other categorization if the individual
24 is not within a group required to report under the child protection
25 law, 1975 PA 238, MCL 722.621 to 722.638.

26 (iv) The number of cases that resulted in the separation of the
27 child from the parent or guardian and the period of time of that

1 separation, up to and including termination of parental rights.

2 (v) For the reported complaints of abuse or neglect by
3 teachers, school administrators, and school counselors, the number
4 of cases classified under category I or category II and the number
5 of cases classified under category III, category IV, or category V.

6 (vi) For the reported complaints of abuse or neglect by
7 teachers, school administrators, and school counselors, the number
8 of cases that resulted in separation of the child from the parent
9 or guardian and the period of time of that separation, up to and
10 including termination of parental rights.

11 (b) New policies related to children's protective services
12 including, but not limited to, major policy changes and court
13 decisions affecting the children's protective services system
14 during the immediately preceding 12-month period.

15 (c) The information contained in the report required under
16 section 8d(5) of the child protection law, 1975 PA 238, MCL
17 722.628d, on cases classified under category III.

18 (d) The department policy, or changes to the department
19 policy, regarding children who have been exposed to the production
20 or manufacture of methamphetamines.

21 Sec. 515. The department, in conjunction with court and county
22 personnel and representatives of the private child welfare agencies
23 operating in Kent County, shall privatize foster care and adoption
24 services, except for child protective services, in Kent County by
25 October 1, 2014 based on workgroup findings.

26 Sec. 519. The department shall permit any private agency that
27 has an existing contract with this state to provide foster care

1 services to be also eligible to provide treatment foster care
2 services.

3 Sec. 520. The department shall post a request for information
4 for a contract for foster family group homes by December 31 of the
5 current fiscal year.

6 Sec. 522. From the funds appropriated in part 1 for youth in
7 transition programs, the department shall allocate \$750,000.00 to
8 the campus coaches program to provide college scholarships to
9 youths who are transitioning from the foster care system and are
10 attending a college located in this state. Of the funds
11 appropriated, 100% shall be used to fund scholarships for the
12 youths described in this section.

13 Sec. 523. (1) By February 15 of the current fiscal year, the
14 department shall report on the families first, family
15 reunification, and families together building solutions family
16 preservation programs to the senate and house appropriations
17 subcommittees on the department budget, the senate and house fiscal
18 agencies, and the senate and house policy offices. The report shall
19 contain all of the following for each program:

20 (a) The average cost per recipient served.

21 (b) Measurable performance indicators.

22 (c) Desired outcomes or results and goals that can be measured
23 on an annual basis, or desired results for a defined number of
24 years.

25 (d) Monitored results.

26 (e) Innovations that may include savings or reductions in
27 administrative costs.

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

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

12 Sec. 525. The department shall implement the same on-site
13 evaluation processes for privately operated child welfare and
14 juvenile justice residential facilities as is used to evaluate
15 state-operated facilities. Penalties for noncompliance shall be the
16 same for privately operated child welfare and juvenile justice
17 residential facilities and state-operated facilities.

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

24 Sec. 532. (1) The department, in collaboration with
25 representatives of private child and family agencies, shall revise
26 and improve the annual licensing review process and the annual
27 contract compliance review process for child placing agencies and

1 child caring institutions. The improvement goals shall be safety
2 and care for children. Improvements to the review process shall be
3 directed toward alleviating administrative burdens so that agency
4 resources may be focused on children. The revision shall include
5 identification of duplicative staff activities and information
6 sought from child placing agencies and child caring institutions in
7 the annual review process. The department shall report to the
8 senate and house appropriations subcommittees on the department
9 budget, the senate and house fiscal agencies and policy offices,
10 and the state budget director on or before January 15 of the
11 current fiscal year on the findings of the annual licensing review.

12 (2) The department shall conduct licensing reviews no more
13 than once every 2 years for child placing agencies and child caring
14 institutions that are nationally accredited and have no outstanding
15 violations.

16 Sec. 533. (1) The department shall make payments to child
17 placing facilities for in-home and out-of-home care services and
18 adoption services within 30 days of receiving all necessary
19 documentation from those agencies.

20 (2) The department shall provide a report on the status of the
21 implementation and operation of this section by February 15 of the
22 current fiscal year.

23 Sec. 534. The department shall report to the senate and house
24 appropriations subcommittees on the department budget, the senate
25 and house fiscal agencies, the senate and house policy offices, and
26 the state budget office by March 1 of the current fiscal year a
27 report on the implementation of the statewide automated child

1 welfare information system. The report shall include, but not be
2 limited to, all of the following:

3 (a) Areas where implementation went as planned.

4 (b) The number of known issues.

5 (c) The average number of help tickets submitted per day.

6 (d) Any additional overtime or other staffing costs to address
7 known issues and volume of help tickets.

8 (e) Any contract revisions to address known issues and volume
9 of help tickets.

10 (f) Other strategies undertaken to improve implementation.

11 Sec. 537. The department, in collaboration with child placing
12 agencies, shall develop a strategy to implement section 115o of the
13 social welfare act, 1939 PA 280, MCL 400.115o. The strategy shall
14 include a requirement that a department caseworker responsible for
15 preparing a recommendation to a court concerning a juvenile
16 placement shall provide, as part of the recommendation, information
17 regarding the requirements of section 115o of the social welfare
18 act, 1939 PA 280, MCL 400.115o.

19 Sec. 540. If a physician or psychiatrist who is providing
20 services to state or court wards placed in a residential facility
21 submits a formal request to the department to change the
22 psychotropic medication of a ward, the department shall, if the
23 ward is a state ward, make a determination on the proposed change
24 within 30 days after the request or, if the ward is a temporary
25 court ward, seek parental consent within 7 business days after the
26 request.

27 Sec. 546. (1) From the funds appropriated in part 1 for foster

1 care payments and from child care fund, the department shall pay
2 providers of foster care services not less than a \$37.00
3 administrative rate.

4 (2) From the funds appropriated in part 1 for foster care
5 payments and from child care fund, the department shall pay
6 providers of general independent living services not less than a
7 \$28.00 administrative rate.

8 (3) From the funds appropriated in part 1, the department
9 shall reinstate the specialized independent living services
10 administrative rate to levels that were in place for the fiscal
11 year ending September 30, 2011.

12 (4) From the funds appropriated in part 1, the department
13 shall pay providers of foster care services an additional \$3.00
14 administrative rate, provided that section 117a of the social
15 welfare act, 1939 PA 280, MCL 400.117a, is amended to eliminate the
16 county match rate for the additional administrative rate provided
17 in this subsection.

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

22 Sec. 547. From the funds appropriated in part 1 for the
23 guardianship assistance program, the department shall pay a minimum
24 rate that is not less than the approved age-appropriate payment
25 rates for youth placed in family foster care.

26 Sec. 556. No later than February 1 for the previous fiscal
27 year, the department shall provide an annual report to the

1 subcommittees of the senate and house appropriations committees on
2 the department budget with the number of complaints filed by
3 adoptive parents who were not notified that their adopted child had
4 special needs.

5 Sec. 557. From the funds appropriated in part 1, the
6 department may provide reimbursement for nonrecurring expenses
7 related to an adoption in excess of the limit described in section
8 115/ of the social welfare act, 1939 PA 280, MCL 400.115/.

9 Sec. 574. (1) From the funds appropriated in part 1 for foster
10 care payments, \$2,500,000.00 is allocated to support contracts with
11 child placing agencies to facilitate the licensure of relative
12 caregivers as foster parents. Agencies shall receive \$2,300.00 for
13 each facilitated licensure. The agency facilitating the licensure
14 would retain the placement and continue to provide case management
15 services for at least 50% of the newly licensed cases for which the
16 placement was appropriate to the agency. Up to 50% of the newly
17 licensed cases would have direct foster care services provided by
18 the department.

19 (2) From the funds appropriated for foster care payments,
20 \$375,000.00 is allocated to support family incentive grants to
21 private and community-based foster care service providers to assist
22 with home improvements or payment for physical exams for applicants
23 needed by foster families to accommodate foster children.

24 Sec. 583. By February 1 of the current fiscal year, the
25 department shall provide to the senate and house appropriations
26 subcommittees on the department budget, the senate and house
27 standing committees on families and human services, and the senate

1 and house fiscal agencies and policy offices a report that
2 includes:

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

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

10 Sec. 585. The department shall make available at least 1 pre-
11 service training class each month in which new caseworkers for
12 private foster care and adoption agencies can enroll.

13 Sec. 587. From the funds appropriated in part 1 to in-home
14 community care programs, \$1,000,000.00 shall be used to expand or
15 create new in-home care and community-based juvenile justice
16 services to rural counties through a grant-making process. By March
17 1 of the current fiscal year, the department shall submit a report
18 that describes the program expansion and expenditures in detail to
19 the senate and house appropriations subcommittees on the department
20 budget, the senate and house fiscal agencies, and the senate and
21 house policy offices.

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

1 (2) The department shall report quarterly to the state budget
2 office, the senate and house appropriations subcommittees on the
3 department budget, and the senate and house fiscal agencies, on the
4 number of children enrolled in the guardianship assistance and
5 foster care - children with serious emotional disturbance waiver
6 programs.

7 Sec. 589. (1) The department shall not transfer any foster
8 care cases that require a county contribution to the private agency
9 administrative rate unless it is agreed to by the county.

10 (2) On a monthly basis, the department shall report on the
11 number of all foster care cases administered by the department and
12 all foster care cases administered by private providers.

13 Sec. 590. From the funds appropriated in part 1, the
14 department shall provide \$30,000.00 for the task force on the
15 prevention of sexual abuse of children defined under section 12b of
16 the child protection law, 1975 PA 238, MCL 722.632b. Use of funds
17 shall be limited to providing reimbursements to task force members
18 for travel costs related to task force operations.

19 **PUBLIC ASSISTANCE**

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

1 local authority indicates in writing that local housing codes have
2 been met.

3 Sec. 603. The department shall conduct a workgroup in
4 conjunction with the department of community health and members
5 from both the senate and house of representatives to determine how
6 the state can maximize Medicaid claims for community-based and
7 outpatient treatment services to foster care children and
8 adjudicated youths who are placed in community-based treatment
9 programs. The department shall report to the senate and house
10 appropriations subcommittees on the department budget, the senate
11 and house fiscal agencies, the senate and house policy offices, and
12 the state budget office by March 1, 2014 on the findings of the
13 workgroup.

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

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

23 (b) A person with a physical or mental impairment which meets
24 federal supplemental security income disability standards, except
25 that the minimum duration of the disability shall be 90 days.

26 Substance abuse alone is not defined as a basis for eligibility.

27 (c) A resident of an adult foster care facility, a home for

1 the aged, a county infirmary, or a substance abuse treatment
2 center.

3 (d) A person receiving 30-day postresidential substance abuse
4 treatment.

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

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

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

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

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

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

17 (3) Except for a person described in subsection (1)(c) or (d),
18 a person is not disabled for purposes of this section if his or her
19 drug addiction or alcoholism is a contributing factor material to
20 the determination of disability. "Material to the determination of
21 disability" means that, if the person stopped using drugs or
22 alcohol, his or her remaining physical or mental limitations would
23 not be disabling. If his or her remaining physical or mental
24 limitations would be disabling, then the drug addiction or
25 alcoholism is not material to the determination of disability and
26 the person may receive state disability assistance. Such a person
27 must actively participate in a substance abuse treatment program,

1 and the assistance must be paid to a third party or through vendor
2 payments. For purposes of this section, substance abuse treatment
3 includes receipt of inpatient or outpatient services or
4 participation in alcoholics anonymous or a similar program.

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

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

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

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

1 is recovered.

2 Sec. 608. Adult foster care facilities providing domiciliary
3 care or personal care to residents receiving supplemental security
4 income or homes for the aged serving residents receiving
5 supplemental security income shall not require those residents to
6 reimburse the home or facility for care at rates in excess of those
7 legislatively authorized. To the extent permitted by federal law,
8 adult foster care facilities and homes for the aged serving
9 residents receiving supplemental security income shall not be
10 prohibited from accepting third-party payments in addition to
11 supplemental security income provided that the payments are not for
12 food, clothing, shelter, or result in a reduction in the
13 recipient's supplemental security income payment.

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

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

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

1 income.

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

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

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

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

16 Sec. 612. The department shall implement an asset test as part
17 of the eligibility determination for applicants and existing
18 recipients of the refugee assistance program medical benefits.

19 Sec. 613. The department shall provide reimbursements for the
20 final disposition of indigent persons. The maximum allowable
21 reimbursement for the final disposition shall be \$800.00. In
22 addition, reimbursement for a cremation permit fee of up to \$75.00
23 and for mileage at the standard rate will also be made available
24 for an eligible cremation. The reimbursements under this section
25 shall account for religious preferences that prohibit cremation.

26 Sec. 615. Except as required by federal law or regulations,
27 funds appropriated in part 1 shall not be used to provide public

1 assistance to a person who is an illegal alien. This section shall
2 not prohibit the department from entering into contracts with food
3 banks, emergency shelter providers, or other human services
4 agencies who may, as a normal part of doing business, provide food
5 or emergency shelter.

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

10 Sec. 617. The department shall prepare a report on the number
11 and percentage of public assistance recipients, categorized by type
12 of assistance received, who were no longer eligible for assistance
13 because of their status in the law enforcement information network
14 and provide the report by February 15 of the current fiscal year to
15 the senate and house appropriations subcommittees on the department
16 budget, the senate and house standing committees on families and
17 human services, and the senate and house fiscal agencies and policy
18 offices.

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

27 (a) A third-party payee or vendor shall be required for any

1 cash benefits provided.

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

4 (2) Subject to federal approval, an individual is not entitled
5 to the exemption in this section if the individual was convicted in
6 2 or more separate cases of a felony that included the possession,
7 use, or distribution of a controlled substance after August 22,
8 1996.

9 Sec. 620. (1) The department shall make a determination of
10 Medicaid eligibility not later than 60 days after all information
11 to make the determination is received from the applicant if
12 disability is an eligibility factor. For all other Medicaid
13 applicants, including patients of a nursing home, the department
14 shall make a determination of Medicaid eligibility within 45 days
15 of application.

16 (2) Not later than October 1, 2013, the department shall
17 provide a report to the senate and house appropriations
18 subcommittees on the department budget, the senate and house
19 standing committees on families and human services, and the senate
20 and house fiscal agencies and policy offices detailing the outcomes
21 of the LEAN process, the department's progress in achieving the
22 eligibility standard of promptness at the 2 local offices, and the
23 department's plan for implementing efficiency standards identified
24 in the LEAN process statewide.

25 Sec. 621. (1) From the funds appropriated in part 1 from the
26 federal low-income home energy assistance program for the energy
27 self-sufficiency program, the department shall fund energy

1 assistance services that comply with all of the following
2 guidelines:

3 (a) The department shall distribute the funds described in
4 this subsection for energy assistance and may use a portion of the
5 funds for necessary administrative expenses. Necessary
6 administrative expenses shall be calculated using an established
7 cost allocation methodology.

8 (b) Energy assistance must include services that will enable
9 participants to become self-sufficient or move toward becoming
10 self-sufficient, including assisting participants in paying their
11 energy bills on time, assisting participants in budgeting for and
12 contributing to their ability to provide for energy expenses, and
13 assisting participants in utilizing energy services to optimize on
14 energy efficiency. By September 30, 2014, each entity that carries
15 out a contract with the department under this section shall provide
16 or coordinate these services. The department shall attempt to
17 coordinate its efforts with the efforts of other state departments
18 or agencies to assist low-income households in becoming self-
19 sufficient or moving toward becoming self-sufficient.

20 (c) The department shall develop a simplified, single
21 application for all applicants to use to apply for energy
22 assistance under the program. The single application shall be made
23 available to all entities that contract with the department to
24 provide services under the program.

25 (d) The department, in consultation with the Michigan public
26 service commission, may contract with different public or private
27 entities or local units of government to provide energy assistance.

1 (e) The department shall include clear performance metrics in
2 any contract with an entity under this section.

3 (f) An entity with which the department contracts under
4 subdivision (d) shall use not less than 92% of the funds received
5 from the department for energy assistance. An entity with which the
6 department contracts under subdivision (d) may, upon approval from
7 the department, use less than 92% but not less than 90% of the
8 funds received for the program for energy assistance.

9 (2) Not later than December 1, 2014, and annually after that,
10 the department shall provide a report to the legislature, the
11 senate and house appropriations subcommittees on the department
12 budget, the senate and house committees on issues relating to
13 energy, and the senate and house fiscal agencies on how funds from
14 the energy self-sufficiency program were distributed.

15 (3) The department shall include the energy self-sufficiency
16 program in the state plan for the federal low-income home energy
17 assistance program.

18 (4) Any federal low-income home energy assistance program
19 funds that are provided to the state in excess of the amount
20 appropriated in the current year enacted budget shall be allocated
21 to the energy self-sufficiency program line item and subject to the
22 provisions in this section.

23 (5) This section does not apply if the allocation of funds
24 described in this section does not comply with federal statute and
25 regulations on the low-income home energy assistance program. If
26 this section does not comply with federal statute or regulations,
27 the department shall present a report with an alternative proposal

1 to the chairpersons of the senate and house appropriations
2 subcommittees on the department budget within 30 days after the
3 department becomes aware that the section does not comply with
4 federal statute or regulations.

5 (6) If this section conflicts with a current state statute or
6 a state statute enacted subsequent to this act, the state statute
7 controls.

8 (7) Funds appropriated in part 1 for the energy self-
9 sufficiency program line item shall be permitted to transfer to the
10 low-income home energy assistance program line item under section
11 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393,
12 if legislation is enacted to provide a funding mechanism for the
13 Michigan energy assistance program established under section 3 of
14 the Michigan energy assistance act, 2012 PA 615, MCL 400.1233.

15 Sec. 622. Subject to federal rules and regulations, the
16 department shall implement a 1-page application for disability
17 redetermination for all disability redetermination applications and
18 cases no later than November 1, 2013.

19 Sec. 643. As a condition of receipt of federal TANF funds,
20 homeless shelters and human services agencies shall collaborate
21 with the department to obtain necessary TANF eligibility
22 information on families as soon as possible after admitting a
23 family to the homeless shelter. From the funds appropriated in part
24 1 for homeless programs, the department is authorized to make
25 allocations of TANF funds only to the agencies that report
26 necessary data to the department for the purpose of meeting TANF
27 eligibility reporting requirements. Homeless shelters or human

1 services agencies that do not report necessary data to the
2 department for the purpose of meeting TANF eligibility reporting
3 requirements will not receive reimbursements which exceed the per
4 diem amount they received in fiscal year 2000. The use of TANF
5 funds under this section should not be considered an ongoing
6 commitment of funding.

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

13 Sec. 653. From the funds appropriated in part 1 for food
14 assistance, an individual who is the victim of domestic violence
15 and does not qualify for any other exemption may be exempt from the
16 3-month in 36-month limit on receiving food assistance under 7 USC
17 2015. This exemption can be extended an additional 3 months upon
18 demonstration of continuing need.

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

26 Sec. 657. The department shall notify persons eligible for
27 extended family independence program benefits under section 57s of

1 the social welfare act, 1939 PA 280, MCL 400.57s, that receiving
2 extended family independence program benefits will count toward the
3 federal and state lifetime limits.

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

13 Sec. 669. The department shall allocate \$2,880,000.00 for the
14 annual clothing allowance. The allowance shall be granted to all
15 eligible children in a family independence program group that does
16 not include an adult.

17 Sec. 672. (1) The department's office of inspector general
18 shall report to the senate and house of representatives
19 appropriations subcommittees on the department budget, the senate
20 and house fiscal agencies, and the senate and house policy offices
21 by February 15 of the current fiscal year on department efforts to
22 reduce inappropriate use of Michigan bridge cards. The department
23 shall provide information on the number of recipients of services
24 who used their electronic benefit transfer card inappropriately and
25 the current status of each case, the number of recipients whose
26 benefits were revoked, whether permanently or temporarily, as a
27 result of inappropriate use, and the number of retailers that were

1 fined or removed from the electronic benefit transfer program for
2 permitting inappropriate use of the cards.

3 (2) As used in this section, "inappropriate use" means not
4 used to meet a family's ongoing basic needs, including food,
5 clothing, shelter, utilities, household goods, personal care items,
6 and general incidentals.

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

12 (2) On a monthly basis, the department shall report to the
13 senate and house appropriations subcommittees on the department
14 budget, the senate and house fiscal agencies and policy offices,
15 and the state budget director on the current percentage of family
16 independence program cases involved in partnership accountability
17 training hope (PATH) employment activities and an estimate of the
18 current percentage of family independence program cases that meet
19 federal work participation requirements.

20 (3) The department in conjunction with members from both the
21 senate and house of representatives shall conduct a workgroup to
22 determine how to run a job readiness and employment program for
23 recipients of family independence program assistance that is based
24 on performance-based objectives, and to examine contracting with
25 nonprofit or private agencies to operate the program. The workgroup
26 shall also determine any statutory changes needed to implement a
27 performance-based job readiness program. Performance objectives in

1 this subsection shall include, but not be limited to, all of the
2 following:

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

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

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

9 (4) Contracts with a provider of the job readiness and
10 employment program described in subsection (3) shall be for a
11 minimum of 3 years unless the provider is not meeting the
12 performance objectives described under subsection (3), in which
13 case the department may terminate the contract at any time. If the
14 provider is meeting the performance objectives described in
15 subsection (3), the contract shall be maintained for a minimum of 3
16 years, and shall have a 1-year renewal option every year in which
17 it maintains the performance objectives described in subsection (3)
18 after that.

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

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

1 (3) The department shall prohibit individuals with property
2 assets assessed at a value higher than \$250,000.00 from accessing
3 assistance through department-administered programs, unless such a
4 prohibition would violate federal rules and guidelines.

5 (4) The department shall require caseworkers to obtain an up-
6 to-date telephone number during the eligibility determination or
7 redetermination process for individuals seeking medical assistance
8 benefits. On a monthly basis, the department shall provide the
9 department of community health an updated list of telephone numbers
10 for medical assistance recipients.

11 Sec. 687. (1) Beginning January 1, 2014, on a quarterly basis,
12 the department shall compile and make available on its website all
13 of the following information about the family independence program,
14 state disability assistance, the food assistance program, Medicaid,
15 and state emergency relief:

16 (a) The number of applications received.

17 (b) The number of applications approved.

18 (c) The number of applications denied.

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

21 (e) The number of cases closed.

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

26 (3) Beginning April 1, 2014, on a quarterly basis, the
27 department shall compile and make available on its website the

1 family independence program information listed as follows:

2 (a) The number of new applicants who successfully met the
3 requirements of the 21-day assessment period for partnership
4 accountability training hope.

5 (b) The number of new applicants who did not meet the
6 requirements of the 21-day assessment period for partnership
7 accountability training hope.

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

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

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

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

15 (4) The department shall notify the senate and house
16 appropriations subcommittees on the department budget, the senate
17 and house fiscal agencies, and the senate and house policy offices
18 when the reports required in this section are made available on the
19 department's website.

20 Sec. 695. From the funds appropriated in part 1 for
21 multicultural integration funding, the department shall allocate
22 \$500,000.00 to the Jewish federation of metropolitan Detroit. Funds
23 appropriated shall be used to assist low-income individuals achieve
24 self-sufficiency.

25 Sec. 696. From the funds appropriated in part 1, the
26 department shall allocate \$1,000,000.00 to the Chaldean community
27 foundation. This money shall be utilized to provide translation

1 services, health care services, youth tutoring and mentoring
2 programs, and refugee resettlement services.

3 **JUVENILE JUSTICE SERVICES**

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

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

16 Sec. 708. (1) As a condition of receiving funds appropriated
17 in part 1 for the child care fund line item, by December 15 of the
18 current fiscal year, counties shall have an approved service
19 spending plan for the current fiscal year. Counties must submit the
20 service spending plan to the department by October 1 of the current
21 fiscal year for approval. The department shall approve within 30
22 calendar days after receipt a properly completed service plan that
23 complies with the requirements of the social welfare act, 1939 PA
24 280, MCL 400.1 to 400.119b, and shall notify a county within 30
25 days after approval that its service plan was approved.

26 (2) The department shall submit a report to the house and

1 senate appropriations subcommittees on the department budget, the
2 house and senate fiscal agencies, and the house and senate policy
3 offices by February 15 of the current fiscal year on the number of
4 counties that fail to submit a service spending plan by October 1
5 and the number of service spending plans not approved by December
6 15.

7 Sec. 709. (1) The department shall conduct annual financial
8 reviews of the expenditures claimed by the counties in the child
9 care fund and shall not reimburse counties for ineligible claims.

10 (2) The department shall report to the senate and house
11 appropriations subcommittees on the department budget, the senate
12 and house fiscal agencies, the senate and house policy offices, and
13 the state budget office by March 1 of the current fiscal year on
14 the total number of items disallowed in the county child care fund
15 spending plans by county.

16 Sec. 710. (1) The department, in conjunction with members from
17 the department of education, the house and senate appropriations
18 subcommittees on the department budget, and the house and senate
19 appropriations subcommittees on the department of education budget,
20 shall convene a workgroup by October 15 of the current fiscal year
21 to study the feasibility of a public school academy providing a
22 residential program including lodging, meals, and other essential
23 wraparound services for at-risk youth.

24 (2) The workgroup study shall include, but not be limited to,
25 all of the following:

26 (a) Eligibility requirements.

27 (b) Estimated service needs of the youth.

1 (c) Anticipated costs and possible fund sources.

2 (d) Metrics and data needed to determine a successful program.

3 (e) Potential increases in student achievement.

4 (3) By March 15, 2014, the department shall submit to the
5 house and senate appropriations subcommittees on the department
6 budget and the house and senate appropriations subcommittees on the
7 department of education budget a report detailing the workgroup
8 findings.

9 Sec. 711. (1) From the funds appropriated in part 1, the
10 department shall allocate \$250,000.00 to continue an existing
11 contract with a state university or outside research entity to
12 conduct a behavioral health study of juvenile justice facilities
13 operated or contracted for by the state. The study shall utilize
14 diagnostic clinical interviews with and records reviews for a
15 representative random sample of juvenile justice system detainees
16 to develop a report on each of the following:

17 (a) The proportion of juvenile justice detainees with a
18 primary diagnosis of emotional disorder, the percentage of those
19 detainees considered to currently require mental health treatment,
20 and the proportion of those detainees currently receiving mental
21 health services, including a description and breakdown,
22 encompassing, at a minimum, the categories of inpatient,
23 residential, and outpatient care, of the type of mental health
24 services provided to those detainees.

25 (b) The proportion of juvenile justice detainees with a
26 primary diagnosis of addiction disorder, the percentage of those
27 detainees considered to currently require substance abuse

1 treatment, and the proportion of those detainees currently
2 receiving substance abuse services, including a description and
3 breakdown, encompassing, at a minimum, the categories of
4 residential and outpatient care, of the type of substance abuse
5 services provided to those detainees.

6 (c) The proportion of juvenile justice detainees with a dual
7 diagnosis of emotional disorder and addiction disorder, the
8 percentage of those detainees considered to currently require
9 treatment for their condition, and the proportion of those
10 detainees currently receiving that treatment, including a
11 description and breakdown, encompassing, at a minimum, the
12 categories of mental health inpatient, mental health residential,
13 mental health outpatient, substance abuse residential, and
14 substance abuse outpatient, of the type of treatment provided to
15 those detainees.

16 (d) Data indicating whether juvenile justice detainees with a
17 primary diagnosis of emotional disorder, a primary diagnosis of
18 addiction disorder, and a dual diagnosis of emotional disorder and
19 addiction disorder were previously hospitalized in a state
20 psychiatric hospital for persons with mental illness. These data
21 shall be broken down according to each of these 3 respective
22 categories.

23 (e) Data indicating whether and with what frequency juvenile
24 justice detainees with a primary diagnosis of emotional disorder, a
25 primary diagnosis of addiction disorder, and a dual diagnosis of
26 emotional disorder and addiction disorder have been detained
27 previously. These data shall be broken down according to each of

1 these 3 respective categories.

2 (f) Data classifying the types of offenses historically
3 committed by juvenile justice detainees with a primary diagnosis of
4 emotional disorder, a primary diagnosis of addiction disorder, and
5 a dual diagnosis of emotional disorder and addiction disorder.
6 These data shall be broken down according to each of these 3
7 respective categories.

8 (g) Data indicating whether juvenile justice detainees have
9 previously received services managed by a community mental health
10 program or substance abuse coordinating agency. These data shall be
11 broken down according to the respective categories of detainees
12 with a primary diagnosis of emotional disorder, a primary diagnosis
13 of addiction disorder, and a dual diagnosis of emotional disorder
14 and addiction disorder.

15 (2) The report referenced under subsection (1) would be
16 provided not later than June 30 of the current fiscal year to the
17 senate and house appropriations subcommittees on human services,
18 the senate and house fiscal agencies and policy offices, and the
19 state budget director.

20 (3) The department may carry forward any unused portion of the
21 funding allocated in part 1 for the project defined in this section
22 into fiscal year 2014-2015.

23 Sec. 719. The department shall notify the legislature at least
24 30 days before closing or making any change in the status,
25 including the licensed bed capacity and operating bed capacity, of
26 a state juvenile justice facility.

27 Sec. 721. If the demand for placements at state-operated

1 juvenile justice residential facilities exceeds capacity, the
2 department shall not increase the available occupancy or services
3 at the facilities, and shall post a request for proposals for a
4 contract with not less than 1 private provider of residential
5 services for juvenile justice youth to be a residential facility of
6 last resort.

7 **LOCAL OFFICE SERVICES**

8 Sec. 750. The department shall maintain out-stationed
9 eligibility specialists in community-based organizations, community
10 mental health agencies, nursing homes, and hospitals unless a
11 community-based organization, community mental health agency,
12 nursing home, or hospital requests that the program be discontinued
13 at its facility.

14 **CHILD SUPPORT ENFORCEMENT**

15 Sec. 901. (1) The appropriations in part 1 assume a total
16 federal child support incentive payment of \$26,500,000.00.

17 (2) From the federal money received for child support
18 incentive payments, \$12,000,000.00 shall be retained by the state
19 and expended for child support program expenses.

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

24 (4) If the child support incentive payment to the state from
25 the federal government is greater than \$26,500,000.00, then 100% of

1 the excess shall be retained by the state and is appropriated until
2 the total retained by the state reaches \$15,397,400.00.

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

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

11 Sec. 909. (1) If statewide retained child support collections
12 exceed \$38,300,000.00, 75% of the amount in excess of
13 \$38,300,000.00 is appropriated to legal support contracts. This
14 excess appropriation may be distributed to eligible counties to
15 supplement and not supplant county title IV-D funding.

16 (2) Each county whose retained child support collections in
17 the current fiscal year exceed its fiscal year 2004-2005 retained
18 child support collections, excluding tax offset and financial
19 institution data match collections in both the current year and
20 fiscal year 2004-2005, shall receive its proportional share of the
21 75% excess.

22 Sec. 910. (1) If title IV-D-related child support collections
23 are escheated, the state budget director is authorized to adjust
24 the sources of financing for the funds appropriated in part 1 for
25 legal support contracts to reduce federal authorization by 66% of
26 the escheated amount and increase general fund/general purpose
27 authorization by the same amount. This budget adjustment is

1 required to offset the loss of federal revenue due to the escheated
2 amount being counted as title IV-D program income in accordance
3 with federal regulations at 45 CFR 304.50.

4 (2) The department shall notify the chairs of the house and
5 senate appropriations subcommittees on the department budget and
6 the house and senate fiscal agencies within 15 days of the
7 authorization adjustment in subsection (1).

8 INFORMATION TECHNOLOGY

9 Sec. 1001. The department shall reduce the number of computers
10 used by staff and receiving technical support from the department
11 of management, technology, and budget by 3,000 no later than
12 November 1, 2013.

13 COMMUNITY ACTION AND ECONOMIC OPPORTUNITY

14 Sec. 1105. The department shall report to the house and senate
15 appropriations subcommittees on the department budget, the house
16 and senate fiscal agencies, the house and senate policy offices,
17 and the state budget office by February 15 of the current fiscal
18 year on the number of homes, the approximate value of each home,
19 whether the home is a single-family or multifamily home, and the
20 square footage of each home weatherized through the appropriations
21 in section 104 during the preceding quarter of the calendar year.

22 ONE-TIME BASIS ONLY

23 Sec. 1201. From the funds appropriated in part 1, the
24 department shall allocate \$1,500,000.00 for biometric fraud

1 detection technology that will improve the office of inspector
2 general's efforts to reduce waste, fraud, and abuse.

3 PART 2A

4 PROVISIONS CONCERNING ANTICIPATED APPROPRIATIONS

5 FOR FISCAL YEAR 2014-2015

6 GENERAL SECTIONS

7 Sec. 1301. (1) It is the intent of the legislature to provide
8 appropriations for the fiscal year ending on September 30, 2015 for
9 the line items listed in part 1. The fiscal year 2014-2015
10 appropriations are anticipated to be the same as those for fiscal
11 year 2013-2014, except that the line items will be adjusted for
12 changes in caseload and related costs, federal fund match rates,
13 economic factors, and available revenue. These adjustments will be
14 determined after the January 2014 consensus revenue estimating
15 conference.

16 (2) It is the intent of the legislature that the department
17 identify the amounts for normal retirement costs and legacy
18 retirement costs for the fiscal year ending on September 30, 2015
19 for the line items listed in part 1.

20 ARTICLE XI

21 DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES

22 PART 1

23 LINE-ITEM APPROPRIATIONS

24 FOR FISCAL YEAR 2013-2014

1 Sec. 101. The amounts listed in this part are appropriated for
 2 the department of insurance and financial services, subject to the
 3 conditions set forth in this article, for the fiscal year ending
 4 September 30, 2014, from the funds identified in this part. The
 5 following is a summary of the appropriations in this part:

6 **DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES**

7 APPROPRIATION SUMMARY

8	Full-time equated unclassified positions.....	6.0	
9	Full-time equated classified positions.....	337.0	
10	GROSS APPROPRIATION.....		\$ 75,335,500
11	Interdepartmental grant revenues:		
12	Total interdepartmental grants and intradepartmental		
13	transfers		707,600
14	ADJUSTED GROSS APPROPRIATION.....		\$ 74,627,900
15	Federal revenues:		
16	Total federal revenues.....		2,000,000
17	Special revenue funds:		
18	Total other state restricted revenues.....		61,627,900
19	State general fund/general purpose.....		\$ 11,000,000
20	State general fund/general purpose schedule:		
21	Ongoing state general fund/general		
22	purpose	11,000,000	
23	One-time state general fund/general		
24	purpose	0	
25	Sec. 102. DEPARTMENT SERVICES		
26	Full-time equated unclassified positions.....	6.0	

1	Full-time equated classified positions.....	41.0		
2	Unclassified salaries--6.0 FTE positions.....		\$	700,000
3	Executive director programs--4.0 FTE positions.....			615,700
4	Department services--37.0 FTE positions.....			8,168,800
5	Property management.....			792,000
6	Rent.....			258,800
7	Worker's compensation.....			12,700
8	Administrative hearings.....			182,500
9	GROSS APPROPRIATION.....		\$	10,730,500
10	Appropriated from:			
11	Special revenue funds:			
12	Bank fees.....			1,330,000
13	Consumer finance fees.....			632,800
14	Credit union fees.....			1,123,700
15	Deferred presentment service transaction fees.....			500,600
16	Insurance bureau fund.....			3,409,500
17	Insurance continuing education fees.....			221,600
18	Insurance licensing and regulation fees.....			2,827,000
19	MBLSLA fund.....			685,300
20	State general fund/general purpose.....		\$	0
21	Sec. 103. INSURANCE AND FINANCIAL SERVICES			
22	REGULATION			
23	Full-time equated classified positions.....	296.0		
24	Insurance evaluation--54.0 FTE positions.....		\$	13,142,400
25	Insurance rates and forms--30.0 FTE positions.....			5,400,000
26	Financial institutions evaluation--131.0 FTE positions			18,661,000
27	Regulatory compliance, market conduct, and licensing--			

1	58.0 FTE positions	10,150,400
2	Consumer services and protection--23.0 FTE positions .	<u>4,000,000</u>
3	GROSS APPROPRIATION.....	\$ 51,353,800
4	Appropriated from:	
5	Interdepartmental grant revenues:	
6	IDG - LARA, for debt management.....	707,600
7	Federal revenues:	
8	Federal revenues.....	2,000,000
9	Special revenue funds:	
10	Bank fees.....	6,742,300
11	Captive insurance regulatory and supervision fund....	279,400
12	Consumer finance fees.....	4,129,600
13	Credit union fees.....	6,207,500
14	Deferred presentment service transaction fees.....	2,525,100
15	Insurance bureau fund.....	18,964,000
16	Insurance continuing education fees.....	886,300
17	Insurance licensing and regulation fees.....	4,725,600
18	MBLSLA fund.....	4,107,000
19	Multiple employer welfare arrangement.....	79,400
20	State general fund/general purpose.....	\$ 0
21	Sec. 104. INFORMATION TECHNOLOGY	
22	Information technology services and projects.....	<u>\$ 2,251,200</u>
23	GROSS APPROPRIATION.....	\$ 2,251,200
24	Appropriated from:	
25	Special revenue funds:	
26	Bank fees.....	253,800
27	Consumer finance fees.....	35,400

1	Credit union fees.....		251,400
2	Deferred presentment service transaction fees.....		114,100
3	Insurance bureau fund.....		728,800
4	Insurance continuing education fees.....		11,300
5	Insurance licensing and regulation fees.....		752,300
6	MBLSLA fund.....		104,100
7	State general fund/general purpose.....	\$	0
8	Sec. 105. AUTISM COVERAGE		
9	Autism coverage fund.....	\$	<u>11,000,000</u>
10	GROSS APPROPRIATION.....	\$	11,000,000
11	Appropriated from:		
12	State general fund/general purpose.....	\$	11,000,000

PART 2

PROVISIONS CONCERNING APPROPRIATIONS
FOR FISCAL YEAR 2013-2014

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 2013-2014 is \$73,335,500.00 and state spending from state resources to be paid to local units of government for fiscal year 2013-2014 is \$0.00.

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

Sec. 203. As used in this article:

1 (a) "Department" means the department of insurance and
2 financial services.

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

4 (c) "Fiscal agencies" means Michigan house fiscal agency and
5 Michigan senate fiscal agency.

6 (d) "Subcommittees" means all members of the subcommittees of
7 the house and senate appropriations committees with jurisdiction
8 over the budget for the department.

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

15 Sec. 209. Funds appropriated in part 1 shall not be used for
16 the purchase of foreign goods or services, or both, if
17 competitively priced and of comparable quality American goods or
18 services, or both, are available. Preference shall be given to
19 goods or services, or both, manufactured or provided by Michigan
20 businesses, if they are competitively priced and of comparable
21 quality. In addition, preference shall be given to goods or
22 services, or both, that are manufactured or provided by Michigan
23 businesses owned and operated by veterans, if they are
24 competitively priced and of comparable quality.

25 Sec. 210. The director shall take all reasonable steps to
26 ensure businesses in deprived and depressed communities compete for
27 and perform contracts to provide services or supplies, or both. The

1 director shall strongly encourage firms with which the department
2 contracts to subcontract with certified businesses in depressed and
3 deprived communities for services, supplies, or both.

4 Sec. 212. The department and agencies receiving appropriations
5 in part 1 shall receive and retain copies of all reports funded
6 from appropriations in part 1. Federal and state guidelines for
7 short-term and long-term retention of records shall be followed.
8 The department may electronically retain copies or reports unless
9 otherwise required by federal and state guidelines.

10 Sec. 215. The department shall not take disciplinary action
11 against an employee for communicating with a member of the
12 legislature or his or her staff.

13 Sec. 216. Not later than November 30, the state budget office
14 shall prepare and transmit a report that provides for estimates of
15 the total general fund/general purpose appropriation lapses at the
16 close of the prior fiscal year. This report shall summarize the
17 projected year-end general fund/general purpose appropriation
18 lapses by major departmental program or program areas. The report
19 shall be transmitted to the state budget office, the chairpersons
20 of the senate and house appropriations committees, and the senate
21 and house fiscal agencies.

22 Sec. 218. The departments and agencies receiving
23 appropriations in part 1 shall prepare a report on out-of-state
24 travel expenses not later than January 1 of each year. The travel
25 report shall be a listing of all travel by classified and
26 unclassified employees outside this state in the immediately
27 preceding fiscal year that was funded in whole or in part with

1 funds appropriated in the department's budget. The report shall be
2 submitted to the house and senate appropriations committee, the
3 house and senate fiscal agencies, and the state budget director.

4 The report shall include the following information:

5 (a) The dates of each travel occurrence.

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

11 Sec. 219. No later than April 1, the department shall submit
12 to the subcommittees and the fiscal agencies a report pertaining to
13 the following information:

14 (a) The amount, in square footage, of office space paid for
15 with the appropriation in part 1 for both state-owned and leased
16 office space, respectively, during the previous fiscal year.

17 (b) The amount, in square footage, of office space actually
18 utilized by the department for both state-owned and leased office
19 space, respectively, during the previous fiscal year.

20 (c) The amount of office space the department estimates will
21 be utilized during the current and subsequent fiscal years.

22 Sec. 221. Funds appropriated in part 1 shall not be used by a
23 principal executive department, state agency, or authority to hire
24 a person to provide legal services that are the responsibility of
25 the attorney general. This prohibition does not apply to legal
26 services for bonding activities and for those outside services that
27 the attorney general authorizes.

1 Sec. 223. (1) In addition to the funds appropriated in part 1,
2 there is appropriated an amount not to exceed \$1,000,000.00 for
3 federal contingency funds. These funds are not available for
4 expenditure until they have been transferred to another line item
5 in this article under section 393(2) of the management and budget
6 act, 1984 PA 431, MCL 18.1393.

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

13 (3) In addition to the funds appropriated in part 1, there is
14 appropriated an amount not to exceed \$200,000.00 for local
15 contingency funds. These funds are not available for expenditure
16 until they have been transferred to another line item in this
17 article under section 393(2) of the management and budget act, 1984
18 PA 431, MCL 18.1393.

19 (4) In addition to the funds appropriated in part 1, there is
20 appropriated an amount not to exceed \$200,000.00 for private
21 contingency funds. These funds are not available for expenditure
22 until they have been transferred to another line item in this
23 article under section 393(2) of the management and budget act, 1984
24 PA 431, MCL 18.1393.

25 Sec. 228. Unless prohibited by law, the department may accept
26 credit card or other electronic means of payment for licenses,
27 fees, or permits.

1 Sec. 229. The department shall maintain, on a publicly
2 accessible website, a department scorecard that identifies, tracks,
3 and regularly updates key metrics that are used to monitor and
4 improve the department's performance.

5 Sec. 231. The department shall cooperate with the department
6 of technology, management, and budget to maintain a searchable
7 website accessible by the public at no cost that includes, but is
8 not limited to, all of the following for each department or agency:

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

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

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

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

16 (e) Job specifications and wage rates.

17 Sec. 232. The department shall not develop or produce any
18 television or radio productions.

19 Sec. 234. Within 14 days after the release of the executive
20 budget recommendation, the department shall cooperate with the
21 state budget office to provide the senate and house appropriations
22 chairs, the senate and house appropriations subcommittees chairs,
23 and the senate and house fiscal agencies with an annual report on
24 estimated state restricted fund balances, state restricted fund
25 projected revenues, and state restricted fund expenditures for the
26 fiscal years ending September 30, 2013 and September 30, 2014.

27 Sec. 238. No state department or agency shall issue a request

1 for proposal (RFP) for a contract in excess of \$5,000,000.00,
2 unless the department or agency has first considered issuing a
3 request for information (RFI) or a request for qualification (RFQ)
4 relative to that contract to better enable the department or agency
5 to learn more about the market for the products or services that
6 are the subject of the future RFP. The department or agency shall
7 notify the department of technology, management, and budget of the
8 evaluation process used to determine if an RFI or RFQ was not
9 necessary prior to issuing the RFP.

10 Sec. 240. (1) It is the intent of the legislature that
11 departments and agencies receiving appropriations in part 1
12 properly account for their spending and do not use full-time
13 equated positions as placeholders for spending in other parts of
14 their budgets.

15 (2) No later than February 1, the department shall provide a
16 report to the legislature specifying the number of filled, full-
17 time equated positions in pay status within each agency receiving
18 appropriations in part 1 during the immediately preceding fiscal
19 year. When reporting on the number of filled, full-time equated
20 positions in pay status, the department shall provide the maximum
21 number of filled, full-time equated positions in pay status by
22 appropriation line item in the last pay period of each quarter of
23 the immediately preceding fiscal year. The report shall also
24 include a list of all funded, full-time equated positions by
25 position title.

26 **INSURANCE AND FINANCIAL SERVICES REGULATION**

1 Sec. 310. (1) No later than February 1, the department shall
2 submit a report to the subcommittees and the fiscal agencies
3 providing the following information:

4 (a) The amounts expended, by fund source, by the department to
5 support the economic development of the insurance or financial
6 industries during the preceding fiscal year.

7 (b) The number of full-time equated positions utilized by the
8 department to support the economic development of the insurance or
9 financial industries during the preceding fiscal year.

10 (c) A detailed plan for ongoing and future departmental
11 activities to support the economic development of the insurance or
12 financial industries.

13 (2) For purposes of subsection (1), "economic development"
14 includes any activities to encourage, promote, or advocate for the
15 expansion, retention, or attraction of business or nonprofit
16 entities engaged in or involved with the insurance or financial
17 industries.

18 Sec. 341. The department shall not promulgate or adopt a rule
19 more stringent than the applicable federal standard unless
20 specifically authorized by statute.

21 Sec. 391. In addition to the funds appropriated in part 1, the
22 funds collected by the office of financial and insurance regulation
23 in connection with a conservatorship pursuant to section 32 of the
24 mortgage brokers, lenders, and servicers licensing act, 1987 PA
25 173, MCL 445.1682, and funds collected by the department from
26 corporations being liquidated pursuant to the insurance code of
27 1956, 1956 PA 218, MCL 500.100 to 500.8302, shall be appropriated

1 for all expenses necessary to provide for the required services.
2 Funds are available for expenditure when they are received by the
3 department of treasury and shall not lapse to the general fund at
4 the end of the fiscal year.

5 **AUTISM COVERAGE**

6 Sec. 801. Of the amount appropriated in part 1 for the autism
7 coverage fund, \$11,000,000.00 is appropriated and may be expended
8 by the department as provided in the autism coverage reimbursement
9 act, 2012 PA 101, MCL 550.1831 to 550.1841.

10 Sec. 802. (1) From the funds appropriated in part 1, the
11 department shall produce a report that contains all of the
12 following information on the autism coverage program for the fiscal
13 year ending September 30, 2014:

14 (a) The number of reimbursements for diagnosis or treatment in
15 each county.

16 (b) The average cost of a diagnosis reimbursement.

17 (c) The average cost of a treatment reimbursement.

18 (2) By September 30, 2014, the department shall provide the
19 report required under subsection (1) to the house and senate
20 appropriations committees, the fiscal agencies, and the state
21 budget director using all available information at that time.

22

PART 2A

23

PROVISIONS CONCERNING ANTICIPATED APPROPRIATIONS

24

FOR FISCAL YEAR 2014-2015

25

GENERAL SECTIONS

1	Total interdepartmental grants and intradepartmental		
2	transfers		2,350,500
3	ADJUSTED GROSS APPROPRIATION.....	\$	281,063,600
4	Federal revenues:		
5	Total federal revenues.....		5,343,900
6	Special revenue funds:		
7	Total local revenues.....		7,133,100
8	Total private revenues.....		931,500
9	Total other state restricted revenues.....		84,213,800
10	State general fund/general purpose.....	\$	183,441,300
11	State general fund/general purpose schedule:		
12	Ongoing state general fund/general		
13	purpose	178,950,600	
14	One-time state general fund/general		
15	purpose	4,490,700	
16	Sec. 102. SUPREME COURT		
17	Full-time equated exempted positions.....	245.0	
18	Supreme court administration--92.0 FTE positions		\$ 13,101,300
19	Judicial institute--13.0 FTE positions		2,132,900
20	State court administrative office--61.0 FTE positions		11,590,900
21	Judicial information systems--22.0 FTE positions		3,012,000
22	Direct trial court automation support--44.0 FTE		
23	positions		7,133,100
24	Foster care review board--10.0 FTE positions		1,271,000
25	Community dispute resolution--3.0 FTE positions		2,360,600
26	Other federal grants.....		275,100
27	Drug treatment courts.....		9,583,000

1	Mental health courts.....	4,100,000
2	Veterans courts.....	500,000
3	Community court pilot project.....	20,000
4	Swift and sure sanctions program.....	<u>6,000,000</u>
5	GROSS APPROPRIATION.....	\$ 61,079,900
6	Appropriated from:	
7	Interdepartmental grant revenues:	
8	IDG from department of state police.....	1,500,000
9	IDG from department of corrections.....	50,000
10	IDG from state police - Michigan justice training fund	334,500
11	Federal revenues:	
12	DOJ, victims assistance programs.....	55,700
13	DOJ, drug court training and evaluation.....	300,000
14	DOT, national highway traffic safety administration..	818,700
15	HHS, access and visitation grant.....	604,900
16	HHS, children's justice grant.....	226,800
17	HHS, court improvement project.....	1,275,200
18	HHS, title IV-D child support program.....	997,900
19	HHS, title IV-E foster care program.....	381,300
20	Other federal grant revenues.....	275,100
21	Special revenue funds:	
22	Local - user fees.....	7,133,100
23	Private.....	185,900
24	Private - interest on lawyers trust accounts.....	255,700
25	Private - state justice institute.....	408,600
26	Community dispute resolution fund.....	2,360,600
27	Court of appeals filing/motion fees.....	1,641,800

1	Law exam fees.....	628,100
2	Drug court fund.....	1,920,500
3	Miscellaneous revenue.....	268,600
4	Justice system fund.....	560,300
5	State court fund.....	372,700
6	State general fund/general purpose.....	\$ 38,523,900
7	Sec. 103. COURT OF APPEALS	
8	Full-time equated exempted positions.....	175.0
9	Court of appeals operations--175.0 FTE positions.....	\$ <u>22,248,500</u>
10	GROSS APPROPRIATION.....	\$ 22,248,500
11	Appropriated from:	
12	State general fund/general purpose.....	\$ 22,248,500
13	Sec. 104. BRANCHWIDE APPROPRIATIONS	
14	Full-time equated exempted positions.....	4.0
15	Branchwide appropriations--4.0 FTE positions.....	\$ <u>8,621,000</u>
16	GROSS APPROPRIATION.....	\$ 8,621,000
17	Appropriated from:	
18	State general fund/general purpose.....	\$ 8,621,000
19	Sec. 105. JUSTICES' AND JUDGES' COMPENSATION	
20	Full-time judges positions.....	605.0
21	Supreme court justices' salaries--7.0 justices.....	\$ 1,152,300
22	Court of appeals judges' salaries--28.0 judges.....	4,240,300
23	District court judges' state base salaries--249.0	
24	judges.....	23,044,500
25	District court judicial salary standardization.....	11,385,300
26	Probate court judges' state base salaries--103.0	
27	judges.....	9,627,900

1	Probate court judicial salary standardization.....		4,669,600
2	Circuit court judges' state base salaries--218.0		
3	judges		20,534,600
4	Circuit court judicial salary standardization.....		9,967,900
5	Judges' retirement system defined contributions.....		4,185,300
6	OASI, social security.....		<u>5,639,300</u>
7	GROSS APPROPRIATION.....	\$	94,447,000
8	Appropriated from:		
9	Special revenue funds:		
10	Court fee fund.....		2,988,100
11	State general fund/general purpose.....	\$	91,458,900
12	Sec. 106. JUDICIAL AGENCIES		
13	Full-time equated exempted positions..... 7.0		
14	Judicial tenure commission--7.0 FTE positions.....	\$	<u>1,101,700</u>
15	GROSS APPROPRIATION.....	\$	1,101,700
16	Appropriated from:		
17	State general fund/general purpose.....	\$	1,101,700
18	Sec. 107. INDIGENT DEFENSE - CRIMINAL		
19	Full-time equated exempted positions..... 51.0		
20	Appellate public defender program--44.0 FTE positions	\$	6,646,900
21	Appellate assigned counsel administration--7.0 FTE		
22	positions		<u>1,041,300</u>
23	GROSS APPROPRIATION.....	\$	7,688,200
24	Appropriated from:		
25	Interdepartmental grant revenues:		
26	IDG from state police - Michigan justice training fund		466,000
27	Federal revenues:		

1	Other federal grant revenues.....	408,300
2	Special revenue funds:	
3	Private - interest on lawyers trust accounts.....	81,300
4	Miscellaneous revenue.....	131,100
5	State general fund/general purpose.....	\$ 6,601,500
6	Sec. 108. INDIGENT CIVIL LEGAL ASSISTANCE	
7	Indigent civil legal assistance.....	\$ <u>7,937,000</u>
8	GROSS APPROPRIATION.....	\$ 7,937,000
9	Appropriated from:	
10	Special revenue funds:	
11	State court fund.....	7,937,000
12	State general fund/general purpose.....	\$ 0
13	Sec. 109. TRIAL COURT OPERATIONS	
14	Court equity fund reimbursements.....	\$ 60,835,100
15	Judicial technology improvement fund.....	<u>4,815,000</u>
16	GROSS APPROPRIATION.....	\$ 65,650,100
17	Appropriated from:	
18	Special revenue funds:	
19	Court equity fund.....	50,440,000
20	Judicial technology improvement fund.....	4,815,000
21	State general fund/general purpose.....	\$ 10,395,100
22	Sec. 110. GRANTS AND REIMBURSEMENTS TO LOCAL	
23	GOVERNMENT	
24	Drug case-flow program.....	\$ 250,000
25	Drunk driving case-flow program.....	3,300,000
26	Juror compensation reimbursement.....	<u>6,600,000</u>
27	GROSS APPROPRIATION.....	\$ 10,150,000

1	Appropriated from:		
2	Special revenue funds:		
3	Drug fund.....		250,000
4	Drunk driving fund.....		3,300,000
5	Juror compensation fund.....		6,600,000
6	State general fund/general purpose.....	\$	0
7	Sec. 111. ONE-TIME BASIS ONLY APPROPRIATIONS		
8	Full-time equated exempted positions.....	1.0	
9	Trial court performance innovation fund--1.0 FTE		
10	positions	\$	1,000,000
11	MiCS case management system.....		<u>3,490,700</u>
12	GROSS APPROPRIATION.....	\$	4,490,700
13	Appropriated from:		
14	State general fund/general purpose.....	\$	4,490,700

15 PART 2
 16 PROVISIONS CONCERNING APPROPRIATIONS
 17 FOR FISCAL YEAR 2013-2014

18 **GENERAL SECTIONS**

19 Sec. 201. Pursuant to section 30 of article IX of the state
 20 constitution of 1963, total state spending from state resources
 21 under part 1 for fiscal year 2013-2014 is \$267,655,100.00 and state
 22 spending from state resources to be paid to local units of
 23 government for fiscal year 2013-2014 is \$136,975,300.00. The
 24 itemized statement below identifies appropriations from which
 25 spending to local units of government will occur:

1	JUDICIARY		
2	SUPREME COURT		
3	State court administrative office.....	\$	511,900
4	Drug treatment courts.....		9,283,000
5	Mental health courts.....		3,997,600
6	Veterans courts.....		485,000
7	Swift and sure sanctions.....		5,900,000
8	TRIAL COURT OPERATIONS		
9	Court equity fund reimbursements.....	\$	60,835,100
10	Judicial technology improvement fund.....		4,815,000
11	Trial court innovations fund.....		900,000
12	Michigan court system.....		3,490,700
13	JUSTICES' AND JUDGES' COMPENSATION		
14	District court judicial salary standardization.....	\$	11,385,300
15	Probate court judges' state base salaries.....		9,627,900
16	Probate court judicial salary standardization.....		4,669,600
17	Circuit court judicial salary standardization.....		9,967,900
18	Grant to OASI contribution fund, employers share,		
19	social security		956,300
20	GRANTS AND REIMBURSEMENTS TO LOCAL GOVERNMENT		
21	Drunk driving case-flow program.....	\$	3,300,000
22	Drug case-flow program.....		250,000
23	Juror compensation reimbursement.....		<u>6,600,000</u>
24	TOTAL.....	\$	136,975,300

25 Sec. 202. (1) The appropriations authorized under this article
26 are subject to the management and budget act, 1984 PA 431, MCL
27 18.1101 to 18.1594.

1 (2) Funds appropriated in part 1 to an entity within the
2 judicial branch shall not be expended or transferred to another
3 account without written approval of the authorized agent of the
4 judicial entity. If the authorized agent of the judicial entity
5 notifies the state budget director of its approval of an
6 expenditure or transfer, the state budget director shall
7 immediately make the expenditure or transfer. The authorized
8 judicial entity agent shall be designated by the chief justice of
9 the supreme court.

10 Sec. 203. As used in this article:

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

12 (b) "DOT" means the United States department of
13 transportation.

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

15 (d) "HHS" means the United States department of health and
16 human services.

17 (e) "IDG" means interdepartmental grant.

18 (f) "OASI" means old age survivor's insurance.

19 Sec. 204. The judicial branch shall not take disciplinary
20 action against an employee for communicating with a member of the
21 legislature or his or her staff.

22 Sec. 208. The reporting requirements of this article shall be
23 completed with the approval of, and at the direction of, the
24 supreme court, except as otherwise provided in this article. The
25 judicial branch shall use the Internet to fulfill the reporting
26 requirements of this article. This may include transmission of
27 reports via electronic mail to the recipients identified for each

1 reporting requirement, or it may include placement of reports on an
2 Internet or Intranet site.

3 Sec. 212. The judicial branch shall receive and retain copies
4 of all reports funded from appropriations in part 1. Federal and
5 state guidelines for short-term and long-term retention of records
6 shall be followed. The judicial branch may electronically retain
7 copies of reports unless otherwise required by federal and state
8 guidelines.

9 Sec. 214. Funds appropriated in part 1 shall not be used for
10 the purchase of foreign goods or services, or both, if
11 competitively priced and of comparable quality American goods or
12 services, or both, are available. Preference shall be given to
13 goods or services, or both, manufactured or provided by Michigan
14 businesses, if they are competitively priced and of comparable
15 quality. In addition, preference shall be given to goods or
16 services, or both, that are manufactured or provided by Michigan
17 businesses owned and operated by veterans, if they are
18 competitively priced and of comparable quality.

19 Sec. 215. Not later than January 1 of each year, the state
20 court administrative office shall prepare a travel report listing
21 all travel by judicial branch employees outside this state in the
22 immediately preceding fiscal year that was funded in whole or in
23 part with funds appropriated in the budget for the judicial branch.
24 The report shall be submitted to the senate and house of
25 representatives standing committees on appropriations, the senate
26 and house fiscal agencies, and the state budget director. The
27 report shall include the following information:

1 (a) The dates of each travel occurrence.

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

7 Sec. 219. Not later than November 30, the state budget office
8 shall prepare and transmit a report that provides for estimates of
9 the total general fund/general purpose appropriation lapses at the
10 close of the prior fiscal year. This report shall summarize the
11 projected year-end general fund/general purpose appropriation
12 lapses by major program or program areas. The report shall be
13 transmitted to the chairpersons of the senate and house
14 appropriations committees and the senate and house fiscal agencies.

15 Sec. 221. From the funds appropriated in part 1, the judicial
16 branch shall develop, post, and maintain, on a user-friendly and
17 publicly accessible Internet site, all expenditures made by the
18 judicial branch within a fiscal year. The posting shall include the
19 purpose for which each expenditure is made. The judicial branch
20 shall not provide financial information on its website under this
21 section if doing so would violate a federal or state law, rule,
22 regulation, or guideline that establishes privacy or security
23 standards applicable to that financial information.

24 Sec. 222. Within 14 days after the release of the executive
25 budget recommendation, the judicial branch shall cooperate with the
26 state budget office to provide the senate and house appropriations
27 chairs, the senate and house appropriations subcommittee chairs,

1 and the senate and house fiscal agencies with an annual report on
2 estimated state restricted fund balances, state restricted fund
3 projected revenues, and state restricted fund expenditures for the
4 fiscal years ending September 30, 2013 and September 30, 2014.

5 Sec. 223. The judiciary shall maintain, on a publicly
6 accessible website, a scorecard that identifies, tracks, and
7 regularly updates key metrics that are used to monitor and improve
8 the judiciary's performance.

9 JUDICIAL BRANCH

10 Sec. 301. Pursuant to the appropriations in part 1, the direct
11 trial court automation support program of the state court
12 administrative office shall recover direct and overhead costs from
13 trial courts by charging for services rendered. The fee shall cover
14 the actual costs incurred to the direct trial court automation
15 support program in providing the service, including development of
16 future versions of case management systems.

17 Sec. 302. Funds appropriated within the judicial branch shall
18 not be expended by any component within the judicial branch without
19 the approval of the supreme court.

20 Sec. 303. Of the amount appropriated in part 1 for the
21 judicial branch, \$325,000.00 is allocated for circuit court
22 reimbursement under section 3 of 1978 PA 16, MCL 800.453, and
23 \$186,900.00 is allocated for court of claims reimbursement under
24 section 6413 of the revised judicature act of 1961, 1961 PA 236,
25 MCL 600.6413.

26 Sec. 306. The supreme court and the state court administrative

1 office shall continue to maintain, as a priority, the assisting of
2 local trial courts in improving the collection of judgments.

3 Sec. 308. If sufficient funds are not available from the court
4 fee fund to pay judges' compensation, the difference between the
5 appropriated amount from that fund for judges' compensation and the
6 actual amount available after the amount appropriated for trial
7 court reimbursement is made shall be appropriated from the state
8 general fund for judges' compensation.

9 Sec. 309. By April 1, the state court administrative office
10 shall provide an update on the status of the mental health courts
11 to the state budget director, the senate and house appropriations
12 subcommittees on the judiciary, and the senate and house fiscal
13 agencies.

14 Sec. 310. From the funds appropriated in part 1 for drug
15 treatment court programs, with the approval of and at the
16 discretion of the supreme court, the state court administrative
17 office shall evaluate and collect data on the performance of drug
18 treatment court programs. The state court administrative office
19 shall provide an annual review of the performance of drug courts as
20 prescribed in section 1078(6) of the revised judicature act of
21 1961, 1961 PA 236, MCL 600.1078. Both of the following apply to
22 that annual review:

23 (a) It shall include measures of the impact of drug court
24 programs in changing offender criminal involvement (recidivism) and
25 substance abuse and in reducing prison admissions.

26 (b) It shall be completed no later than April 1 of each year
27 and shall also be provided to the senate and house appropriations

1 subcommittees on the judiciary, the senate and house fiscal
2 agencies, and the state budget director.

3 Sec. 311. (1) The funds appropriated in part 1 for drug
4 treatment courts shall be administered by the state court
5 administrative office to operate drug treatment court programs. A
6 drug treatment court shall be responsible for handling cases
7 involving substance abusing nonviolent offenders through
8 comprehensive supervision, testing, treatment services, and
9 immediate sanctions and incentives. A drug treatment court shall
10 use all available county and state personnel involved in the
11 disposition of cases including, but not limited to, parole and
12 probation agents, prosecuting attorneys, defense attorneys, and
13 community corrections providers. The funds may be used in
14 connection with other federal, state, and local funding sources.

15 (2) From the funds appropriated in part 1, the chief justice
16 shall allocate sufficient funds for the judicial institute to
17 provide in-state training for those identified in subsection (1),
18 including training for new drug treatment court judges.

19 (3) For drug treatment court grants, consideration for
20 priority may be given to those courts where higher instances of
21 substance abuse cases are filed.

22 (4) The judiciary shall receive \$1,500,000.00 in Byrne formula
23 grant funding as an interdepartmental grant from the department of
24 state police to be used for expansion of drug treatment courts, to
25 assist in avoiding prison bed space growth for nonviolent offenders
26 in collaboration with the department of corrections.

27 Sec. 312. From the funds appropriated in part 1, the state

1 court administrator shall produce a statistical report regarding
2 the implementation of the parental rights restoration act, 1990 PA
3 211, MCL 722.901 to 722.908, as it pertains to minors seeking a
4 court-issued waiver of parental consent. The state court
5 administrative office shall report the total number of petitions
6 filed and the total number of petitions granted in accordance with
7 section 208.

8 Sec. 317. Funds appropriated in part 1 shall not be used for
9 the permanent assignment of state-owned vehicles to justices or
10 judges or any other judicial branch employee. This section does not
11 preclude the use of state-owned motor pool vehicles for state
12 business in accordance with approved guidelines.

13 Sec. 318. The funds appropriated in part 1 for the community
14 court pilot project shall be used for the purposes of administering
15 a pilot program of neighborhood-focused community courts. The state
16 court administrative office shall work collaboratively with the
17 designated courts when establishing the community courts.

18 Sec. 320. (1) From the funds appropriated in part 1 for the
19 swift and sure sanctions program, the state court administrative
20 office shall administer a program to distribute grants to
21 qualifying courts in accordance with the objectives and
22 requirements of the probation swift and sure sanctions act. Of the
23 \$6,000,000.00 designated for the program, not more than \$100,000.00
24 shall be available to the state court administrative office to pay
25 for employee costs associated with the administration of the
26 program funds. Courts interested in participating in the swift-and-
27 sure sanctions program may apply to the state court administrative

1 office for a portion of the funds appropriated in part 1 under this
2 section.

3 (2) By April 1, a court that receives funding under this
4 section shall provide a report on the program to the state budget
5 director, the senate and house appropriations subcommittees on the
6 judiciary, and the senate and house fiscal agencies. The report
7 shall include all of the following:

8 (a) The number of offenders who participate in the program.

9 (b) The criminal history of offenders who participate in the
10 program.

11 (c) The recidivism rate of offenders who participate in the
12 program, including the rate of return to jail, prison, or both.

13 (d) A detailed description of the establishment and parameters
14 of the program.

15 (3) As used in this section, "program" means a swift-and-sure
16 sanctions program.

17 Sec. 321. It is the intent of the legislature that the
18 judicial branch support a statewide legal self-help Internet
19 website and local nonprofit self-help centers that use the
20 statewide website to provide assistance to individuals representing
21 themselves in civil legal proceedings. The state court
22 administrative office shall evaluate the effectiveness of the
23 website, summarize the costs of maintaining the website, estimate
24 the savings the website generates for the state court system, and
25 report this information to the legislature.

26 Sec. 322. If Byrne formula grant funding is awarded to the
27 state appellate defender, the state appellate defender office may

1 year 2013-2014, except that the line items will be adjusted for
2 changes in caseload and related costs, federal fund match rates,
3 economic factors, and available revenue. These adjustments will be
4 determined after the January 2014 consensus revenue estimating
5 conference.

6 Sec. 1202. It is the intent of the legislature that the
7 judicial branch identify the amounts for normal retirement costs
8 and legacy retirement costs for the fiscal year ending on September
9 30, 2015 for the line items listed in part 1.

10 ARTICLE XIII

11 DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS

12 PART 1

13 LINE-ITEM APPROPRIATIONS

14 FOR FISCAL YEAR 2013-2014

15 Sec. 101. The amounts listed in this part are appropriated for
16 the department of licensing and regulatory affairs, subject to the
17 conditions set forth in this article, for the fiscal year ending
18 September 30, 2014, from the funds identified in this part. The
19 following is a summary of the appropriations in this part:

20 **DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS**

21 APPROPRIATION SUMMARY

22	Full-time equated unclassified positions.....	57.5	
23	Full-time equated classified positions.....	2,913.0	
24	GROSS APPROPRIATION.....		\$ 502,918,700
25	Interdepartmental grant revenues:		

1	Total interdepartmental grants and intradepartmental		
2	transfers		14,228,200
3	ADJUSTED GROSS APPROPRIATION.....	\$	488,690,500
4	Federal revenues:		
5	Total federal revenues.....		195,559,900
6	Special revenue funds:		
7	Total local revenues.....		656,500
8	Total private revenues.....		2,011,800
9	Total other state restricted revenues.....		265,457,400
10	State general fund/general purpose.....	\$	25,004,900
11	State general fund/general purpose schedule:		
12	Ongoing state general fund/general		
13	purpose	22,864,600	
14	One-time state general fund/general		
15	purpose	2,140,300	
16	Sec. 102. DEPARTMENTAL ADMINISTRATION		
17	Full-time equated unclassified positions.....	57.5	
18	Full-time equated classified positions.....	124.0	
19	Unclassified salaries--57.5 FTE positions.....	\$	4,652,400
20	Executive director programs--33.0 FTE positions.....		4,704,300
21	Administrative services--87.0 FTE positions.....		8,725,000
22	Office of regulatory reinvention--4.0 FTE positions..		477,000
23	Property management.....		10,007,300
24	Rent.....		7,673,600
25	Worker's compensation.....		612,300
26	Special project advances.....		200,000
27	GROSS APPROPRIATION.....	\$	37,051,900

1	Appropriated from:	
2	Federal revenues:	
3	DOL, multiple grants for safety and health.....	891,600
4	DOL-ETA, unemployment insurance.....	10,126,600
5	Federal revenues.....	834,000
6	Title XVIII Medicare.....	452,000
7	Title XIX Medicaid.....	21,700
8	Title XIX Medicaid, facility certification fees.....	272,700
9	Special revenue funds:	
10	Local revenues.....	127,500
11	Private - special project advances.....	200,000
12	Aboveground storage tank fees.....	56,100
13	Accountancy enforcement fund.....	25,000
14	Boiler fee revenue.....	254,700
15	Builder enforcement fund.....	56,900
16	Construction code fund.....	1,401,400
17	Contingent fund, regular penalty and interest.....	39,900
18	Corporation fees.....	4,101,300
19	Elevator fees.....	276,500
20	Fees and collections/asbestos.....	104,200
21	Fire service fees.....	621,900
22	Health professions regulatory fund.....	1,491,700
23	Health systems fees.....	208,800
24	Licensing and regulation fees.....	1,113,400
25	Liquor purchase revolving fund.....	4,437,300
26	Michigan medical marihuana fund.....	214,600
27	Mobile home code fund.....	344,400

1	Motor carrier fees.....	221,100
2	Private occupational school license fees.....	39,000
3	Public utility assessments.....	2,405,300
4	Radiological health fees.....	95,600
5	Safety education and training fund.....	839,100
6	Second injury fund.....	264,500
7	Securities fees.....	3,159,800
8	Self-insurers security fund.....	97,300
9	Silicosis and dust disease fund.....	118,900
10	Survey and remonumentation fund.....	53,000
11	Tax tribunal fund.....	1,038,200
12	Video franchise assessments.....	4,000
13	Worker's compensation administrative revolving fund..	100,000
14	State general fund/general purpose.....	\$ 941,900
15	Sec. 103. PUBLIC SERVICE COMMISSION	
16	Full-time equated classified positions.....	193.0
17	Public service commission--190.0 FTE positions.....	\$ 30,219,900
18	METRO authority--3.0 FTE positions.....	<u>377,200</u>
19	GROSS APPROPRIATION.....	\$ 30,597,100
20	Appropriated from:	
21	Federal revenues:	
22	DOE-OEERE, multiple grants.....	56,700
23	DOT, gas pipeline safety.....	1,188,700
24	Special revenue funds:	
25	Children's protection registry fund.....	272,600
26	Motor carrier fees.....	2,520,300
27	Public utility assessments.....	25,623,300

1	Restructuring mechanism assessments		535,500
2	Video franchise assessments		400,000
3	State general fund/general purpose	\$	0
4	Sec. 104. LIQUOR CONTROL COMMISSION		
5	Full-time equated classified positions.....	152.0	
6	Management support services--28.0 FTE positions		\$ 4,508,500
7	Liquor licensing and enforcement--124.0 FTE positions		<u>14,909,900</u>
8	GROSS APPROPRIATION		\$ 19,418,400
9	Appropriated from:		
10	Special revenue funds:		
11	Direct shipper enforcement revolving fund		123,100
12	Liquor license revenue		7,710,000
13	Liquor purchase revolving fund		11,585,300
14	State general fund/general purpose		\$ 0
15	Sec. 105. OCCUPATIONAL REGULATION		
16	Full-time equated classified positions.....	872.0	
17	Boiler inspection program--23.0 FTE positions		\$ 3,241,300
18	Bureau of fire services--97.0 FTE positions		12,031,800
19	Bureau of construction codes--104.7 FTE positions		8,933,700
20	Corporations, securities, and commercial licensing		
21	bureau--192.0 FTE positions		26,560,800
22	Elevator inspection program--30.0 FTE positions		3,645,700
23	Health professions regulation--151.0 FTE positions ...		27,472,300
24	Medical marihuana program--9.0 FTE positions		4,200,000
25	Health systems regulation--211.4 FTE positions		27,825,600
26	Radiological health administration--21.4 FTE positions		3,417,000
27	Background check program--5.5 FTE positions		2,615,100

1	Manufactured housing and land resources program--18.0	
2	FTE positions	2,947,200
3	Property development group--9.0 FTE positions	<u>1,823,700</u>
4	GROSS APPROPRIATION.....	\$ 124,714,200
5	Appropriated from:	
6	Interdepartmental grant revenues:	
7	IDG-DCH, inspection contract.....	100,000
8	Federal revenues:	
9	Clinical lab improvement.....	395,000
10	DOT.....	60,000
11	Federal revenues.....	1,255,300
12	FEMA.....	28,000
13	Mammography quality standards.....	760,400
14	Title XVIII Medicare.....	11,615,200
15	Title XIX Medicaid.....	718,000
16	Title XIX Medicaid, facility certification fees.....	7,466,600
17	Special revenue funds:	
18	Private - civil monetary penalties.....	200,000
19	Aboveground storage tank fees.....	441,100
20	Accountancy enforcement fund.....	404,800
21	Boiler fee revenue.....	3,719,000
22	Builder enforcement fund.....	461,000
23	Construction code fund.....	7,272,400
24	Corporation fees.....	6,846,700
25	Elevator fees.....	4,069,300
26	Fire alarm fees.....	125,400
27	Fire safety standard and enforcement fund.....	40,000

1	Fire service fees.....	2,419,400
2	Fireworks safety fund.....	673,700
3	Health professions regulatory fund.....	23,326,800
4	Health systems fees.....	3,300,200
5	Licensing and regulation fees.....	11,268,800
6	Liquor purchase revolving fund.....	3,110,800
7	Michigan medical marihuana fund.....	4,200,000
8	Mobile home code fund.....	2,947,200
9	Nurse professional fund.....	1,923,600
10	Pain management fees.....	1,808,500
11	Private occupational school license fees.....	809,400
12	Property development fees.....	318,100
13	Radiological health fees.....	2,656,600
14	Real estate appraiser continuing education fund.....	57,200
15	Real estate education fund.....	338,100
16	Real estate enforcement fund.....	694,300
17	Securities fees.....	4,881,000
18	Securities investor education and training fund.....	1,000,000
19	Security business fund.....	340,100
20	Survey and remonumentation fund.....	830,100
21	Unarmed combat fund.....	134,900
22	Underground storage tank fees.....	2,484,700
23	State general fund/general purpose.....	\$ 9,212,500
24	Sec. 106. MICHIGAN OCCUPATIONAL SAFETY AND HEALTH	
25	ADMINISTRATION	
26	Full-time equated classified positions.....	249.0
27	Occupational safety and health--217.0 FTE positions ..	\$ 28,325,100

1	Wage and hour division--32.0 FTE positions		<u>3,615,300</u>
2	GROSS APPROPRIATION.....	\$	31,940,400
3	Appropriated from:		
4	Federal revenues:		
5	DOL, multiple grants for safety and health.....		11,722,600
6	Special revenue funds:		
7	Corporation fees.....		4,359,200
8	Fees and collections/asbestos.....		1,010,400
9	Safety education and training fund.....		9,284,000
10	Securities fees.....		3,432,200
11	State general fund/general purpose.....	\$	2,132,000
12	Sec. 107. EMPLOYMENT SERVICES		
13	Full-time equated classified positions..... 1,086.0		
14	Worker's compensation agency--64.0 FTE positions	\$	7,680,700
15	Insurance funds administration--25.0 FTE positions ...		5,202,500
16	Compensation supplement fund.....		820,000
17	Unemployment insurance agency--792.7 FTE positions ...		89,303,000
18	Advocacy assistance program.....		1,500,000
19	Special audit and collections program--34.0 FTE		
20	positions		3,374,300
21	Training program for agency staff--2.1 FTE positions .		1,850,600
22	Expanded fraud control program--33.2 FTE positions ...		3,974,100
23	Bureau of services for blind persons--113.0 FTE		
24	positions		23,725,200
25	Employment and labor relations--22.0 FTE positions ...		<u>4,125,800</u>
26	GROSS APPROPRIATION.....	\$	141,556,200
27	Appropriated from:		

1	Federal revenues:		
2	DOL-ETA, employment and training administration.....		828,900
3	DOL-ETA, unemployment insurance.....		92,858,400
4	Federal revenues.....		17,133,400
5	Special revenue funds:		
6	Local revenues.....		529,000
7	Private revenues.....		111,800
8	Contingent fund, regular penalty and interest.....		5,314,700
9	Corporation fees.....		1,758,000
10	Michigan commission for the blind business enterprise		
11	program fund.....		562,000
12	Second injury fund.....		2,800,700
13	Securities fees.....		5,012,800
14	Self-insurers security fund.....		1,324,100
15	Silicosis and dust disease fund.....		1,077,700
16	Special fraud control fund.....		1,000,000
17	Worker's compensation administrative revolving fund..		2,438,000
18	State general fund/general purpose.....	\$	8,806,700
19	Sec. 108. MICHIGAN ADMINISTRATIVE HEARING SYSTEM		
20	Full-time equated classified positions.....	237.0	
21	Michigan administrative hearing system--209.0 FTE		
22	positions.....		\$ 36,803,900
23	Michigan compensation appellate commission--28.0 FTE		
24	positions.....		<u>4,386,000</u>
25	GROSS APPROPRIATION.....	\$	41,189,900
26	Appropriated from:		
27	Interdepartmental grant revenues:		

1	IDG - administrative hearings and rules	14,128,200
2	Federal revenues:	
3	DOL-ETA, unemployment insurance	4,064,600
4	Federal revenue - administrative hearings and rules ..	9,154,300
5	Special revenue funds:	
6	State restricted revenue - administrative hearings and	
7	rules	12,508,700
8	Worker's compensation administrative revolving fund ..	321,400
9	State general fund/general purpose	\$ 1,012,700
10	Sec. 109. INFORMATION TECHNOLOGY	
11	Information technology services and projects	\$ 41,392,800
12	Liquor control commission IT upgrades	<u>2,000,000</u>
13	GROSS APPROPRIATION	\$ 43,392,800
14	Appropriated from:	
15	Federal revenues:	
16	DOL, multiple grants for safety and health	273,700
17	DOL-ETA, unemployment insurance	21,896,500
18	Federal revenues	555,000
19	Title XVIII Medicare	610,000
20	Title XIX Medicaid, facility certification fees	320,000
21	Special revenue funds:	
22	Aboveground storage tank fees	24,500
23	Boiler fee revenue	291,800
24	Construction code fund	1,182,700
25	Corporation fees	4,868,000
26	Elevator fees	304,600
27	Fees and collections/asbestos	45,300

1	Fire service fees.....		289,800
2	Health professions regulatory fund.....		1,157,700
3	Health systems fees.....		217,900
4	Licensing and regulation fees.....		1,802,400
5	Liquor purchase revolving fund.....		4,873,600
6	Mobile home code fund.....		256,500
7	Motor carrier fees.....		191,300
8	Pain management fees.....		171,300
9	Public utility assessments.....		1,550,800
10	Radiological health fees.....		140,000
11	Safety education and training fund.....		678,400
12	Second injury fund.....		158,900
13	Securities fees.....		973,900
14	Self-insurers security fund.....		80,800
15	Silicosis and dust disease fund.....		70,800
16	Tax tribunal fund.....		210,000
17	Underground storage tank fees.....		131,400
18	State general fund/general purpose.....	\$	65,200
19	Sec. 110. DEPARTMENT GRANTS		
20	Fire protection grants.....	\$	9,273,900
21	Fireworks safety grants.....		1,000,000
22	Liquor law enforcement grants.....		7,200,000
23	Medical marihuana operation and oversight grants.....		3,000,000
24	Remonumentation grants.....		7,300,000
25	Private grant programs.....		1,500,000
26	Subregional libraries state aid.....		451,800
27	Utility consumer representation.....		950,000

1	Youth low-vision program.....		<u>241,800</u>
2	GROSS APPROPRIATION.....	\$	30,917,500
3	Appropriated from:		
4	Federal revenues:		
5	Special revenue funds:		
6	Private revenues.....		1,500,000
7	Fire protection fund.....		8,500,000
8	Fireworks safety fund.....		1,000,000
9	Liquor license revenue.....		7,200,000
10	Liquor purchase revolving fund.....		773,900
11	Michigan medical marihuana fund.....		3,000,000
12	Survey and remonumentation fund.....		7,300,000
13	Utility consumer representation fund.....		950,000
14	State general fund/general purpose.....	\$	693,600
15	Sec. 111. ONE-TIME BASIS ONLY		
16	Nursing home survey IT system.....	\$	<u>2,140,300</u>
17	GROSS APPROPRIATION.....	\$	2,140,300
18	Appropriated from:		
19	State general fund/general purpose.....	\$	2,140,300

20 PART 2
 21 PROVISIONS CONCERNING APPROPRIATIONS
 22 FOR FISCAL YEAR 2013-2014

23 **GENERAL SECTIONS**

24 Sec. 201. Pursuant to section 30 of article IX of the state
 25 constitution of 1963, total state spending from state resources

1 under part 1 for fiscal year 2013-2014 is \$290,462,300.00 and state
 2 spending from state resources to be paid to local units of
 3 government for fiscal year 2013-2014 is \$29,417,500.00. The
 4 itemized statement below identifies appropriations from which
 5 spending to local units of government will occur:

6 DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS

7	Fire protection grants.....	\$	9,273,900
8	Fireworks safety grants.....		1,000,000
9	Liquor law enforcement.....		7,200,000
10	Medical marihuana operation and oversight grants.....		3,000,000
11	Remonumentation grants.....		7,300,000
12	Subregional libraries state aid.....		451,800
13	Utility consumer representation.....		950,000
14	Youth low-vision program.....		<u>241,800</u>
15	Total department of licensing and regulatory		
16	affairs	\$	29,417,500

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

20 Sec. 203. As used in this article:

21 (a) "Department" means the department of licensing and
 22 regulatory affairs.

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

24 (c) "DOL" means the United States department of labor.

25 (d) "Fiscal agencies" means Michigan house fiscal agency and
 26 Michigan senate fiscal agency.

27 (e) "MAHS" means Michigan administrative hearing system.

1 (f) "MARVIN" means Michigan's automated response voice
2 interactive network.

3 (g) "Subcommittees" means all members of the subcommittees of
4 the house and senate appropriations committees with jurisdiction
5 over the budget for the department.

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

12 Sec. 209. Funds appropriated in part 1 shall not be used for
13 the purchase of foreign goods or services, or both, if
14 competitively priced and of comparable quality American goods or
15 services, or both, are available. Preference shall be given to
16 goods or services, or both, manufactured or provided by Michigan
17 businesses, if they are competitively priced and of comparable
18 quality. In addition, preference shall be given to goods or
19 services, or both, that are manufactured or provided by Michigan
20 businesses owned and operated by veterans, if they are
21 competitively priced and of comparable quality.

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

1 Sec. 211. The funds appropriated in part 1 for liquor control
2 commission information technology are designated as work project
3 appropriations and shall not lapse at the end of the fiscal year.
4 Any unencumbered and unexpended funds shall continue to be
5 available for expenditure until the project has been completed.
6 Additional appropriations in future budgets are anticipated to
7 complete the work project within an estimated 5 years.

8 Sec. 212. The department and agencies receiving appropriations
9 in part 1 shall receive and retain copies of all reports funded
10 from appropriations in part 1. Federal and state guidelines for
11 short-term and long-term retention of records shall be followed.
12 The department may electronically retain copies or reports unless
13 otherwise required by federal and state guidelines.

14 Sec. 215. The department shall not take disciplinary action
15 against an employee for communicating with a member of the
16 legislature or his or her staff.

17 Sec. 216. Not later than November 30, the state budget office
18 shall prepare and transmit a report that provides for estimates of
19 the total general fund/general purpose appropriation lapses at the
20 close of the prior fiscal year. This report shall summarize the
21 projected year-end general fund/general purpose appropriation
22 lapses by major departmental program or program areas. The report
23 shall be transmitted to the state budget office, the chairpersons
24 of the senate and house appropriations committees, and the senate
25 and house fiscal agencies.

26 Sec. 218. The departments and agencies receiving
27 appropriations in part 1 shall prepare a report on out-of-state

1 travel expenses not later than January 1 of each year. The travel
2 report shall be a listing of all travel by classified and
3 unclassified employees outside this state in the immediately
4 preceding fiscal year that was funded in whole or in part with
5 funds appropriated in the department's budget. The report shall be
6 submitted to the house and senate appropriations committee, the
7 house and senate fiscal agencies, and the state budget director.
8 The report shall include the following information:

9 (a) The dates of each travel occurrence.

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

15 Sec. 219. No later than April 1, the department shall submit
16 to the subcommittees and the fiscal agencies a report pertaining to
17 the following information:

18 (a) The amount, in square footage, of office space paid for
19 with the appropriation in part 1 for both state-owned and leased
20 office space, respectively, during the previous fiscal year.

21 (b) The amount, in square footage, of office space actually
22 utilized by the department for both state-owned and leased office
23 space, respectively, during the previous fiscal year.

24 (c) The amount of office space the department estimates will
25 be utilized during the current and subsequent fiscal years.

26 Sec. 220. The department may carry into the succeeding fiscal
27 year unexpended federal pass-through funds to local institutions

1 and governments that do not require additional state matching
2 funds. Federal pass-through funds to local institutions and
3 governments that are received in amounts in addition to those
4 included in part 1 and that do not require additional state
5 matching funds are appropriated for the purposes intended. Within
6 14 days after the receipt of federal pass-through funds, the
7 department shall notify the house and senate chairpersons of the
8 subcommittees, the fiscal agencies, and the state budget director
9 of pass-through funds appropriated under this section.

10 Sec. 221. Funds appropriated in part 1 shall not be used by a
11 principal executive department, state agency, or authority to hire
12 a person to provide legal services that are the responsibility of
13 the attorney general. This prohibition does not apply to legal
14 services for bonding activities and for those outside services that
15 the attorney general authorizes.

16 Sec. 223. (1) In addition to the funds appropriated in part 1,
17 there is appropriated an amount not to exceed \$19,000,000.00 for
18 federal contingency funds. These funds are not available for
19 expenditure until they have been transferred to another line item
20 in this article under section 393(2) of the management and budget
21 act, 1984 PA 431, MCL 18.1393.

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

1 (3) In addition to the funds appropriated in part 1, there is
2 appropriated an amount not to exceed \$7,800,000.00 for local
3 contingency funds. These funds are not available for expenditure
4 until they have been transferred to another line item in this
5 article under section 393(2) of the management and budget act, 1984
6 PA 431, MCL 18.1393.

7 (4) In addition to the funds appropriated in part 1, there is
8 appropriated an amount not to exceed \$400,000.00 for private
9 contingency funds. These funds are not available for expenditure
10 until they have been transferred to another line item in this
11 article under section 393(2) of the management and budget act, 1984
12 PA 431, MCL 18.1393.

13 Sec. 225. Within 10 days after the receipt of a grant
14 appropriated in the private grant funded projects line item in part
15 1, the department shall notify the house and senate chairpersons of
16 the subcommittees, the fiscal agencies, and the state budget
17 director of the receipt of the grant, including the funding source,
18 purpose, and amount of the grant.

19 Sec. 227. (1) The department shall sell documents at a price
20 not to exceed the cost of production and distribution. Money
21 received from the sale of these documents shall revert to the
22 department. In addition to the funds appropriated in part 1, these
23 funds are available for expenditure when they are received by the
24 department of treasury. This subsection applies only for the
25 following documents:

26 (a) Corporation and securities division documents, reports,
27 and papers required or permitted by law pursuant to section 1060(5)

1 of the business corporation act, 1972 PA 284, MCL 450.2060.

2 (b) The subdivision control manual, the state boundary
3 commission operations manual, and other local government assistance
4 manuals.

5 (c) The Michigan liquor control code of 1998, 1998 PA 58, MCL
6 436.1101 to 436.2303.

7 (d) The mobile home commission act, 1987 PA 96, MCL 125.2301
8 to 125.2349; the business corporation act, 1972 PA 284, MCL
9 450.1101 to 450.2098; the nonprofit corporation act, 1982 PA 162,
10 MCL 450.2101 to 450.3192; and the uniform securities act (2002),
11 2008 PA 551, MCL 451.2101 to 451.2703.

12 (e) Worker's compensation health care services rules.

13 (f) Construction code manuals.

14 (g) Copies of transcripts from administrative law hearings.

15 (2) In addition to the funds appropriated in part 1, funds
16 collected by the department under sections 55, 57, 58, and 59 of
17 the administrative procedures act of 1969, 1969 PA 306, MCL 24.255,
18 24.257, 24.258, and 24.259, and section 203 of the legislative
19 council act, 1986 PA 268, MCL 4.1203, are appropriated for all
20 expenses necessary to provide for the cost of publication and
21 distribution. The funds appropriated under this section are
22 allotted for expenditure when they are received by the department
23 of treasury and shall not lapse to the general fund at the end of
24 the fiscal year.

25 Sec. 228. Unless prohibited by law, the department may accept
26 credit card or other electronic means of payment for licenses,
27 fees, or permits.

1 Sec. 229. The department shall maintain, on a publicly
2 accessible website, a department scorecard that identifies, tracks,
3 and regularly updates key metrics that are used to monitor and
4 improve the department's performance.

5 Sec. 231. The department shall cooperate with the department
6 of technology, management, and budget to maintain a searchable
7 website accessible by the public at no cost that includes, but is
8 not limited to, all of the following for each department or agency:

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

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

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

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

16 (e) Job specifications and wage rates.

17 Sec. 232. The department shall not develop or produce any
18 television or radio productions.

19 Sec. 234. Within 14 days after the release of the executive
20 budget recommendation, the department shall cooperate with the
21 state budget office to provide the senate and house appropriations
22 chairs, the senate and house appropriations subcommittees chairs,
23 and the senate and house fiscal agencies with an annual report on
24 estimated state restricted fund balances, state restricted fund
25 projected revenues, and state restricted fund expenditures for the
26 fiscal years ending September 30, 2013 and September 30, 2014.

27 Sec. 238. No state department or agency shall issue a request

1 for proposal (RFP) for a contract in excess of \$5,000,000.00,
2 unless the department or agency has first considered issuing a
3 request for information (RFI) or a request for qualification (RFQ)
4 relative to that contract to better enable the department or agency
5 to learn more about the market for the products or services that
6 are the subject of the future RFP. The department or agency shall
7 notify the department of technology, management, and budget of the
8 evaluation process used to determine if an RFI or RFQ was not
9 necessary prior to issuing the RFP.

10 Sec. 240. (1) It is the intent of the legislature that
11 departments and agencies receiving appropriations in part 1
12 properly account for their spending and do not use full-time
13 equated positions as placeholders for spending in other parts of
14 their budgets.

15 (2) No later than February 1, the department shall provide a
16 report to the legislature specifying the number of filled, full-
17 time equated positions in pay status within each agency receiving
18 appropriations in part 1 during the immediately preceding fiscal
19 year. When reporting on the number of filled, full-time equated
20 positions in pay status, the department shall provide the maximum
21 number of filled, full-time equated positions in pay status by
22 appropriation line item in the last pay period of each quarter of
23 the immediately preceding fiscal year. The report shall also
24 include a list of all funded, full-time equated positions by
25 position title.

26 Sec. 250. It is the intent of the legislature that the
27 department continue the prefunding of other postemployment benefits

1 for state employees hired before January 1, 2012, with the amounts
2 appropriated in part 1 pursuant to the amendments made by 2011 PA
3 264 to the state employees' retirement act, 1943 PA 240, MCL 38.1
4 to 38.69.

5 **REGULATORY**

6 Sec. 301. (1) The appropriation in part 1 for fire protection
7 grants shall be appropriated to cities, villages, and townships
8 with state-owned facilities for fire services, instead of taxes, in
9 accordance with 1977 PA 289, MCL 141.951 to 141.956.

10 (2) Cities, villages, and townships with state-owned
11 facilities shall report to the department no later than January 1
12 on a form developed by the department in order to be eligible to
13 receive funds appropriated in part 1 for fire protection grants.
14 The report shall indicate all of the following:

15 (a) The ability to respond to state facilities in their
16 service area.

17 (b) The cost for being prepared and able to respond to fire
18 service situations during the most recent fiscal year.

19 (c) The fire-related activities of police and fire departments
20 on state property.

21 (d) The costs of these activities.

22 (e) The expenditures from fire protection grants.

23 (3) The department shall prepare a summary of the local
24 submissions and provide it to the subcommittees, fiscal agencies,
25 and the state budget director by March 31.

26 Sec. 302. Money appropriated under this article for the bureau

1 of fire services shall not be expended unless, in accordance with
 2 section 2c of the fire prevention code, 1941 PA 207, MCL 29.2c,
 3 inspection and plan review fees will be charged according to the
 4 following schedule:

5 Operation and maintenance inspection fee

6 <u>Facility type</u>	7 <u>Facility size</u>	8 <u>Fee</u>
9 Hospitals	Any	\$8.00 per bed

10 Plan review and construction inspection fees for
 11 hospitals and schools

12 <u>Project cost range</u>	13 <u>Fee</u>
14 \$101,000.00 or less	15 minimum fee of \$155.00
16 \$101,001.00 to \$1,500,000.00	17 \$1.60 per \$1,000.00
18 \$1,500,001.00 to \$10,000,000.00	19 \$1.30 per \$1,000.00
20 \$10,000,001.00 or more	21 \$1.10 per \$1,000.00
	22 or a maximum fee of \$60,000.00.

23 Sec. 303. The funds collected by the department for licenses,
 24 permits, and other elevator regulation fees set forth in the
 25 Michigan administrative code and as determined under section 8 of
 26 1976 PA 333, MCL 338.2158, and section 16 of 1967 PA 227, MCL
 27 408.816, that are unexpended at the end of the fiscal year shall
 carry forward to the subsequent fiscal year.

28 Sec. 304. The department may make available to interested
 29 entities otherwise unavailable customized listings of
 30 nonconfidential information in its possession, such as names and
 31 addresses of licensees. The department may establish and collect a
 32 reasonable charge to provide this service. The revenue received
 33 from this service shall be used to offset expenses to provide the

1 service. Any balance of this revenue collected and unexpended at
2 the end of the fiscal year shall revert to the appropriate
3 restricted fund.

4 Sec. 305. (1) It is the intent of the legislature that the
5 department expend the amount appropriated in part 1 for fireworks
6 safety grants to local units of government to defray inspection
7 costs associated with the enforcement of the Michigan fireworks
8 safety act, 2011 PA 256, MCL 28.451 to 28.471.

9 (2) In order to be eligible to receive funds appropriated in
10 part 1 for a fireworks safety grant, a local unit of government
11 shall report to the department no later than January 1 on a form
12 developed by the department. The report shall indicate all of the
13 following:

14 (a) The annual costs of inspections associated with the
15 enforcement of the Michigan fireworks safety act, 2011 PA 256, MCL
16 28.451 to 28.471.

17 (b) The annual costs of enforcement activities associated with
18 the enforcement of the Michigan fireworks safety act, 2011 PA 256,
19 MCL 28.451 to 28.471.

20 (3) No later than February 1, the department shall submit a
21 report to the subcommittees and fiscal agencies providing all of
22 the following information:

23 (a) The total amount of grants made to local units of
24 government from funds appropriated in part 1 for fireworks safety
25 grants during the preceding fiscal year.

26 (b) Each local unit of government awarded a grant from the
27 funds appropriated in part 1 for fireworks safety grants and the

1 amount of each grant that was awarded during the preceding fiscal
2 year.

3 Sec. 325. No later than February 15, the department shall
4 submit a report to the subcommittees and fiscal agencies providing
5 the following information:

6 (a) The number of honorably discharged veterans, individually
7 or if a majority interest of a corporation or limited liability
8 company, that were exempted from paying licensure, registration,
9 filing, or any other fees collected under each licensure or
10 regulatory program administered by the bureau of construction codes
11 and the corporations, securities, and commercial licensing bureau
12 during the preceding fiscal year.

13 (b) The specific fees and total amount of revenue exempted
14 under each licensure or regulatory program administered by the
15 bureau of construction codes and the corporations, securities, and
16 commercial licensing bureau during the preceding fiscal year.

17 (c) The actual costs of providing licensing and other
18 regulatory services to veterans exempted from paying licensure,
19 registration, filing, or any other fees and a description of how
20 these costs were calculated.

21 (d) The estimated amount of revenue that will be exempted
22 under each licensure or regulatory program administered by the
23 bureau of construction codes and the corporations, securities, and
24 commercial licensing bureau in both the current and subsequent
25 fiscal years and a description of how the exempted revenue was
26 estimated.

27 Sec. 330. Funds earned or authorized by the DOL in excess of

1 the gross appropriation in part 1 for the unemployment insurance
2 agency from the DOL are appropriated and may be expended for
3 staffing and related expenses incurred in the operation of its
4 programs. These funds may be spent after the department notifies
5 the state budget director and the subcommittees of the purpose and
6 amount of each grant award.

7 Sec. 332. Until the integrated system project is complete, the
8 unemployment insurance agency shall provide the subcommittees,
9 fiscal agencies, and state budget office with quarterly status
10 reports on the development of the agency's integrated system
11 project. The quarterly status reports shall include, but not be
12 limited to, a summary of the expenditures for the project, project
13 budget information, a summary of the tasks completed and milestones
14 reached to date, the percentage of the total project completed to
15 date, and a summary of the tasks anticipated to be completed in the
16 subsequent quarter.

17 Sec. 333. The department shall report quarterly to the members
18 of the house and senate committees on appropriations, the fiscal
19 agencies, and the state budget director on the percentage of
20 unemployment claimants that meet the certification requirements for
21 receiving benefits by using the Internet MARVIN system or any
22 application developed for that purpose. The department shall
23 implement improvements to the Internet MARVIN system that promote
24 greater ease of access and security with a goal of reaching 80% of
25 users certifying by using the Internet MARVIN system or another
26 system that reduces staff face time and MARVIN telephone system
27 usage.

1 Sec. 341. The department shall not promulgate or adopt a rule
2 more stringent than the applicable federal standard unless
3 specifically authorized by statute.

4 Sec. 368. (1) No later than March 1, the department shall
5 submit a report to the subcommittees and fiscal agencies pertaining
6 to licensing and regulatory programs during the previous fiscal
7 year for the following agencies:

8 (a) Public service commission.

9 (b) Liquor control commission.

10 (c) Bureau of construction codes.

11 (d) Corporations, securities, and commercial licensing bureau.

12 (e) Bureau of health care services.

13 (f) Michigan occupational safety and health administration.

14 (2) The report shall provide, but is not limited to, the
15 following information for each agency in subsection (1):

16 (a) Revenue generated by and expenditures disbursed for each
17 regulatory product.

18 (b) Number of applications, both initial and renewal, for each
19 regulatory product.

20 (c) Number of applications, both initial and renewal, approved
21 for each regulatory product.

22 (d) Number of applications, both initial and renewal, denied
23 for each regulatory product.

24 (e) Average amount of time, both tolled and un-tolled, to
25 approve or deny applications, both initial and renewal, for each
26 regulatory product.

27 (f) Number of examinations proctored for initial applications

1 for each regulatory product, if applicable.

2 (g) Number of complaints received pertaining to each regulated
3 activity.

4 (h) Number of investigations opened pertaining to each
5 regulated activity.

6 (i) Number of investigations closed pertaining to each
7 regulated activity.

8 (j) Average amount of time to close investigations pertaining
9 to each regulated activity.

10 (k) Number of enforcement actions pertaining to each regulated
11 activity.

12 (3) As used in subsection (2), "regulatory products" means
13 licensure, certification, registration, permitting, approval, or
14 any other regulatory service provided by the agencies specified in
15 subsection (1) for occupations, facilities, entities, industries,
16 or activities regulated by the agencies specified in subsection
17 (1).

18 Sec. 375. Revenues collected by the department pursuant to the
19 uniform securities act (2002), 2008 PA 551, MCL 451.2101 to
20 451.2703, the debt management act, 1975 PA 148, MCL 451.411 to
21 451.437, and the living care disclosure act, 1976 PA 440, MCL
22 554.801 to 554.844, that are unexpended at the end of the fiscal
23 year shall carry forward to the subsequent fiscal year and not
24 lapse to the general fund.

25 Sec. 380. Funds remaining in the homeowner construction lien
26 recovery fund are appropriated to the department for payment of
27 court-ordered homeowner construction lien recovery fund judgments

1 entered prior to August 23, 2010. Pursuant to available funds, the
2 payment of final judgments shall be made in the order in which the
3 final judgments were entered and began accruing interest.

4 Sec. 390. (1) The Michigan tax tribunal within the Michigan
5 administrative hearing system shall submit a report containing all
6 of the following for the previous fiscal year:

7 (a) The number of cases heard and the number of cases decided
8 by MAHS hearings officers, contractual hearings officers, and
9 tribunal members during the fiscal year.

10 (b) The number of case filings and dispositions and the number
11 of active and pending cases before the small claims division and
12 the entire tribunal.

13 (c) The average and maximum time elapsed, both tolled and
14 untolled, between case filings and final dispositions.

15 (d) The amount and percentage of tax tribunal fees generated
16 by motions to amend.

17 (2) The report required under subsection (1) shall be
18 submitted to the subcommittees, fiscal agencies, and state budget
19 office not later than November 1.

20 Sec. 610. (1) The appropriation in part 1 for the bureau of
21 services for blind persons includes funds for case services. These
22 funds may be used for tuition payments for blind clients.

23 (2) Revenue collected by the bureau of services for blind
24 persons and from private and local sources that is unexpended at
25 the end of the fiscal year may carry forward to the subsequent
26 fiscal year.

27 Sec. 611. The bureau of services for blind persons shall work

1 collaboratively with service organizations and government entities
2 to identify qualified match dollars to maximize use of available
3 federal vocational rehabilitation funds.

4 Sec. 613. (1) The funds appropriated in part 1 for a regional
5 or subregional library shall not be released until a budget for
6 that regional or subregional library has been approved by the
7 department for expenditures for library services directly serving
8 the blind and persons with disabilities.

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

25 Sec. 615. The department may provide and enter into agreements
26 to provide general services, training, meetings, information,
27 special equipment, software, facility use, and technical consulting

1 services to other principal executive departments, state agencies,
2 local units of government, the judicial branch of government, other
3 organizations, and patrons of department facilities. The department
4 may charge fees for these services that are reasonably related to
5 the cost of providing the services. In addition to the funds
6 appropriated in part 1, funds collected by the department for these
7 services are appropriated for all expenses necessary. The funds
8 appropriated under this section are allotted for expenditure when
9 they are received by the department of treasury.

10 Sec. 714. (1) The department shall report by April 1 to the
11 subcommittees, fiscal agencies, and state budget director on the
12 timeliness of nursing facility complaint investigations and the
13 number of allegations that are substantiated on an annual basis.
14 The report shall consist of the number of allegations filed by
15 consumers and the number of facility-reported incidents. The
16 department shall make every effort to contact every complainant and
17 the subject of a complaint during an investigation.

18 (2) The department shall gather information on its most
19 frequently cited complaint deficiencies for the prior 3 fiscal
20 years and include that information in the report required under
21 subsection (1). The department shall determine whether there is an
22 increase in the number of citations from 1 year to the next and
23 assess the cause of the increase, if any, and whether education and
24 training of nursing facility staff or department staff are needed.

25 (3) The department shall make the report required under this
26 section available to the public at no cost on its website.

27 Sec. 726. (1) The department shall submit a report by January

1 1 to the standing committees on appropriations of the senate and
2 house of representatives, the fiscal agencies, and the state budget
3 director that includes all of the following information for the
4 prior fiscal year regarding the medical marihuana program under the
5 Michigan medical marihuana act, 2008 IL 1, MCL 333.26421 to
6 333.26430:

7 (a) The number of initial applications received.

8 (b) The number of initial applications approved and the number
9 of initial applications denied.

10 (c) The average amount of time, from receipt to approval or
11 denial, to process an initial application.

12 (d) The number of renewal applications received.

13 (e) The number of renewal applications approved and the number
14 of renewal applications denied.

15 (f) The average amount of time, from receipt to approval or
16 denial, to process a renewal application.

17 (g) The percentage of initial applications not approved or
18 denied within the time requirements established in section 6 of the
19 Michigan medical marihuana act, 2008 IL 1, MCL 333.26426.

20 (h) The percentage of renewal applications not approved or
21 denied within the time requirements established in section 6 of the
22 Michigan medical marihuana act, 2008 IL 1, MCL 333.26426.

23 (i) The percentage of registry cards for approved initial
24 applications not issued within the time requirements established in
25 section 6 of the Michigan medical marihuana act, 2008 IL 1, MCL
26 333.26426.

27 (j) The percentage of registry cards for approved renewal

1 applications not issued within the time requirements established in
2 section 6 of the Michigan medical marihuana act, 2008 IL 1, MCL
3 333.26426.

4 (k) The amount collected from the medical marihuana program
5 application and renewal fees authorized in section 5 of the
6 Michigan medical marihuana act, 2008 IL 1, MCL 333.26425.

7 (l) The costs of administering the medical marihuana program
8 under the Michigan medical marihuana act, 2008 IL 1, MCL 333.26421
9 to 333.26430.

10 (2) If the required fees are shown to be insufficient to
11 offset all expenses of implementing and administering the medical
12 marihuana program, the department shall review and revise the
13 application and renewal fees accordingly to ensure that all
14 expenses of implementing and administering the medical marihuana
15 program are offset as is permitted under section 5 of the Michigan
16 medical marihuana act, 2008 IL 1, MCL 333.26425.

17 Sec. 727. If the revenue collected by the department for
18 health systems administration or radiological health administration
19 and projects from fees and collections exceeds the amount
20 appropriated in part 1, the revenue may be carried forward into the
21 subsequent fiscal year. The revenue carried forward under this
22 section shall be used as the first source of funds in the
23 subsequent fiscal year.

24 Sec. 728. (1) Not later than October 30, the department shall
25 prepare a report that provides the number of registry
26 identification cards issued to or renewed for patients residing in
27 each county during the previous fiscal year, under the Michigan

1 medical marihuana act, 2008 IL 1, MCL 333.26421 to 333.26430. The
2 department shall submit this report to the state budget director,
3 the subcommittees, and the fiscal agencies.

4 (2) The department shall expend the funds appropriated in part
5 1 for medical marihuana operation and oversight grants for grants
6 to county law enforcement departments for the operation and
7 oversight of the Michigan medical marihuana program pursuant to
8 section 6(1) of the Michigan medical marihuana act, 2008 IL 1, MCL
9 333.26426. These grants shall be distributed proportionately based
10 on the number of registry identification cards issued to or renewed
11 for the residents of each county whose county law enforcement
12 department applied for a grant under subsection (3).

13 (3) In order to be eligible to receive a grant under this
14 subsection, a county law enforcement department must apply no later
15 than October 1 and agree to report how the grant was expended and
16 provide that report to the department no later than September 15.
17 The department shall submit a report no later than September 30 to
18 the state budget director, the subcommittees, and the fiscal
19 agencies detailing the amounts by recipient and the reported uses
20 of the grants.

21 (4) County law enforcement departments may distribute
22 discretionary grants made under subsection (2) to municipal law
23 enforcement agencies for the operation and oversight of the
24 Michigan medical marihuana program pursuant to section 6(1) of the
25 Michigan medical marihuana act, 2008 IL 1, MCL 333.26426. If a
26 county law enforcement department distributes a discretionary grant
27 in this manner, that county law enforcement department shall

1 require the receiving agency to provide a report on how that grant
2 was spent. Reports from municipal law enforcement agencies shall be
3 included as part of the report submitted to the department as
4 required in subsection (3).

5 Sec. 731. (1) The bureau of health care services shall prepare
6 a report detailing the number of facilities, locations, and beds
7 for each type of health facility licensed, certified, inspected, or
8 otherwise regulated by the bureau. The report shall also include
9 the bureau's cost to license, certify, inspect, or otherwise
10 regulate each type of facility. The data required by this
11 subsection shall be collected and reported on acute care hospitals,
12 home health agencies, hospices, hospice residences, psychiatric
13 units in general hospitals, psychiatric hospitals, partial
14 hospitalization psychiatric programs, outpatient surgical
15 facilities, freestanding surgical outpatient facilities,
16 laboratories, end stage renal disease facilities, rural health
17 clinics, substance abuse programs, long-term care facilities
18 including nursing homes, hospital long-term care units, county
19 medical care facilities, and radiation machines.

20 (2) By February 1, the bureau of health care services shall
21 provide the governor and the legislature an updated schedule of
22 fees to be charged by the bureau for regulating health facilities.
23 The updated fee schedule proposed by the bureau shall be based on
24 the schedule submitted previously, but include updated figures from
25 the prior fiscal year. It shall also bear a direct relationship to
26 the cost of the service or act, including overhead expenses. The
27 report shall also recommend the necessary statutory and

1 administrative rule changes necessary to implement the recommended
2 fee schedule.

3 Sec. 732. From the appropriations made in part 1 for the
4 bureau of health systems, at least \$530,000.00 must be expended for
5 activities related to the inspection and licensing of freestanding
6 surgical outpatient facilities.

7 **ONE-TIME ONLY**

8 Sec. 801. (1) The funds appropriated in part 1 for the nursing
9 home survey IT system are to be used to fund the additional costs
10 associated to comply with the requirements of sections 20155 and
11 20155a of the public health code, 1978 PA 368, MCL 333.20155 and
12 333.20155a.

13 (2) It is the intent of the legislature that the
14 appropriations in part 1 for the nursing home survey IT system is
15 1-time only and is a sufficient amount to fund the project to
16 completion and that no future appropriations for this project will
17 be required.

18

PART 2A

19

PROVISIONS CONCERNING ANTICIPATED APPROPRIATIONS

20

FOR FISCAL YEAR 2014-2015

21

GENERAL SECTIONS

22

23

Sec. 1201. It is the intent of the legislature to provide
appropriations for the fiscal year ending on September 30, 2015 for

1 the line items listed in part 1. The fiscal year 2014-2015
2 appropriations are anticipated to be the same as those for fiscal
3 year 2013-2014, except that the line items will be adjusted for
4 changes in caseload and related costs, federal fund match rates,
5 economic factors, and available revenue. These adjustments will be
6 determined after the January 2014 consensus revenue estimating
7 conference.

8 Sec. 1202. It is the intent of the legislature that the
9 department identify the amounts for normal retirement costs and
10 legacy retirement costs for the fiscal year ending on September 30,
11 2015 for the line items listed in part 1.

12 ARTICLE XIV

13 DEPARTMENT OF MILITARY AND VETERANS AFFAIRS

14 PART 1

15 LINE-ITEM APPROPRIATIONS

16 Sec. 101. Subject to the conditions set forth in this article,
17 the amounts listed in this part for the department of military and
18 veterans affairs are appropriated for the fiscal year ending
19 September 30, 2014 from the funds indicated in this part. The
20 following is a summary of the appropriations in this part:

21 **DEPARTMENT OF MILITARY AND VETERANS AFFAIRS**

22 APPROPRIATION SUMMARY

23	Full-time equated unclassified positions.....	9.0	
24	Full-time equated classified positions.....	889.5	
25	GROSS APPROPRIATION.....		\$ 166,730,000

1	Total interdepartmental grants and intradepartmental		
2	transfers		650,000
3	Schedule of interdepartmental grant revenue sources:		
4	IDG, state police	650,000	
5	ADJUSTED GROSS APPROPRIATION.....	\$	166,080,000
6	Total federal revenues.....		89,782,700
7	Schedule of federal revenue sources:		
8	DOD-DOA-NGB	59,893,200	
9	DVA-VHA	26,817,000	
10	HHS-HCFA, Medicare, hospital insurance.....	2,934,900	
11	HHS-HCFA, title XIX, Medicaid.....	87,600	
12	Federal counter narcotics revenues.....	50,000	
13	Total local revenues.....		1,500,000
14	Schedule of local revenue sources:		
15	Local - school aid fund	1,500,000	
16	Total private revenues.....		740,000
17	Schedule of private revenue sources:		
18	Private - veterans' home post and posthumous		
19	funds	540,000	
20	Private donations	200,000	
21	Total other state restricted revenues		27,554,000
22	Schedule of restricted revenue sources:		
23	Rental fees	346,400	
24	Mackinac Bridge authority	70,000	
25	Test project fees	100,000	
26	Income and assessments	19,832,100	
27	Lease revenue	12,200	

1	Michigan veterans trust fund	5,193,300	
2	Michigan national guard construction fund..	1,000,000	
3	Military family relief fund	1,000,000	
4	State general fund/general purpose.....		\$ 46,503,300
5	State general fund/general purpose schedule:		
6	Ongoing state general fund/general		
7	purpose	41,003,300	
8	One-time state general fund/general		
9	purpose	5,500,000	
10	Sec. 102. MILITARY		
11	Full-time equated unclassified positions.....	9.0	
12	Full-time equated classified positions.....	324.0	
13	Unclassified positions.....		\$ 1,336,700
14	Military.....		<u>56,732,300</u>
15	GROSS APPROPRIATION.....		\$ 58,069,000
16	Appropriated from:		
17	Interdepartmental grant revenues.....		650,000
18	Federal revenues.....		43,051,200
19	Local revenues.....		1,500,000
20	Private revenues.....		200,000
21	State restricted revenues.....		1,517,800
22	State general fund/general purpose.....		\$ 11,150,000
23	Schedule of programs:		
24	Armories and joint force readiness.....	14,476,300	
25	Maintenance and operations of national		
26	guard training facilities and air bases .	31,734,300	
27	ChalleNGe program	4,502,000	

1	Military family relief fund	600,000	
2	Support services	1,973,200	
3	Starbase grant	2,322,000	
4	Information technology services and		
5	projects	1,124,500	
6	Sec. 103. MICHIGAN VETERANS AFFAIRS AGENCY		
7	Full-time equated classified positions.....	565.5	
8	Michigan veterans affairs agency.....		\$ 13,114,900
9	Homes.....		<u>68,194,900</u>
10	GROSS APPROPRIATION.....		\$ 81,309,800
11	Appropriated from:		
12	Federal revenues.....		29,431,500
13	Private revenues.....		540,000
14	State restricted revenues.....		25,036,200
15	State general fund/general purpose.....		\$ 26,302,100
16	Schedule of programs:		
17	Veterans affairs agency administration.....	5,017,000	
18	Veterans advice, advocacy, and assistance		
19	grants	2,904,600	
20	Veterans' trust fund administration.....	1,446,800	
21	Veterans' trust fund grants	3,746,500	
22	Grand Rapids veterans' home	47,869,900	
23	Board of managers (Grand Rapids home).....	665,000	
24	D.J. Jacobetti veterans' home.....	19,385,000	
25	Board of managers (Jacobetti home).....	275,000	
26	Sec. 104. CAPITAL OUTLAY		
27	Special maintenance - headquarters and armories.....		\$ 20,351,200

1	Special maintenance - veterans' homes	500,000
2	Land acquisitions and appraisals	<u>1,000,000</u>
3	GROSS APPROPRIATION	\$ 21,851,200
4	Appropriated from:	
5	Federal revenues	17,300,000
6	State restricted revenues	1,000,000
7	State general fund/general purpose	\$ 3,551,200
8	Sec. 105. ONE-TIME APPROPRIATIONS	
9	Veterans service delivery initiative	\$ 3,955,000
10	County counselor education and training expenses	45,000
11	Veterans affairs agency computer upgrade	<u>1,500,000</u>
12	GROSS APPROPRIATION	\$ 5,500,000
13	Appropriated from:	
14	State general fund/ general purpose	\$ 5,500,000

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FOR FISCAL YEAR 2013-2014

GENERAL SECTIONS

19 Sec. 201. Pursuant to section 30 of article IX of the state
20 constitution of 1963, total state spending from state resources
21 under part 1 for fiscal year 2013-2014 is \$74,057,300.00 and state
22 spending from state resources to be paid to local units of
23 government for fiscal year 2013-2014 is \$165,000.00. The itemized
24 statement below identifies appropriations from which spending to
25 local units of government will occur:

1	DEPARTMENT OF MILITARY AND VETERANS AFFAIRS	
2	Headquarters and armories.....	\$ 70,000
3	Schedule of programs:	
4	Payments in lieu of taxes	70,000
5	Veterans affairs agency administration.....	\$ 50,000
6	Schedule of programs:	
7	County counselor education and training	
8	expenses	50,000
9	One-time appropriations: county counselor education and	
10	training expenses	<u>45,000</u>
11	TOTAL.....	\$ 165,000

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

15 Sec. 203. As used in this article:

16 (a) "Agency" means the Michigan veterans affairs agency.

17 (b) "Department" means the department of military and veterans
 18 affairs.

19 (c) "DOD" means the United States department of defense.

20 (d) "DOD-DOA-NGB" means the DOD department of the army,
 21 national guard bureau.

22 (e) "DVA" means the United States department of veterans
 23 affairs.

24 (f) "DVA-VHA" means the DVA veterans health administration.

25 (g) "FTE" means full-time equated.

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

1 (i) "IDG" means interdepartmental grant.

2 (j) "Large veterans service organization" means a VSO that can
3 certify that its membership exceeds 30,000 individuals.

4 (k) "Medium veterans service organization" means a VSO that
5 can certify that its membership is between 2,500 and 30,000
6 individuals.

7 (l) "Small veterans service organization" means a VSO that can
8 certify that its membership is between 1,000 and 2,499 individuals.

9 (m) "Subcommittees" means all members of the subcommittees of
10 the senate and house appropriations committees with jurisdiction
11 over the budget of the department.

12 (n) "VSO" means veterans service organization.

13 (o) "Work project" means a group of activities featuring a
14 fixed duration, budget, and scope that is expected to cause a
15 measurable change in the delivery, efficiency, or effectiveness of
16 1 or more operations.

17 Sec. 204. The appropriations from part 1 for interdepartmental
18 grant funds received by the department from sources outside the
19 department consist of \$650,000.00 from the department of state
20 police.

21 Sec. 206. (1) In addition to the funds appropriated in part 1,
22 there is appropriated an amount not to exceed \$10,000,000.00 for
23 federal contingency funds. These funds are not available for
24 expenditure until they have been transferred to another line item
25 in this article under section 393(2) of the management and budget
26 act, 1984 PA 431, MCL 18.1393.

27 (2) In addition to the funds appropriated in part 1, there is

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

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

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

18 Sec. 207. The department shall cooperate with the department
19 of technology, management, and budget to maintain a searchable
20 website that is accessible by the public at no cost that includes,
21 but is not limited to, all of the following:

- 22 (a) Fiscal year-to-date expenditures by category.
23 (b) Fiscal year-to-date expenditures by appropriation unit.
24 (c) Fiscal year-to-date payments to a selected vendor,
25 including the vendor name, payment date, payment amount, and
26 payment description.
27 (d) The number of active department employees by job

1 classification.

2 (e) Job specifications and wage rates.

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

9 Sec. 209. Funds appropriated in part 1 shall not be used for
10 the purchase of foreign goods or services, or both, if
11 competitively priced and of comparable quality American goods or
12 services, or both, are available. Preference shall be given to
13 goods or services, or both, manufactured or provided by Michigan
14 businesses, if they are competitively priced and of comparable
15 quality. In addition, preference shall be given to goods or
16 services, or both, that are manufactured or provided by Michigan
17 businesses owned and operated by veterans, if they are
18 competitively priced and of comparable quality. In addition,
19 preference shall be given to goods or services, or both, that are
20 manufactured or provided by Michigan small businesses that have
21 veterans compose at least 35% of their total workforce. As used in
22 this section, "veteran" means that term as defined in section 261
23 of the management and budget act, 1984 PA 431, MCL 18.1261. As used
24 in this section, "small business" means that term as defined in
25 section 7a of the administrative procedures act of 1969, 1969 PA
26 306, MCL 24.207a.

27 Sec. 210. The department shall take all reasonable steps to

1 ensure businesses in deprived and depressed communities compete for
2 and perform contracts to provide services or supplies, or both. The
3 director of the department shall strongly encourage firms with
4 which the department contracts to subcontract with certified
5 businesses in depressed and deprived communities for services,
6 supplies, or both.

7 Sec. 212. The departments and agencies receiving
8 appropriations in part 1 shall receive and retain copies of all
9 reports funded from appropriations in part 1. Federal and state
10 guidelines for short-term and long-term retention of records shall
11 be followed. The department may electronically retain copies of
12 reports unless otherwise required by federal and state guidelines.

13 Sec. 215. The department shall not take disciplinary action
14 against an employee for communicating with a member of the
15 legislature or his or her staff.

16 Sec. 216. (1) Notwithstanding any other provision of this
17 article, the schedule of programs in part 1 lists programs which
18 may, but are not required to be, funded under this article.

19 (2) Notwithstanding any other provisions of this article, the
20 schedule of revenue sources in part 1 may or may not be received
21 from the funding entities listed.

22 (3) Any funding required by statute is not subject to funding
23 flexibility and shall be funded in accordance with that statute.

24 Sec. 217. The department shall improve its budgetary
25 efficiency pertaining to the delivery of core services delineated
26 in section 222 by doing all of the following:

27 (a) Prioritizing personnel over buildings in budgetary

1 efficiency considerations.

2 (b) Pursuing the physical or virtual consolidation of support
3 service functions such as information technology, human resources,
4 and accounting as a means of improving standardization and
5 efficiency.

6 (c) Seeking expenditure reductions whenever possible through
7 the streamlining of existing service delivery activities.

8 (d) Identifying efficiencies that can be gained via the
9 reduction or elimination of programs, policies, and practices which
10 have outlived their usefulness.

11 Sec. 218. The departments and agencies receiving
12 appropriations in part 1 shall prepare a report on out-of-state
13 travel expenses not later than January 1 of each year. The travel
14 report shall be a listing of all travel by classified and
15 unclassified employees outside this state in the immediately
16 preceding fiscal year that was funded in whole or in part with
17 funds appropriated in the department's budget. The report shall be
18 submitted to the senate and house appropriations committees, the
19 house and senate fiscal agencies, and the state budget director.
20 The report shall include the following information:

21 (a) The dates of each travel occurrence.

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

27 Sec. 219. (1) The department shall provide quarterly reports,

1 beginning October 1, to the subcommittees and the senate and house
2 fiscal agencies, which provide the following data:

3 (a) A list of all major work projects, including a status
4 report of each project.

5 (b) The department's financial status, featuring a report of
6 budgeted versus actual expenditures by part 1 line item including a
7 year-end projection of budget requirements. If projected department
8 budget requirements exceed the allocated budget, the report shall
9 include a plan to reduce overall expenses while still satisfying
10 specified service level requirements.

11 (c) Evidence of efficiencies and management of funds within
12 established appropriations, documented through the DTMB monthly
13 expenditure report as described in section 301(3) of this part.

14 (d) A list of armory closings and projected closings.

15 (e) A list of property sales as described in section 223 of
16 this part.

17 (f) A report on the status of performance metrics cited in
18 this article.

19 (g) A list of the performance measures, outcomes, and
20 initiatives developed by the agency in the strategic plan required
21 by section 501 of 2013 PA 9.

22 (h) The number of active employees at the close of the fiscal
23 quarter by job classification and program.

24 (2) The department shall provide a corrective action plan
25 within 30 days of a quarterly report under this section for any
26 requirements of this part that have not been achieved. The
27 department shall provide a monthly status of corrective action

1 plans.

2 (3) The department shall provide a summary of fund shifts,
3 that have been approved by the state budget office, that have
4 occurred between items listed in the schedule of programs mentioned
5 in part 1 on a quarterly basis to the subcommittees and the senate
6 and house fiscal agencies.

7 (4) The Grand Rapids and D.J. Jacobetti veterans' homes shall
8 provide to the subcommittees the results of the veterans' homes
9 annual veterans' affairs inspection and their corrective action
10 plans.

11 (5) The Grand Rapids and D.J. Jacobetti veterans' homes shall
12 provide a list of maintenance projects, and their respective costs,
13 funded from the special maintenance appropriations in part 1.

14 Sec. 220. The department shall provide the following data to
15 the subcommittees and the senate and house fiscal agencies on an
16 annual basis:

17 (a) Using information received from the grant recipients in
18 section 401 of this part, a progress report on metric requirements,
19 copies of certified financial audits and tax reports of grant
20 recipients, a listing from grant recipients of expenditures by
21 spending category, including a listing of individual salaries of
22 each officer and administrative staff, a listing of volunteer hours
23 including the hours, series, and donations provided to residents of
24 the Grand Rapids veterans' home and the D.J. Jacobetti veterans'
25 home. The department shall provide within the report a specific
26 notification whether any veterans grant recipients failed to comply
27 with established reporting requirements.

1 (b) The Grand Rapids veterans' home and the D.J. Jacobetti
2 veterans' home shall produce a report including an accounting of
3 member populations and bed space available, a description and
4 accounting of services and activities provided to members,
5 financial information, and current state nursing home licensure
6 status.

7 (c) A detailed report of the Michigan veterans' trust fund
8 that includes information on grants provided from the emergency
9 grant program, including details concerning the methodology of
10 allocations, the selection of emergency grant program authorized
11 agents, a description of how the emergency grant program is
12 administered in each county, and a detailed breakdown of trust fund
13 expenditures for that year, including the amount distributed to
14 each county for administrative costs and emergency grants. The
15 report shall also provide an update on the department's efforts to
16 reduce program administrative costs and maintain the Michigan
17 veterans' trust fund corpus to its original amount of at least
18 \$50,000,000.00.

19 Sec. 222. The appropriations in part 1 are for the core
20 services, support services, and work projects of the department,
21 including, but not limited to, the following core services:
22 armories and joint forces readiness; maintenance and operation of
23 army national guard training facilities and air bases; veterans
24 affairs agency administration; veterans' trust fund administration;
25 veterans advice, advocacy, and assistance grants; the military
26 family relief fund; the challenge program; and the Grand Rapids
27 veterans' home and the D.J. Jacobetti veterans' home. As used in

1 this section, "core services" means that phrase as defined in
2 section 373 of the management and budget act, 1984 PA 431, MCL
3 18.1373.

4 Sec. 223. Sixty days prior to the public announcement of the
5 intention to sell any department property, the department shall
6 submit notification of that intent to the subcommittees and the
7 senate and house fiscal agencies.

8 Sec. 225. Funds appropriated in part 1 shall not be used by
9 the department to hire a person to provide legal services that are
10 the responsibility of the attorney general. This prohibition does
11 not apply to legal services for bonding activities and for those
12 activities that the attorney general authorizes.

13 Sec. 227. The department shall not exclude public employee
14 unions from the bid process.

15 Sec. 228. Not later than November 30, the state budget office
16 shall prepare and transmit a report that provides for estimates of
17 the total general fund/general purpose appropriations lapses at the
18 close of the fiscal year. This report shall summarize the projected
19 year-end general fund/general purpose appropriations lapses by
20 major departmental program or program areas. The report shall be
21 transmitted to the office of the state budget, the chairpersons of
22 the senate and house standing committees on appropriations, the
23 subcommittees, and the senate and house fiscal agencies.

24 Sec. 229. Within 14 days after the release of the executive
25 budget recommendation, the department shall cooperate with the
26 state budget office to provide the senate and house appropriations
27 chairs, the subcommittees, and the senate and house fiscal agencies

1 with an annual report on estimated state restricted fund balances,
2 state restricted fund projected revenues, and state restricted fund
3 expenditures for the fiscal years ending September 30, 2013 and
4 September 30, 2014.

5 Sec. 230. The department shall maintain, on a publicly
6 accessible website, a department scorecard that identifies, tracks,
7 and regularly updates key metrics that are used to monitor and
8 improve the agency's performance.

9 **MILITARY**

10 Sec. 300. (1) From the funds appropriated in part 1, there is
11 funding to support unclassified employee positions as authorized by
12 section 5 of article XI of the state constitution of 1963. These
13 positions include the following: department director - the adjutant
14 general for Michigan; assistant adjutant general - army; assistant
15 adjutant general - installations; assistant adjutant general - air;
16 senior policy executive - Michigan veterans affairs agency; deputy
17 director - installations command; director - strategy and policy;
18 director - public safety project; and director - Michigan veterans
19 affairs agency.

20 (2) Not less than 30 days prior to the department submitting a
21 request for an additional unclassified employee position from the
22 civil service commission, or for any substantive change to the
23 duties of an existing unclassified employee position, the
24 department shall notify the subcommittees and the senate and house
25 fiscal agencies.

26 **ARMORIES AND JOINT FORCE READINESS**

1 Sec. 301. (1) The department shall provide administrative
2 support for department operations.

3 (2) The department shall maintain the staffing and resources
4 necessary to ensure proper accountability of state funds.

5 (3) The department shall maintain the staffing and resources
6 necessary to adhere to the state of Michigan financial management
7 guide for accounting, contracting, purchasing, budgeting, and
8 financial reporting and the administrative guide to state
9 government.

10 (4) The department shall ensure fiscal controls relating to
11 procurement of goods and services and other expenditures.

12 Sec. 302. (1) From the funds appropriated in part 1 for
13 military operations, effective and efficient executive direction
14 and administrative leadership shall be provided to the department.

15 (2) The department shall operate and maintain national guard
16 armories.

17 (3) The department shall provide resources necessary to ensure
18 that armories are maintained in accordance with army regulations.

19 (4) The department shall evaluate armories for consolidation,
20 energy, and utility efficiency and identify work projects that
21 would improve this efficiency and submit a quarterly report on the
22 status and activities of the armories as provided in section 219.

23 (5) The department shall establish a system that measures the
24 condition and adequacy of armory facilities using both quality and
25 functionality criteria based off the installation status report-
26 infrastructure inspections that are conducted annually as a
27 requirement set forth by the national guard.

1 **MAINTENANCE AND OPERATIONS OF NATIONAL GUARD TRAINING FACILITIES**
2 **AND AIR BASES**

3 Sec. 304. (1) The department shall provide army and air
4 national guard forces, when directed, for state and local
5 emergencies and in support of national military requirements.

6 (2) The department shall operate and maintain army national
7 guard training facilities, including Fort Custer and Camp Grayling.

8 (3) The department shall maintain a system that measures the
9 condition and adequacy of air facilities using both quality and
10 functionality criteria.

11 (4) The department shall operate and maintain air national
12 guard air bases, including Selfridge air national guard base,
13 Battle Creek air national guard base, and Alpena combat readiness
14 training center.

15 **CHALLENGE PROGRAM**

16 Sec. 307. (1) The department shall maintain the Michigan youth
17 challenge academy to provide values, skills, education, and self-
18 discipline instruction for at-risk youth.

19 (2) The department shall provide the staffing and resources
20 necessary to train 144 cadets simultaneously at the Michigan youth
21 challenge academy.

22 (3) The department shall ensure that the average grade level
23 increase for Michigan youth challenge academy graduates is 2 years
24 as measured with the test adult basic education (TABE) metrics.

25 **MILITARY FAMILY RELIEF FUND**

26 Sec. 308. (1) The department shall provide grants for
27 disbursement from the military family relief fund.

1 (2) The department shall provide quarterly reports to the
2 subcommittees on the revenues, expenditures, and fund balance of
3 the Michigan military family relief fund.

4 (3) The department shall provide quarterly reports to the
5 subcommittees on the applications received for assistance from the
6 Michigan military family relief fund.

7 (4) The department shall provide sufficient staffing and other
8 resources to provide outreach to the Michigan families of members
9 of the reserve component of the armed forces called into active
10 duty and to support the processing and approval of at least 60
11 grant applications for fiscal year 2013-2014 under the Michigan
12 military relief fund and report those applications at quarterly
13 legislative hearings of the subcommittees.

14 **MICHIGAN VETERANS AFFAIRS AGENCY**

15 **MICHIGAN VETERANS AFFAIRS AGENCY ADMINISTRATION**

16 Sec. 401. (1) The Michigan veterans affairs agency shall
17 provide outreach services to Michigan veterans that advise them on
18 the benefits to which they are entitled.

19 (2) The agency shall maintain the staffing partnerships and
20 other resources necessary to develop and operate an outreach
21 program that will communicate benefit eligibility information to
22 35% of the Michigan veterans population as determined by most
23 recent census data.

24 (3) The agency shall communicate veteran benefit information
25 pertaining to the Michigan military family relief fund, Michigan
26 veterans' trust fund, and United States department of veterans

1 affairs health, financial, and memorial benefits to which they are
2 entitled.

3 (4) The agency shall provide sufficient staffing and other
4 resources to approve at least 5,295 requests for military discharge
5 certificates (DD-214) for fiscal year 2013-2014 and report to the
6 subcommittees quarterly.

7 (5) From the funds appropriated in part 1, the department
8 shall continue the process to digitize all medical records and
9 military discharge documents which are currently on paper and
10 microfilm.

11 (6) The agency shall provide claims processing services to
12 Michigan veterans in support of benefit claims submitted to the
13 United States department of veteran affairs for the health,
14 financial, and memorial benefits for which they are eligible.

15 (7) The agency shall maintain the staffing and resources
16 necessary to process a minimum of 500 claims per year.

17 (8) The agency shall ensure that a minimum of 20% of the
18 claims submitted by agency personnel are fully developed claims as
19 tracked by the United States department of veterans affairs and
20 report on this effort at quarterly legislative hearings of the
21 subcommittees.

22 (9) The agency shall provide training support for county
23 veterans counselors.

24 (10) The agency shall provide resources necessary to provide
25 county veterans counselors with training to ensure quality benefit
26 counseling services to veterans. From the funds appropriated in
27 part 1, \$50,000.00 shall be allocated for training support.

1 (11) The Michigan veterans affairs agency and the Michigan
2 veterans' trust fund administration shall take steps to assist the
3 county veterans counselors of this state to obtain training
4 necessary for the execution of their duties.

5 (12) The agency shall provide the percentage of county
6 counselors trained by the department at quarterly legislative
7 hearings of the subcommittees.

8 (13) The agency shall provide the percentages of fully
9 developed claims submitted by county counselors trained by the
10 department with a goal of 20% at quarterly legislative hearings of
11 the subcommittees.

12 (14) The agency shall create a 5-member advisory board
13 consisting of presidents or commanders from 2 large veterans
14 service organizations, 2 medium veterans service organizations, and
15 1 small veterans service organization. The board shall meet no less
16 than twice a year, without reimbursement by the agency, and shall
17 assist the agency in developing plans, reviewing service delivery
18 initiatives, and identifying services and projects that assist in
19 meeting agency performance objectives.

20 **VETERANS ADVICE, ADVOCACY, AND ASSISTANCE GRANTS**

21 Sec. 402. (1) The agency shall manage the disbursement of
22 veterans advice, advocacy, and assistance grants to veterans
23 service organizations.

24 (2) The agency shall work to ensure that a minimum of 20% of
25 the claims submitted by the VSO on behalf of our veterans are fully
26 developed claims as tracked by the United States department of
27 veterans affairs and report on this effort at quarterly legislative

1 hearings of the subcommittees.

2 (3) The agency shall disburse VSO grants to assist them to
3 achieve agency goals and performance objectives in partnership with
4 the VSOs. Grants to VSOs will be disbursed to fund programs and
5 projects which are determined by the agency to meet agency
6 performance objectives.

7 **VETERANS TRUST FUND ADMINISTRATION**

8 Sec. 405. (1) The Michigan veterans' trust fund board together
9 with the agency shall provide emergency grants for disbursement
10 from the Michigan veterans' trust fund.

11 (2) The Michigan veterans' trust fund board together with the
12 agency shall maintain the staffing and resources necessary to
13 process a minimum of 2,000 applications for veterans' trust fund
14 emergency grants.

15 **GRAND RAPIDS VETERANS' HOME**

16 Sec. 501. (1) The department shall provide compassionate,
17 quality interdisciplinary care at the state's Grand Rapids
18 veterans' home so that members can achieve their highest potential
19 of wellness, independence, self-worth, and dignity.

20 (2) The department shall provide resources necessary to
21 provide adequate nursing care services to veterans in accordance
22 with federal standards, including the following:

23 (a) A licensed minimum number of 403 residents in skilled
24 nursing beds at the Grand Rapids veterans' home.

25 (b) A licensed minimum number of 72 residents in domiciliary
26 beds at the Grand Rapids veterans' home.

27 (3) The Grand Rapids veterans' home shall ensure that its

1 medical staffing is in accordance with United States department of
2 veterans administration standards.

3 (4) The Grand Rapids veterans' home shall ensure that
4 transportation is assured for each resident for every medical
5 appointment outside the veterans' home.

6 (5) The Grand Rapids veterans' home shall ensure that each
7 member resident receives daily laundry service.

8 (6) The Grand Rapids veterans' home shall ensure that
9 maintenance and custodial services are provided for each home in
10 accordance with applicable local, state, and federal standards.

11 (7) The Grand Rapids veterans' home shall ensure that each
12 resident receives a medical and care assessment including a dietary
13 plan upon admission to the home, with meals and snacks provided in
14 accordance with the plan and R 325.20803 of the Michigan
15 administrative code.

16 (8) Appropriations in this article for the Grand Rapids
17 veterans' home shall not be used for any purpose other than for
18 veterans and veterans' families.

19 (9) Any contractor providing competency evaluated nursing
20 assistants (CENA) to the Grand Rapids veterans' home shall ensure
21 that each CENA has at least 8 hours of training on information
22 provided by the veterans' home.

23 (10) Any contractor providing competency evaluated nursing
24 assistants to the Grand Rapids veterans' home shall ensure that
25 each CENA has at least 1 eight-hour shift of shadowing at the
26 veterans' home.

27 (11) Any contractor providing competency evaluated nursing

1 assistants to the Grand Rapids veterans' home shall ensure that
2 each CENA is competent in the basic skills needed to perform his or
3 her assigned duties at the veterans' home.

4 (12) Any contractor providing competency evaluated nursing
5 assistants to the Grand Rapids veterans' home shall ensure that
6 each CENA has at least 1 year of experience in long-term care.

7 (13) The Grand Rapids veterans' home shall provide each CENA
8 at least 12 hours of in-service training once that individual has
9 been assigned to the veterans' home.

10 (14) The Grand Rapids veterans' home shall ensure that care
11 services are provided to each resident of the veterans' home in
12 accordance with standards set by the United States department of
13 veterans' affairs.

14 (15) All complaints of abuse or neglect at the Grand Rapids
15 veterans' home by a resident member, a resident member's family or
16 legal guardian, or staff of the veterans' home, received by a
17 supervisor shall be referred to the director of nursing within 10
18 days of receiving such complaint. The board of managers may
19 establish a policy that requires reports on allegations of abuse or
20 neglect to be reported to the director of nursing more frequently.
21 The director of nursing shall report on not less than a monthly
22 basis, except that the board of managers may specify a more
23 frequent reporting period, to the home administrator, board of
24 managers, agency, subcommittees, and the senate and house fiscal
25 agencies the following information:

26 (a) A description of the process by which resident members and
27 others may file complaints of alleged abuse or neglect at the Grand

1 Rapids veterans' home.

2 (b) Summary statistics on the number and general nature of
3 complaints of abuse or neglect.

4 (c) Summary statistics on the final disposition of complaints
5 of abuse or neglect received.

6 (16) The Grand Rapids veterans' home shall provide an on-site,
7 board-certified psychiatrist for all resident members with mental
8 health disorders in order to ensure that those resident members
9 receive needed services in a professional and timely manner. The
10 Grand Rapids veterans' home shall provide all members and staff a
11 safe and secure environment.

12 (17) The Grand Rapids veterans' home shall ensure that it
13 effectively develops, executes, and monitors all comprehensive care
14 plans in accordance with federal regulations and its internal
15 policies, with a goal that a comprehensive care plan is fully
16 developed for all resident members.

17 (18) The Grand Rapids veterans' home shall implement controls
18 over its food, maintenance supplies, and medical supplies
19 inventories.

20 (19) The Grand Rapids veterans' home shall implement controls
21 over its pharmaceutical inventory.

22 (20) The Grand Rapids veterans' home shall establish
23 sufficient controls for calculating resident member maintenance
24 assessments in order to accurately calculate resident member
25 maintenance assessments for each billing cycle. The Grand Rapids
26 veterans' home shall establish sufficient controls to ensure that
27 all past due resident member maintenance assessments are addressed

1 within 30 days.

2 (21) The Grand Rapids veterans' home shall establish
3 sufficient controls over monetary donations and donated goods.

4 (22) The Grand Rapids veterans' home shall implement
5 sufficient controls over the handling of resident member funds to
6 ensure the release of funds within 3 business days upon the
7 resident member leaving the home and to ensure that a
8 representative of a resident member is provided a full accounting
9 of that resident member's funds within 10 business days of the
10 death of that resident member.

11 (23) The Grand Rapids veterans' home shall ensure that it
12 meets a minimum standard of 2.5 patient care hours per patient, per
13 day, each day, 7 days a week.

14 (24) Except as provided in subsection (15), the department
15 shall report its findings regarding the Grand Rapids veterans'
16 home's compliance with the requirements and standards under this
17 section at quarterly legislative hearings of the subcommittees. The
18 quarterly report shall include, but is not limited to, the
19 following information:

20 (a) The number of patient care hours and staffing levels
21 measured against the standard set forth in subsection (23).

22 (b) The number and dollar value of lost and discarded
23 prescriptions and the number of early prescription refills.

24 (c) The dollar value of monetary donations received, the
25 number of donated goods received, and the number of donated goods
26 disposed of.

27 (d) The number of resident member maintenance assessments

1 calculated each month.

2 (25) Not later than November 30, 2013, the department shall
3 provide the subcommittees with a report documenting the complaint
4 management process utilized by the Grand Rapids veterans' home. The
5 report shall include, but is not limited to, the following:

6 (a) A copy of the form submitted by complainants.

7 (b) A description of the process by which complaints are
8 reviewed by the staff of the Grand Rapids veterans' home.

9 (c) A description of the roles and responsibilities of all
10 stakeholders in the complaint process.

11 (d) An issue resolution status report.

12 (e) The process by which status reports are reviewed,
13 including the frequency of those reviews.

14 **D.J. JACOBETTI VETERANS' HOME**

15 Sec. 502. (1) The department shall provide compassionate,
16 quality interdisciplinary care at the state's D.J. Jacobetti
17 veterans' home so that members can achieve their highest potential
18 of wellness, independence, self-worth, and dignity.

19 (2) The department shall provide resources necessary to
20 provide adequate nursing care services to veterans in accordance
21 with federal standards, including the following:

22 (a) A licensed minimum number of 158 residents in skilled
23 nursing beds at the D.J. Jacobetti veterans' home.

24 (b) A licensed minimum number of 11 residents in domiciliary
25 beds at the D.J. Jacobetti veterans' home.

26 (3) The D.J. Jacobetti veterans' home shall ensure that its
27 medical staffing is in accordance with United States department of

1 veterans administration standards.

2 (4) The D.J. Jacobetti veterans' home shall ensure that
3 transportation is assured for each resident for every medical
4 appointment outside the veterans' home.

5 (5) The D.J. Jacobetti veterans' home shall ensure that each
6 member resident receives daily laundry service.

7 (6) The D.J. Jacobetti veterans' home shall ensure that
8 maintenance and custodial services are provided for the home in
9 accordance with applicable local, state and federal standards.

10 (7) The D.J. Jacobetti veterans' home shall ensure that each
11 resident receives a medical and care assessment including a dietary
12 plan upon admission to the home, with meals and snacks provided in
13 accordance with the plan and R 325.20803 of the Michigan
14 administrative code.

15 (8) Appropriations in this article for the D.J. Jacobetti
16 veterans' home shall not be used for any purpose other than for
17 veterans and veterans' families.

18 (9) Any contractor providing competency evaluated nursing
19 assistants (CENA) to the D.J. Jacobetti veterans' home shall ensure
20 that each CENA has at least 8 hours of training on information
21 provided by the veterans' home.

22 (10) Any contractor providing competency evaluated nursing
23 assistants to the D.J. Jacobetti veterans' home shall ensure that
24 each CENA has at least 1 eight-hour shift of shadowing at the
25 veterans' home.

26 (11) Any contractor providing competency evaluated nursing
27 assistants to the D.J. Jacobetti veterans' home shall ensure that

1 each CENA is competent in the basic skills needed to perform his or
2 her assigned duties at the veterans' home.

3 (12) Any contractor providing competency evaluated nursing
4 assistants to the D.J. Jacobetti veterans' home shall ensure that
5 each CENA has at least 1 year of experience in long-term care.

6 (13) The D.J. Jacobetti veterans' home shall provide each CENA
7 at least 12 hours of in-service training once that individual has
8 been assigned to the veterans' home.

9 (14) The D.J. Jacobetti veterans' home shall ensure that care
10 services are provided to each resident of the veterans' home in
11 accordance with standards set by the United States department of
12 veterans affairs.

13 (15) All complaints of abuse or neglect at the D.J. Jacobetti
14 veterans' home by a resident member, a resident member's family or
15 legal guardian, or staff of the veterans' home, received by a
16 supervisor shall be referred to the director of nursing within 10
17 days of receiving such complaint. The board of managers may
18 establish a policy that requires reports on allegations of abuse or
19 neglect to be reported to the director of nursing more frequently.
20 The director of nursing shall report on not less than a monthly
21 basis, except that the board of managers may specify a more
22 frequent reporting period, to the home administrator, board of
23 managers, agency, subcommittees, and the senate and house fiscal
24 agencies the following information:

25 (a) A description of the process by which resident members and
26 others may file complaints of alleged abuse or neglect at the D.J.
27 Jacobetti veterans' home.

1 (b) Summary statistics on the number and the general nature of
2 complaints of abuse or neglect.

3 (c) Summary statistics on the final disposition of complaints
4 of abuse or neglect received.

5 **CAPITAL OUTLAY**

6 Sec. 601. The appropriations in part 1 for capital outlay
7 shall be carried forward at the end of the fiscal year consistent
8 with section 248 of the management and budget act, 1984 PA 431, MCL
9 18.1248.

10 **ONE-TIME APPROPRIATIONS**

11 Sec. 701. The 1-time appropriations in part 1 for county
12 counselor education and training expenses are to be expended for
13 costs associated with the attendance of county veterans counselors
14 at the national conference of the national association of county
15 veterans service officers to be held in Michigan in 2014 and are in
16 addition to the funds allocated in section 401.

17 Sec. 702. The 1-time appropriation in part 1 for the veterans
18 service delivery initiative may be expended by the agency to
19 operate a college campus outreach program and shall be expended by
20 the agency to establish the infrastructure to achieve its goals and
21 performance objectives, including the performance measures,
22 outcomes, and initiatives developed by the agency in its strategic
23 plan.

24 Sec. 703. The 1-time appropriations in part 1 for veterans
25 affairs agency computer upgrade are to be expended for the

1 integration of the hero 2 hired platform with the Pure Michigan
2 talent connect jobs site. The appropriation shall increase the
3 ability of the agency to link potential employers to veterans and
4 service members by adding a military occupational code translator,
5 thus removing barriers to employment, and adding 14,000 veterans
6 and service members to the Pure Michigan talent connect employment
7 system. The integration of the hero 2 hired system with the Pure
8 Michigan talent connect shall be available for soft launch by April
9 1, 2014 and fully operational by September 30, 2014. The agency
10 shall report quarterly to the subcommittees on the progress of
11 their compliance with this section.

12 PART 2A

13 PROVISIONS CONCERNING ANTICIPATED APPROPRIATIONS
14 FOR FISCAL YEAR 2014-2015

15 **GENERAL SECTIONS**

16 Sec. 1201. It is the intent of the legislature to provide
17 appropriations for the fiscal year ending on September 30, 2015 for
18 the line items listed in part 1. The fiscal year 2014-2015
19 appropriations are anticipated to be the same as those for fiscal
20 year 2013-2014, excluding economic factors, and available revenue.
21 These adjustments will be determined after the January 2014
22 consensus revenue estimating conference.

23 Sec. 1202. It is the intent of the legislature that the
24 department identify the amounts for normal retirement costs and
25 legacy retirement costs for the fiscal year ending on September 30,

1 2015 for the line items listed in part 1.

2 Sec. 1203. The veterans affairs agency shall provide the
3 percentage of Michigan veterans contacted with a goal of 100% and
4 report upon those outreach findings at quarterly legislative
5 hearings to the subcommittees.

6 ARTICLE XV

7 DEPARTMENT OF NATURAL RESOURCES

8 PART 1

9 LINE-ITEM APPROPRIATIONS

10 Sec. 101. There is appropriated for the department of natural
11 resources for the fiscal year ending September 30, 2014, from the
12 following funds:

13 **DEPARTMENT OF NATURAL RESOURCES**

14 APPROPRIATION SUMMARY

15	Full-time equated unclassified positions.....	6.0	
16	Full-time equated classified positions.....	2,134.3	
17	GROSS APPROPRIATION.....		\$ 342,988,900
18	Interdepartmental grant revenues:		
19	Total interdepartmental grants and intradepartmental		
20	transfers		1,412,300
21	ADJUSTED GROSS APPROPRIATION.....		\$ 341,576,600
22	Federal revenues:		
23	Total federal revenues.....		67,127,300
24	Special revenue funds:		
25	Total private revenues.....		7,237,200

1	Total other state restricted revenues	241,925,500
2	State general fund/general purpose	\$ 25,286,600
3	State general fund/general purpose schedule:	
4	Ongoing state general fund/general	
5	purpose	24,686,600
6	One-time state general fund/general	
7	purpose	600,000
8	FUND SOURCE SUMMARY:	
9	Full-time equated unclassified positions.....	6.0
10	Full-time equated classified positions.....	2,134.3
11	GROSS APPROPRIATION.....	\$ 342,988,900
12	Interdepartmental grant revenues:	
13	IDG, land acquisition services to work orders	225,000
14	IDG, MacMullan conference center revenue	1,187,300
15	Total interdepartmental grants and intradepartmental	
16	transfers	1,412,300
17	ADJUSTED GROSS APPROPRIATION.....	\$ 341,576,600
18	Federal revenues:	
19	Federal funds.....	67,127,300
20	Total federal revenues.....	67,127,300
21	Special revenue funds:	
22	Private - Mann house trust fund.....	15,000
23	Private funds.....	7,222,200
24	Total private revenues.....	7,237,200
25	Aircraft fees.....	306,400
26	Cervidae licensing and inspection fees	134,200
27	Clean Michigan initiative fund.....	28,500

1	Commercial forest fund.....	26,200
2	Forest development fund.....	31,020,000
3	Forest land user charges.....	325,100
4	Forest recreation account.....	2,168,900
5	Game and fish protection fund.....	71,410,500
6	Game and fish protection fund - deer habitat reserve .	2,175,200
7	Game and fish protection fund - fisheries settlement .	938,000
8	Game and fish protection fund - turkey permit fees ...	1,067,000
9	Game and fish protection fund - waterfowl fees.....	95,200
10	Game and fish protection fund - wildlife resource	
11	protection fund	1,119,200
12	Game and fish protection fund - youth hunting and	
13	fishing education and outreach fund.....	30,800
14	History fees fund.....	225,000
15	Land exchange facilitation fund.....	5,981,300
16	Local public recreation facilities fund.....	859,500
17	Mackinac Island state park fund.....	1,810,200
18	Mackinac Island state park operation fund.....	190,000
19	Marine safety fund.....	3,509,500
20	Michigan heritage publications fund.....	53,100
21	Michigan natural resources trust fund.....	1,233,600
22	Michigan state parks endowment fund.....	26,880,400
23	Michigan state waterways fund.....	20,776,700
24	Michigan trailways fund.....	15,000
25	Museum operations fund.....	579,700
26	Nongame wildlife fund.....	520,100
27	Off-road vehicle safety education fund.....	199,600

1	Off-road vehicle trail improvement fund.....	5,942,400
2	Park improvement fund.....	43,738,100
3	Permanent snowmobile trail easement fund.....	700,000
4	Public use and replacement deed fees.....	30,000
5	Recreation improvement account.....	1,020,200
6	Recreation passport fees.....	6,285,100
7	Snowmobile registration fee revenue.....	1,464,900
8	Snowmobile trail improvement fund.....	9,035,200
9	Sportsmen against hunger fund.....	30,700
10	Total other state restricted revenues.....	241,925,500
11	State general fund/general purpose.....	\$ 25,286,600
12	Sec. 102. EXECUTIVE OPERATIONS	
13	Full-time equated unclassified positions..... 6.0	
14	Full-time equated classified positions..... 11.6	
15	Natural resources commission.....	\$ 77,100
16	Unclassified salaries--6.0 FTE positions.....	707,000
17	Executive direction--11.6 FTE positions.....	<u>2,109,000</u>
18	GROSS APPROPRIATION.....	\$ 2,893,100
19	Appropriated from:	
20	Special revenue funds:	
21	Forest development fund.....	341,100
22	Forest land user charges.....	4,900
23	Forest recreation account.....	18,000
24	Game and fish protection fund.....	1,234,600
25	Game and fish protection fund - deer habitat reserve .	26,200
26	Game and fish protection fund - turkey permit fees ...	14,200
27	Game and fish protection fund - waterfowl fees.....	400

1	Game and fish protection fund - wildlife resource		
2	protection fund		15,200
3	Land exchange facilitation fund.....		18,700
4	Marine safety fund.....		27,900
5	Michigan natural resources trust fund.....		1,400
6	Michigan state parks endowment fund.....		209,400
7	Michigan state waterways fund.....		168,000
8	Nongame wildlife fund.....		5,400
9	Off-road vehicle trail improvement fund.....		67,500
10	Park improvement fund.....		432,300
11	Recreation improvement account.....		3,400
12	Snowmobile registration fee revenue.....		12,400
13	Snowmobile trail improvement fund.....		20,400
14	Sportsmen against hunger fund.....		100
15	State general fund/general purpose.....	\$	271,600
16	Sec. 103. DEPARTMENT INITIATIVES		
17	Great Lakes restoration initiative.....	\$	5,500,000
18	Summer youth initiative.....		<u>2,500,000</u>
19	GROSS APPROPRIATION.....	\$	8,000,000
20	Appropriated from:		
21	Federal revenues:		
22	Federal funds.....		5,500,000
23	Special revenue funds:		
24	State general fund/general purpose.....	\$	2,500,000
25	Sec. 104. DEPARTMENT SUPPORT SERVICES		
26	Full-time equated classified positions.....		105.5
27	Finance and operations--101.5 FTE positions.....	\$	16,573,900

1	Accounting service center.....	1,423,300
2	Legal services--4.0 FTE positions.....	571,100
3	Building occupancy charges.....	3,105,300
4	Rent - privately owned property.....	488,400
5	Gifts and pass-through transactions.....	<u>5,000,000</u>
6	GROSS APPROPRIATION.....	\$ 27,162,000
7	Appropriated from:	
8	Interdepartmental grant revenues:	
9	IDG, land acquisition services to work orders.....	225,000
10	Federal revenues:	
11	Federal funds.....	228,200
12	Special revenue funds:	
13	Private funds.....	5,000,000
14	Clean Michigan initiative fund.....	28,500
15	Forest development fund.....	2,235,000
16	Forest land user charges.....	11,400
17	Forest recreation account.....	61,800
18	Game and fish protection fund.....	6,414,500
19	Game and fish protection fund - deer habitat reserve .	194,900
20	Game and fish protection fund - turkey permit fees ...	118,400
21	Game and fish protection fund - waterfowl fees.....	3,300
22	Game and fish protection fund - wildlife resource	
23	protection fund	34,400
24	Land exchange facilitation fund.....	5,839,900
25	Local public recreation facilities fund.....	88,200
26	Marine safety fund.....	362,500
27	Michigan natural resources trust fund.....	1,210,400

1	Michigan state parks endowment fund.....		585,400
2	Michigan state waterways fund.....		497,800
3	Nongame wildlife fund.....		18,700
4	Off-road vehicle trail improvement fund.....		72,300
5	Park improvement fund.....		1,181,400
6	Public use and replacement deed fees.....		30,000
7	Recreation improvement account.....		16,800
8	Snowmobile registration fee revenue.....		71,300
9	Snowmobile trail improvement fund.....		135,700
10	Sportsmen against hunger fund.....		400
11	State general fund/general purpose.....	\$	2,495,800
12	Sec. 105. COMMUNICATION AND CUSTOMER SERVICES		
13	Full-time equated classified positions.....	132.3	
14	Marketing and outreach--82.3 FTE positions.....		\$ 13,979,900
15	Michigan historical center--35.0 FTE positions.....		3,667,700
16	Archives--8.0 FTE positions.....		857,200
17	Museum stores--6.0 FTE positions.....		579,700
18	Special programs (Mann house)--1.0 FTE positions.....		<u>25,500</u>
19	GROSS APPROPRIATION.....	\$	19,110,000
20	Appropriated from:		
21	Federal revenues:		
22	Federal funds.....		2,055,700
23	Special revenue funds:		
24	Private - Mann house trust fund.....		15,000
25	Private funds.....		383,200
26	Forest development fund.....		128,200
27	Forest recreation account.....		15,900

1	Game and fish protection fund.....		8,574,900
2	Game and fish protection fund - youth hunting and		
3	fishing education and outreach fund.....		30,200
4	History fees fund.....		225,000
5	Land exchange facilitation fund.....		44,600
6	Marine safety fund.....		34,500
7	Michigan heritage publications fund.....		53,100
8	Michigan state parks endowment fund.....		86,400
9	Michigan state waterways fund.....		142,600
10	Museum operations fund.....		579,700
11	Nongame wildlife fund.....		10,400
12	Off-road vehicle safety education fund.....		56,600
13	Off-road vehicle trail improvement fund.....		30,000
14	Park improvement fund.....		2,520,200
15	Recreation passport fees.....		23,000
16	Snowmobile registration fee revenue.....		61,300
17	Snowmobile trail improvement fund.....		43,900
18	Sportsmen against hunger fund.....		29,600
19	State general fund/general purpose.....	\$	3,966,000
20	Sec. 106. WILDLIFE MANAGEMENT		
21	Full-time equated classified positions.....	222.5	
22	Wildlife management--210.5 FTE positions.....		\$ 30,615,500
23	Natural resources heritage--9.0 FTE positions.....		986,000
24	State game and wildlife area maintenance--3.0 FTE		
25	positions		<u>757,600</u>
26	GROSS APPROPRIATION.....	\$	32,359,100
27	Appropriated from:		

1	Federal revenues:	
2	Federal funds.....	16,161,700
3	Special revenue funds:	
4	Private funds.....	183,100
5	Cervidae licensing and inspection fees.....	82,700
6	Forest development fund.....	75,200
7	Game and fish protection fund.....	10,892,600
8	Game and fish protection fund - deer habitat reserve.	1,803,700
9	Game and fish protection fund - turkey permit fees...	868,600
10	Game and fish protection fund - waterfowl fees.....	87,800
11	Nongame wildlife fund.....	447,800
12	State general fund/general purpose.....	\$ 1,755,900
13	Sec. 107. FISHERIES MANAGEMENT	
14	Full-time equated classified positions.....	219.0
15	Aquatic resource mitigation--2.0 FTE positions.....	\$ 938,000
16	Fish production--62.0 FTE positions.....	9,161,400
17	Fisheries resource management--155.0 FTE positions...	20,033,600
18	Cormorant population mitigation program.....	<u>100,000</u>
19	GROSS APPROPRIATION.....	\$ 30,233,000
20	Appropriated from:	
21	Federal revenues:	
22	Federal funds.....	11,262,200
23	Special revenue funds:	
24	Private funds.....	131,200
25	Game and fish protection fund.....	17,701,600
26	Game and fish protection fund - fisheries settlement.	938,000
27	State general fund/general purpose.....	\$ 200,000

1	Sec. 108. LAW ENFORCEMENT	
2	Full-time equated classified positions.....	242.0
3	General law enforcement--242.0 FTE positions	\$ <u>34,387,200</u>
4	GROSS APPROPRIATION.....	\$ 34,387,200
5	Appropriated from:	
6	Federal revenues:	
7	Federal funds.....	5,726,700
8	Special revenue funds:	
9	Cervidae licensing and inspection fees	51,500
10	Forest development fund.....	43,700
11	Forest recreation account.....	70,000
12	Game and fish protection fund.....	17,718,600
13	Game and fish protection fund - wildlife resource	
14	protection fund	1,015,700
15	Marine safety fund.....	1,538,000
16	Michigan state parks endowment fund.....	68,600
17	Michigan state waterways fund.....	20,700
18	Off-road vehicle safety education fund.....	93,800
19	Off-road vehicle trail improvement fund.....	1,597,000
20	Park improvement fund.....	70,000
21	Snowmobile registration fee revenue.....	766,400
22	State general fund/general purpose.....	\$ 5,606,500
23	Sec. 109. PARKS AND RECREATION DIVISION	
24	Full-time equated classified positions.....	887.9
25	MacMullan conference center--15.0 FTE positions	\$ 1,187,300
26	Recreational boating--163.5 FTE positions	16,774,300
27	State parks--661.4 FTE positions	58,883,100

1	Forest recreation--48.0 FTE positions	5,613,100
2	State parks improvement revenue bonds - debt service .	<u>1,157,000</u>
3	GROSS APPROPRIATION.....	\$ 83,614,800
4	Appropriated from:	
5	Interdepartmental grant revenues:	
6	IDG, MacMullan conference center revenue	1,187,300
7	Federal revenues:	
8	Federal funds.....	3,188,100
9	Special revenue funds:	
10	Private funds.....	411,900
11	Forest recreation account.....	1,933,800
12	Michigan state parks endowment fund.....	19,041,400
13	Michigan state waterways fund.....	14,183,800
14	Michigan trailways fund.....	14,900
15	Off-road vehicle safety education fund.....	7,100
16	Off-road vehicle trail improvement fund.....	1,383,300
17	Park improvement fund.....	38,286,900
18	Recreation improvement account.....	322,800
19	Recreation passport fees.....	262,100
20	Snowmobile registration fee revenue.....	15,200
21	Snowmobile trail improvement fund.....	1,405,800
22	State general fund/general purpose.....	\$ 1,970,400
23	Sec. 110. MACKINAC ISLAND STATE PARK COMMISSION	
24	Full-time equated classified positions.....	15.0
25	Historical facilities system--13.0 FTE positions	\$ 1,810,200
26	Mackinac Island state park operations--2.0 FTE	
27	positions	<u>190,000</u>

1	GROSS APPROPRIATION.....	\$	2,000,200
2	Appropriated from:		
3	Special revenue funds:		
4	Mackinac Island state park fund.....		1,810,200
5	Mackinac Island state park operation fund.....		190,000
6	State general fund/general purpose.....	\$	0
7	Sec. 111. FOREST RESOURCES DIVISION		
8	Full-time equated classified positions.....		298.5
9	Adopt-a-forest program.....	\$	25,000
10	Cooperative resource programs--11.0 FTE positions....		1,296,500
11	Forest management and timber market		
12	development--148.0 FTE positions.....		22,298,400
13	Forest fire equipment.....		81,500
14	Wildfire protection--108.0 FTE positions.....		13,012,000
15	Forest management initiatives--8.5 FTE positions....		813,900
16	Minerals management--23.0 FTE positions.....		<u>3,027,700</u>
17	GROSS APPROPRIATION.....	\$	40,555,000
18	Appropriated from:		
19	Federal revenues:		
20	Federal funds.....		3,033,400
21	Special revenue funds:		
22	Private funds.....		1,012,800
23	Aircraft fees.....		306,400
24	Commercial forest fund.....		23,700
25	Forest development fund.....		26,742,900
26	Forest land user charges.....		270,800
27	Game and fish protection fund.....		2,150,800

1	Michigan state parks endowment fund.....		2,552,400
2	Michigan state waterways fund.....		48,800
3	State general fund/general purpose.....	\$	4,413,000
4	Sec. 112. GRANTS		
5	Dam management grant program.....	\$	350,000
6	Deer habitat improvement partnership initiative.....		50,000
7	Federal - clean vessel act grants.....		400,000
8	Federal - forest stewardship grants.....		3,125,000
9	Federal - land and water conservation fund payments..		2,566,900
10	Federal - rural community fire protection.....		300,000
11	Federal - urban forestry grants.....		3,024,000
12	Fisheries habitat improvement grants.....		1,255,600
13	Grants to communities - federal oil, gas, and timber		
14	payments		3,450,000
15	Grants to counties-marine safety.....		3,124,700
16	National recreational trails.....		3,900,000
17	Off-road vehicle safety training grants.....		29,200
18	Off-road vehicle trail improvement grants.....		2,776,400
19	Recreation improvement fund grants.....		657,100
20	Recreation passport local grants.....		771,300
21	Snowmobile law enforcement grants.....		495,100
22	Snowmobile local grants program.....		7,340,400
23	Trail easements.....		700,000
24	Wildlife habitat improvement grants.....		941,700
25	Wildlife habitat improvement grants in state forests .		<u>313,900</u>
26	GROSS APPROPRIATION.....	\$	35,571,300
27	Appropriated from:		

1	Federal revenues:	
2	Federal funds.....	18,333,300
3	Special revenue funds:	
4	Private funds.....	100,000
5	Game and fish protection fund.....	2,511,200
6	Game and fish protection fund - deer habitat reserve .	50,000
7	Local public recreation facilities fund.....	771,300
8	Marine safety fund.....	1,457,300
9	Off-road vehicle safety education fund.....	29,200
10	Off-road vehicle trail improvement fund.....	2,776,400
11	Permanent snowmobile trail easement fund.....	700,000
12	Recreation improvement account.....	657,100
13	Snowmobile registration fee revenue.....	495,100
14	Snowmobile trail improvement fund.....	7,340,400
15	State general fund/general purpose.....	\$ 350,000
16	Sec. 113. INFORMATION TECHNOLOGY	
17	Information technology services and projects.....	\$ <u>10,087,600</u>
18	GROSS APPROPRIATION.....	\$ 10,087,600
19	Appropriated from:	
20	Special revenue funds:	
21	Commercial forest fund.....	2,500
22	Forest development fund.....	1,453,900
23	Forest land user charges.....	38,000
24	Forest recreation account.....	69,400
25	Game and fish protection fund.....	4,211,700
26	Game and fish protection fund - deer habitat reserve .	100,400
27	Game and fish protection fund - turkey permit fees ...	65,800

1	Game and fish protection fund - waterfowl fees	3,700
2	Game and fish protection fund - wildlife resource	
3	protection fund	53,900
4	Game and fish protection fund - youth hunting and	
5	fishing education and outreach fund.....	600
6	Land exchange facilitation fund.....	78,100
7	Marine safety fund.....	89,300
8	Michigan natural resources trust fund.....	21,800
9	Michigan state parks endowment fund.....	836,800
10	Michigan state waterways fund.....	437,400
11	Michigan trailways fund.....	100
12	Nongame wildlife fund.....	37,800
13	Off-road vehicle safety education fund.....	12,900
14	Off-road vehicle trail improvement fund.....	15,900
15	Park improvement fund.....	1,247,300
16	Recreation improvement account.....	20,100
17	Snowmobile registration fee revenue.....	43,200
18	Snowmobile trail improvement fund.....	89,000
19	Sportsmen against hunger fund.....	600
20	State general fund/general purpose.....	\$ 1,157,400
21	Sec. 114. CAPITAL OUTLAY	
22	(1) STATE PARK AND FOREST AREA IMPROVEMENTS	
23	State parks repair and maintenance.....	\$ <u>9,500,000</u>
24	GROSS APPROPRIATION.....	\$ 9,500,000
25	Appropriated from:	
26	Special revenue funds:	
27	Michigan state parks endowment fund.....	3,500,000

1	Recreation passport fees	6,000,000
2	State general fund/general purpose	\$ 0
3	(2) WATERWAYS BOATING PROGRAM	
4	Infrastructure improvements - local projects	\$ 737,000
5	State infrastructure improvement and land acquisition	2,540,900
6	Presque Isle, Marquette County, removal and	
7	reconstruction of boat launch, phase I (total	
8	authorized cost is \$402,400; state share is	
9	\$201,200; local share is \$201,200)	201,200
10	Munising, Alger County, east breakwall extension,	
11	phase I (total authorized cost is \$874,800; state	
12	share is \$437,400; local share is \$437,400)	437,400
13	Fayette state park, snail shell harbor, Delta	
14	County, continuation of phase I to expand the	
15	existing broadside dock (total authorized cost is	
16	increased from \$400,000 to \$850,000; federal share	
17	is increased from \$300,000 to \$500,000; state share	
18	is increased from \$100,000 to \$350,000)	450,000
19	Selfridge boating access site, Macomb County, phase	
20	II, storm water management improvements, new	
21	entrance and parking lot/traffic flow	
22	reconfigurations (total authorized cost increased	
23	from \$2,000,000 to \$3,300,000; federal share is	
24	increased from \$1,500,000 to \$1,988,000; state	
25	share is increased from \$500,000 to \$1,312,000)	1,300,000
26	South Higgins state park, Roscommon County, new	
27	entrance, launch ramp, maneuver area, and parking	

1	lot/traffic flow configurations (total authorized		
2	cost is increased from \$250,900 to \$1,000,000;		
3	state share is increased from \$250,900 to		
4	\$1,000,000)		749,100
5	Manistique, Schoolcraft County, marina improvements,		
6	floating docks, replacement of bin-walls, phase III		
7	(total authorized cost is increased from \$2,660,000		
8	to \$3,660,000; state share is increased from		
9	\$1,330,000 to \$1,830,000; local share is increased		
10	from \$1,330,000 to \$1,830,000).....		<u>500,000</u>
11	GROSS APPROPRIATION.....	\$	6,915,600
12	Appropriated from:		
13	Federal revenues:		
14	Federal funds.....		1,638,000
15	Special revenue funds:		
16	Michigan state waterways fund.....		5,277,600
17	State general fund/general purpose.....	\$	0
18	Sec. 115. ONE-TIME BASIS ONLY APPROPRIATIONS		
19	Conservation officer training.....	\$	<u>600,000</u>
20	GROSS APPROPRIATION.....	\$	600,000
21	Appropriated from:		
22	State general fund/general purpose.....	\$	600,000

23 PART 2

24 PROVISIONS CONCERNING APPROPRIATIONS

25 FOR FISCAL YEAR 2013-2014

26 GENERAL SECTIONS

1 Sec. 201. Pursuant to section 30 of article IX of the state
 2 constitution of 1963, total state spending from state resources
 3 under part 1 for fiscal year 2013-2014 is \$267,212,100.00 and state
 4 spending from state resources to be paid to local units of
 5 government for fiscal year 2013-2014 is \$5,109,400.00. The itemized
 6 statement below identifies appropriations from which spending to
 7 local units of government will occur:

8 DEPARTMENT OF NATURAL RESOURCES

9 GRANTS

10	Dam management grant program.....	\$	175,000
11	Grants to counties - marine safety.....		1,457,300
12	Off-road vehicle safety training grants.....		29,200
13	Off-road vehicle trail improvement grants.....		240,200
14	Recreation improvement fund grants.....		65,700
15	Recreation passport local grants.....		771,300
16	Snowmobile law enforcement grants.....		495,100
17	CAPITAL OUTLAY		
18	Waterways boating program.....	\$	<u>1,875,600</u>
19	TOTAL.....	\$	5,109,400

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

23 Sec. 203. As used in this article:

- 24 (a) "Commission" means the natural resources commission.
- 25 (b) "Department" means the department of natural resources.
- 26 (c) "FTE" means full-time equated.

1 (d) "IDG" means interdepartmental grant.

2 (e) "IDT" means intradepartmental transfer.

3 Sec. 205. Unless otherwise specified, the department shall use
 4 the Internet to fulfill the reporting requirements of this article.
 5 This requirement may include transmission of reports via electronic
 6 mail to the recipients identified for each reporting requirement,
 7 or it may include placement of reports on an Internet or Intranet
 8 site.

9 Sec. 206. Appropriations of state restricted game and fish
 10 protection funds have been made in the following amounts to the
 11 following departments and agencies in their respective
 12 appropriation article:

13	Legislative auditor general.....	\$	29,300
14	Attorney general.....		838,000
15	Department of treasury.....		2,337,400

16 Sec. 207. Pursuant to section 43703(3) of the natural
 17 resources and environmental protection act, 1994 PA 451, MCL
 18 324.43703, there is appropriated from the game and fish protection
 19 trust fund to the game and fish protection account of the Michigan
 20 conservation and recreation legacy fund, \$6,000,000.00 for the
 21 fiscal year ending September 30, 2014.

22 Sec. 210. Funds appropriated in part 1 shall not be used for
 23 the purchase of foreign goods or services, or both, if
 24 competitively priced and of comparable quality American goods or
 25 services, or both, are available. Preference shall be given to
 26 goods or services, or both, manufactured or provided by Michigan
 27 businesses if they are competitively priced and of comparable

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

5 Sec. 211. The director of the department shall take all
6 reasonable steps to ensure businesses in deprived and depressed
7 communities compete for and perform contracts to provide services
8 or supplies, or both. The director shall strongly encourage firms
9 with which the department contracts to subcontract with certified
10 businesses in depressed and deprived communities for services,
11 supplies, or both.

12 Sec. 212. The department shall not take disciplinary action
13 against an employee for communicating with a member of the
14 legislature or his or her staff.

15 Sec. 214. Funds appropriated in part 1 shall not be used by a
16 principal executive department, state agency, or authority to hire
17 a person to provide legal services that are the responsibility of
18 the attorney general. This prohibition does not apply to legal
19 services for bonding activities and for those outside services that
20 the attorney general authorizes.

21 Sec. 215. (1) In addition to the funds appropriated in part 1,
22 there is appropriated an amount not to exceed \$3,000,000.00 for
23 federal contingency funds. These funds are not available for
24 expenditure until they have been transferred to another line item
25 in this article under section 393(2) of the management and budget
26 act, 1984 PA 431, MCL 18.1393.

27 (2) In addition to the funds appropriated in part 1, there is

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

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

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

18 Sec. 217. The department and agencies receiving appropriations
19 in part 1 shall receive and retain copies of all reports funded
20 from appropriations in part 1. Federal and state guidelines for
21 short-term and long-term retention of records shall be followed.
22 The department may electronically retain copies of reports unless
23 otherwise required by federal and state guidelines.

24 Sec. 218. The departments and agencies receiving
25 appropriations in part 1 shall prepare a report on out-of-state
26 travel expenses not later than January 1 of each year. The travel
27 report shall be a listing of all travel by classified and

1 unclassified employees outside this state in the immediately
2 preceding fiscal year that was funded in whole or in part with
3 funds appropriated in the department's budget. The report shall be
4 submitted to the senate and house appropriations committees, the
5 house and senate fiscal agencies, and the state budget director.
6 The report shall include the following information:

7 (a) The dates of each travel occurrence.

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

13 Sec. 220. Not later than November 30, the state budget office
14 shall prepare and transmit a report that provides for estimates of
15 the total general fund/general purpose appropriation lapses at the
16 close of the fiscal year. This report shall summarize the projected
17 year-end general fund/general purpose appropriation lapses by major
18 departmental program or program areas. The report shall be
19 transmitted to the chairpersons of the senate and house
20 appropriations committees, and the senate and house fiscal
21 agencies.

22 Sec. 222. Within 14 days after the release of the executive
23 budget recommendation, the department shall cooperate with the
24 state budget office to provide the senate and house appropriations
25 chairs, the senate and house appropriations subcommittees chairs,
26 and the senate and house fiscal agencies with an annual report on
27 estimated state restricted fund balances, state restricted fund

1 projected revenues, and state restricted fund expenditures for the
2 fiscal years ending September 30, 2013 and September 30, 2014.

3 Sec. 223. Before January 31, 2014, the department, in
4 cooperation with the Michigan state waterways commission, shall
5 provide to the state budget director, the senate and house
6 appropriations subcommittees on natural resources, and the senate
7 and house fiscal agencies a list of projects completed by the
8 commission in fiscal year 2012-2013, including the county and
9 municipality in which each project is located.

10 Sec. 233. On a quarterly basis, the department shall report on
11 the number of FTEs in pay status by civil service classification to
12 the senate and house appropriations subcommittees on natural
13 resources and environment and the senate and house fiscal agencies.

14 Sec. 234. The department shall cooperate with the department
15 of technology, management, and budget to maintain a searchable
16 website accessible by the public at no cost that includes, but is
17 not limited to, all of the following:

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

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

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

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

25 (e) Job specifications and wage rates.

26 Sec. 235. The department shall maintain, on a publicly
27 accessible website, a department scorecard that identifies, tracks,

1 and regularly updates key metrics that are used to monitor and
2 improve the agency's performance.

3 Sec. 236. No state department or agency shall issue a request
4 for proposal (RFP) for a contract in excess of \$5,000,000.00,
5 unless the department or agency has first considered issuing a
6 request for information (RFI) or a request for qualification (RFQ)
7 relative to that contract to better enable the department or agency
8 to learn more about the market for the products or services that
9 are the subject of the future RFP. The department or agency shall
10 notify the department of technology, management, and budget of the
11 evaluation process used to determine if an RFI or RFQ was not
12 necessary prior to issuing the RFP.

13 **DEPARTMENT SUPPORT SERVICES**

14 Sec. 302. The department may charge land acquisition projects
15 appropriated for the fiscal year ending September 30, 2014, and for
16 prior fiscal years, a standard percentage fee to recover actual
17 costs, and may use the revenue derived to support the land
18 acquisition service charges provided for in part 1.

19 Sec. 303. As appropriated in part 1, the department may charge
20 both application fees and transaction fees related to the exchange
21 or sale of state-owned land or rights in land authorized by part 21
22 of the natural resources and environmental protection act, 1994 PA
23 451, MCL 324.2101 to 324.2162. The fees shall be set by the
24 director of the department at a rate which allows the department to
25 recover its costs for providing these services.

1 **COMMUNICATION AND CUSTOMER SERVICES**

2 Sec. 404. For the purposes of administering the museum store
3 as provided in section 7a of 1913 PA 271, MCL 399.7a, the
4 department is exempt from section 261 of the management and budget
5 act, 1984 PA 431, MCL 18.1261.

6 Sec. 405. As appropriated in part 1, proceeds in excess of
7 costs incurred in the conduct of auctions, sales, or transfers of
8 artifacts no longer considered suitable for the collections of the
9 state historical museum may be expended upon receipt for additional
10 material for the collection. The department shall notify the
11 chairpersons, vice chairpersons, and minority vice chairpersons of
12 the senate and house appropriations subcommittees on natural
13 resources 1 week prior to any auctions or sales. Any unexpended
14 funds may be carried forward into the next succeeding fiscal year.

15 Sec. 406. As appropriated in part 1, funds collected by the
16 department for historical markers; document reproduction and
17 services; conferences, admissions, workshops, and training classes;
18 and the use of specialized equipment, facilities, exhibits,
19 collections, and software shall be used for expenses necessary to
20 provide the required services. The department may charge fees for
21 the aforementioned services, including admission fees. Any
22 unexpended funds may be carried forward into the next succeeding
23 fiscal year.

24 Sec. 408. By October 21, 2013, the department shall submit to
25 the senate and house appropriations subcommittees on natural
26 resources a report on all land transactions approved by the
27 commission in the fiscal year ending September 30, 2013. For each

1 land transaction, the report shall include the size of the parcel,
2 the county and municipality in which the parcel is located, the
3 dollar amount of the transaction, the fund source affected by the
4 transaction, and whether the transaction is by purchase, public
5 auction, transfer, exchange, or conveyance.

6 Sec. 409. By January 1, 2014, the department shall produce a
7 report identifying active oil and gas leases entered into before
8 July 1995 which are larger than 160 acres in size and where the
9 acreage held in a producing unit is less than or equal to 1/4 of
10 the total lease acreage.

11 WILDLIFE DIVISION

12 Sec. 503. From the funds appropriated in part 1, the
13 department shall produce a report detailing any efforts undertaken
14 to enforce the invasive species order on swine raised under the
15 husbandry of residents of this state. The report shall include fund
16 sources used and the amount of expenditures and shall be submitted
17 to the legislature by December 31, 2013.

18 Sec. 504. From the funds appropriated in part 1, the
19 department shall provide a report to the legislature on the use of
20 registration fees collected from privately owned cervid operations.
21 Appropriations in part 1 from cervidae licensing and inspection
22 fees shall not be used for anything other than work directly
23 related to the regulation of privately owned cervids in this state.

24 FISHERIES DIVISION

25 Sec. 601. (1) From the appropriation in part 1 for aquatic

1 resource mitigation, not more than \$758,000.00 shall be allocated
2 for grants to watershed councils, resource development councils,
3 soil conservation districts, local governmental units, and other
4 nonprofit organizations for stream habitat stabilization and soil
5 erosion control.

6 (2) The fisheries division in the department shall develop
7 priority and cost estimates for all projects recommended for grants
8 under subsection (1).

9 Sec. 602. As a condition of expenditure of fisheries
10 management appropriations under part 1, the department of natural
11 resources shall not impede the certification process for water
12 control structures on Michigan waterways. The department of natural
13 resources shall fund from funds appropriated in part 1 all non-
14 water-quality studies or requirements that the department requests
15 of either of the following:

16 (a) The department of environmental quality as a condition for
17 issuance of a certification under section 401 of the federal water
18 pollution control act, 33 USC 1341.

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

21 Sec. 603. The department shall provide a quarterly report to
22 the legislature on use of funding provided for cormorant
23 management. The department shall use general fund/general purpose
24 revenue for this purpose and submit revenue appropriated in this
25 article for cormorant management to the United States department of
26 agriculture animal and plant health inspection service to allow for
27 increased taking of cormorants and their nests.

1 **PARKS AND RECREATION DIVISION**

2 Sec. 702. The department shall notify the house and senate
3 appropriations subcommittees on natural resources and the house and
4 senate fiscal agencies if it intends to reduce operations or reduce
5 recreation opportunities in any state park or recreation area.

6 Sec. 703. The department shall work with the state
7 transportation department, local officials, and local landowners to
8 investigate options of routing and flow of traffic on the Soo-Raco
9 trail through Brimley.

10 **FOREST RESOURCES DIVISION**

11 Sec. 802. Of the funds appropriated in part 1, the department
12 shall, subject to the forest certification process, prescribe
13 treatment on 79,000 acres, prepare appropriate treatment for not
14 less than 67,500 acres at the current average rate of 12.5 to 15
15 cords per acre, and offer those cords for sale in the 2013-2014
16 fiscal year, provided that the department shall take into
17 consideration the impact of timber harvesting on wildlife habitat
18 and recreation uses. The department shall, subject to the forest
19 certification process, increase marking or treatment of hardwood
20 timber for sale and harvest by 10% over 2012-2013 fiscal year
21 levels. In addition, the department shall take into consideration
22 silvicultural analysis and report annually to the legislature on
23 plans and efforts to address factors limiting management of timber.
24 The department shall increase the number of prepared acres if it
25 appears that regional market demand requires increased volumes of

1 harvested timber. The department shall provide quarterly reports on
2 the number of acres treated, pursuant to this section, to the
3 senate and house appropriations subcommittees on natural resources
4 and the standing committees of the senate and house of
5 representatives with primary responsibility for natural resources
6 issues. The department shall complete and deliver these reports no
7 later than 45 days after the end of the fiscal quarter.

8 Sec. 803. In addition to the money appropriated in this
9 article, the department may receive and expend money from federal
10 sources for the purpose of providing response to wildfires as
11 required by a compact with the federal government. If additional
12 expenditure authorization is required, the department shall notify
13 the state budget office that expenditure under this section is
14 required. The department shall notify the house and senate
15 appropriations subcommittees on natural resources and the house and
16 senate fiscal agencies of the expenditures under this section by
17 November 1, 2014.

18 Sec. 804. The department shall continue to work cooperatively
19 with horseback riding interests to maximize riding opportunities in
20 the state.

21 Sec. 805. The department shall spend amounts appropriated in
22 part 1 for forest-related activities to employ or contract for
23 sufficient foresters to mark timber, pursuant to section 802.

24 Sec. 807. (1) In addition to the funds appropriated in part 1,
25 there is appropriated from the disaster and emergency contingency
26 fund up to \$800,000.00 to cover costs related to any disaster as
27 defined in section 2 of the emergency management act, 1976 PA 390,

1 MCL 30.402.

2 (2) Funds appropriated under subsection (1) shall not be
3 expended unless the state budget director recommends the
4 expenditure and the department notifies the house and senate
5 committees on appropriations. By December 1 each year, the
6 department shall provide a report to the senate and house fiscal
7 agencies and the state budget office on the use of the disaster and
8 emergency contingency fund during the prior fiscal year.

9 (3) If federal emergency management agency (FEMA)
10 reimbursement is approved for costs paid from the disaster and
11 emergency contingency fund, the federal revenue shall be deposited
12 into the disaster and emergency contingency fund.

13 (4) Unexpended and unencumbered funds remaining in the
14 disaster and emergency contingency fund at the close of the fiscal
15 year shall not lapse to the general fund and shall be carried
16 forward and be available for expenditures in subsequent fiscal
17 years.

18 **LAW ENFORCEMENT**

19 Sec. 901. The appropriation in part 1 for snowmobile law
20 enforcement grants shall be used by the department to provide
21 grants to county law enforcement agencies to enforce part 821 of
22 the natural resources and environmental protection act, 1994 PA
23 451, MCL 324.82101 to 324.82160, including rules promulgated under
24 that part and ordinances enacted pursuant to that part. The
25 department shall consider the number of enforcement hours and the
26 number of miles of snowmobile trails in each county in allocating

1 these grants. Any funds not distributed to counties revert back to
2 the snowmobile registration fee subaccount created under section
3 82111 of the natural resources and environmental protection act,
4 1994 PA 451, MCL 324.82111. Counties shall provide semiannual
5 reports to the department on the use of grant money received under
6 this section.

7 Sec. 902. The department shall provide a report on the marine
8 safety grant program to the senate and house appropriations
9 subcommittees on natural resources and the senate and house fiscal
10 agencies by December 1, 2013. The report shall include the
11 following information for the preceding year: the total amount of
12 revenue received for watercraft registrations, the amount deposited
13 into the marine safety fund, and the expenditures made from the
14 marine safety fund, including the amounts expended for department
15 administration, other state agencies, the law enforcement division,
16 and grants to counties. The report shall also include the
17 distribution methodology used by the department to distribute the
18 marine safety grants and a list of the grants and the amounts
19 awarded by county.

20 GRANTS

21 Sec. 1001. Federal pass-through funds to local institutions
22 and governments that are received in amounts in addition to those
23 included in part 1 for grants to communities - federal oil, gas,
24 and timber payments and that do not require additional state
25 matching funds are appropriated for the purposes intended. By
26 November 30, 2013, the department shall report to the senate and

1 house appropriations subcommittees on natural resources, the senate
2 and house fiscal agencies, and the state budget director on all
3 amounts appropriated under this section during the fiscal year
4 ending September 30, 2013.

5 Sec. 1002. Subject to part 811 of the natural resources and
6 environmental protection act, 1994 PA 451, MCL 324.81101 to
7 324.81150, from the funds appropriated in part 1 for off-road
8 vehicle trail improvements grants, not less than \$980,000.00 shall
9 be spent on the development of new trails in accordance with the
10 off-road vehicle trail expansion plan submitted to the legislature
11 pursuant to section 807 of article 14 of 2005 PA 154.

12 CAPITAL OUTLAY

13 Sec. 1101. The appropriation made in this article for the
14 harbors and docks program is for the purpose of participating with
15 the federal government and assisting local units of government,
16 public colleges and universities, or other governmental entities in
17 this state with the construction and improvement of recreational
18 boating facilities within this state. Subject to the approval of
19 the state administrative board, this money shall be allocated by
20 the department to the federal government, or to the governmental
21 entities involved in the particular projects. An allocation shall
22 not exceed the state portion as listed with each project
23 description. The department shall take the steps necessary to match
24 federal money available for the construction and improvement of
25 recreational boating facilities within the state, and to meet
26 requirements of the federal government.

1 Sec. 1102. (1) The director of the department shall allocate
2 lump-sum appropriations to the department made in this article
3 consistent with statutory provisions and the purposes for which
4 funds were appropriated. Lump-sum allocations shall address
5 priority program or facility needs and may include, but are not
6 limited to, design, construction, remodeling and addition, special
7 maintenance, major special maintenance, energy conservation, and
8 demolition.

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

16 Sec. 1103. The appropriations in part 1 for capital outlay
17 shall be carried forward at the end of the fiscal year consistent
18 with the provisions of section 248 of the management and budget
19 act, 1984 PA 431, MCL 18.1248.

20 Sec. 1104. The department shall seek reimbursement from the
21 United States army corps of engineers for costs related to the
22 emergency dredging of harbors under the jurisdiction of the corps
23 of engineers. If the corps of engineers reimburses this state for
24 any costs incurred from the appropriation for emergency dredging,
25 the federal revenue shall be deposited in the waterways account of
26 the Michigan conservation and recreation legacy fund established
27 under section 40 of article IX of the state constitution of 1963.

1 are appropriated for the fiscal year ending September 30, 2014,
 2 from the funds indicated in this part. The following is a summary
 3 of the appropriations in this part:

4 **DEPARTMENT OF STATE POLICE**

5 APPROPRIATION SUMMARY

6	Full-time equated unclassified positions.....	3.0	
7	Full-time equated classified positions.....	2,931.0	
8	GROSS APPROPRIATION.....		\$ 606,819,000
9	Total interdepartmental grants and intradepartmental		
10	transfers		25,219,700
11	Schedule of interdepartmental grant revenue sources:		
12	IDG, training academy charges	2,711,600	
13	IDG-MDOC, contract	183,900	
14	IDG-MDOS	360,700	
15	IDG-MDOT, state trunkline fund	11,258,700	
16	IDG-MDTR, casino gaming fees	5,956,900	
17	IDG-MDTR, emergency telephone fund		
18	coordinator	665,400	
19	IDG-MDTR, emergency telephone fund		
20	operations	721,200	
21	IDT, auto theft funds	716,600	
22	IDT, Michigan justice training fund	1,050,000	
23	IDT, truck safety fund	1,594,700	
24	ADJUSTED GROSS APPROPRIATION		\$ 581,599,300
25	Total federal revenues		98,846,100
26	Schedule of federal revenue sources:		
27	DHS	51,755,800	

1	DOJ	13,909,000	
2	DOJ interest bearing	8,139,400	
3	DOT	23,467,100	
4	Federal investigations - reimbursed		
5	services	1,060,800	
6	Federal narcotics investigation revenues ...	514,000	
7	Total local revenues		6,967,500
8	Schedule of local revenue sources:		
9	Local - AFIS fees	81,400	
10	Local - LEIN fees	1,016,600	
11	Local - MPSCS subscriber and		
12	maintenance fees	2,183,000	
13	Local - reimbursed services	2,012,500	
14	Local - school bus revenue	1,674,000	
15	Total private revenues		239,700
16	Schedule of private revenue sources:		
17	Private donations	239,700	
18	Total state restricted revenues		122,071,700
19	Schedule of state restricted revenues:		
20	Auto theft prevention fund	7,289,400	
21	Criminal justice information center		
22	service fees	18,333,800	
23	Concealed weapons enforcement fee	100,000	
24	Drunk driving prevention and training		
25	fund	1,402,200	
26	Forensic science reimbursement fees	1,483,300	
27	Forfeiture funds	93,500	

1	Hazardous materials training center fees .	1,167,100	
2	Highway safety fund	12,906,800	
3	Licensing fees	9,100	
4	Michigan justice training fund	8,459,300	
5	Michigan merit award trust fund	750,000	
6	Motor carrier fees	4,616,900	
7	Narcotics investigation revenues	791,600	
8	Nuclear plant emergency planning		
9	reimbursement	2,647,000	
10	Precision driving track fees	311,700	
11	Reimbursed services	640,600	
12	Rental of department aircraft	57,600	
13	Secondary road patrol and training fund .	12,261,200	
14	Sex offender registration fund	300,900	
15	State forensic laboratory fund	1,721,300	
16	State police service fees	2,197,900	
17	State services fee fund	11,666,600	
18	Tobacco tax revenue	4,190,700	
19	Traffic crash revenue	332,900	
20	Traffic law enforcement and safety fund .	26,321,600	
21	Trooper school recruitment fund	1,100	
22	Truck driver safety fund	2,017,600	
23	State general fund/general purpose		\$ 353,474,300
24	State general fund/general purpose schedule:		
25	Ongoing state general fund/general		
26	purpose	346,912,400	
27	One-time state general fund/general		

1	purpose	6,561,900	
2	Sec. 102. EXECUTIVE DIRECTION		
3	Full-time equated unclassified positions.....	3.0	
4	Full-time equated classified positions.....	37.0	
5	Unclassified positions.....		\$ 707,000
6	Executive direction.....		<u>5,399,100</u>
7	GROSS APPROPRIATION.....		\$ 6,106,100
8	Appropriated from:		
9	Interdepartmental grant revenues.....		43,400
10	State restricted revenues.....		847,700
11	State general fund/general purpose.....		\$ 5,215,000
12	Schedule of programs:		
13	Executive direction	2,969,100	
14	Special operations and events.....	2,430,000	
15	Sec. 103. SCIENCE, TECHNOLOGY, AND TRAINING		
16	Full-time equated classified positions.....	200.0	
17	Science, technology, and training.....		\$ <u>75,769,000</u>
18	GROSS APPROPRIATION.....		\$ 75,769,000
19	Appropriated from:		
20	Interdepartmental grant revenues.....		5,581,500
21	Federal revenues.....		4,828,000
22	Local revenues.....		3,239,600
23	State restricted revenues.....		28,501,100
24	State general fund/general purpose.....		\$ 33,618,800
25	Schedule of programs:		
26	Training	11,923,700	
27	Establishing and maintaining law enforcement		

1	standards	10,030,100	
2	Criminal history systems	16,016,600	
3	Information technology services and		
4	projects	23,160,900	
5	Michigan public safety communications		
6	system	14,637,700	
7	Sec. 104. FORENSIC SCIENCES		
8	Full-time equated classified positions.....	265.0	
9	Forensic sciences.....		\$ <u>43,027,000</u>
10	GROSS APPROPRIATION.....		\$ 43,027,000
11	Appropriated from:		
12	Federal revenues.....		5,168,100
13	State restricted revenues.....		14,588,200
14	State general fund/general purpose.....		\$ 23,270,700
15	Schedule of programs:		
16	Forensics	43,027,000	
17	Sec. 105. UNIFORM SERVICES		
18	Full-time equated classified positions.....	1,560.0	
19	Uniform services.....		\$ <u>223,803,400</u>
20	GROSS APPROPRIATION.....		\$ 223,803,400
21	Appropriated from:		
22	State restricted revenues.....		41,081,000
23	State general fund/general purpose.....		\$ 182,722,400
24	Schedule of programs:		
25	Traffic safety and enforcement.....	219,266,800	
26	Security at events	1,200,000	
27	Capitol security	2,536,600	

1	Michigan international speedway traffic	
2	control	800,000
3	Sec. 106. SPECIALIZED SERVICES	
4	Full-time equated classified positions.....	699.0
5	Specialized services.....	\$ <u>107,927,400</u>
6	GROSS APPROPRIATION.....	\$ 107,927,400
7	Appropriated from:	
8	Interdepartmental grant revenues.....	18,688,300
9	Federal revenues.....	14,076,800
10	Local revenues.....	3,663,400
11	Private revenues.....	239,700
12	State restricted revenues.....	10,489,600
13	State general fund/general purpose.....	\$ 60,769,600
14	Schedule of programs:	
15	Specialty teams	25,737,300
16	Criminal investigations	56,366,700
17	Fire investigations	1,978,900
18	Motor carrier enforcement	23,844,500
19	Sec. 107. SUPPORT SERVICES	
20	Full-time equated classified positions.....	170.0
21	Support services.....	\$ <u>143,624,200</u>
22	GROSS APPROPRIATION.....	\$ 143,624,200
23	Appropriated from:	
24	Interdepartmental grant revenues.....	906,500
25	Federal revenues.....	74,773,200
26	Local revenues.....	64,500
27	State restricted revenues.....	26,564,100

1	State general fund/general purpose	\$	41,315,900
2	Schedule of programs:		
3	Support services		57,277,600
4	State emergency center operations and		
5	preparedness		59,194,500
6	Highway safety planning and awareness.....		16,087,900
7	Secondary road patrol program.....		11,064,200
8	Sec. 108. ONE-TIME BASIS ONLY APPROPRIATIONS		
9	At-post troopers - trooper school.....	\$	3,661,900
10	Grand Rapids forensics laboratory.....		400,000
11	Emergency response team vehicle replacement.....		350,000
12	Secondary road patrol program.....		150,000
13	Disaster and emergency contingency fund.....		<u>2,000,000</u>
14	GROSS APPROPRIATION.....	\$	6,561,900
15	Appropriated from:		
16	State general fund/general purpose.....	\$	6,561,900

17 PART 2
 18 PROVISIONS CONCERNING APPROPRIATIONS
 19 FOR FISCAL YEAR 2013-2014

20 **GENERAL SECTIONS**

21 Sec. 201. Pursuant to section 30 of article IX of the state
 22 constitution of 1963, total state spending from state resources
 23 under part 1 for fiscal year 2013-2014 is \$475,546,000.00 and state
 24 spending from state resources to be paid to local units of
 25 government for fiscal year 2013-2014 is \$16,187,600.00. The

1 itemized statement below identifies appropriations from which
 2 spending to local units of government will occur:

3 DEPARTMENT OF STATE POLICE

4	Science, technology, and training bureau.....	\$	3,930,700
5	Schedule of programs:		
6	Justice training grants.....		3,747,600
7	Training only to local units.....		183,100
8	Specialized services.....		653,300
9	Schedule of programs:		
10	Specialty teams.....		653,300
11	Support services.....		11,453,600
12	Schedule of programs:		
13	State emergency operations center and preparedness ...		500,000
14	Secondary road patrol.....		10,953,600
15	Secondary road patrol (1-time appropriation)		<u>150,000</u>
16	TOTAL.....	\$	16,187,600

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

20 Sec. 203. As used in this article:

21 (a) "AFIS" means the automated fingerprint identification
 22 system.

23 (b) "CJIC" means the criminal justice information center.

24 (c) "Department" means the department of state police.

25 (d) "DHS" means the United States department of homeland
 26 security.

27 (e) "DNA" means deoxyribonucleic acid.

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

2 (g) "DOT" means the United States department of
3 transportation.

4 (h) "DTMB" means the department of technology, management, and
5 budget.

6 (i) "FEMA" means the federal emergency management agency.

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

8 (k) "IDG" means interdepartmental grant.

9 (l) "IDT" means intradepartmental transfer.

10 (m) "LEIN" means the law enforcement information network.

11 (n) "MCOLES" means Michigan commission on law enforcement
12 standards.

13 (o) "MDCH" means the Michigan department of community health.

14 (p) "MDOC" means the Michigan department of corrections.

15 (q) "MDOS" means the Michigan department of state.

16 (r) "MDOT" means the Michigan department of transportation.

17 (s) "MDTR" means the Michigan department of treasury.

18 (t) "MPSCS" means Michigan public safety communications
19 system.

20 (u) "Subcommittees" means all members of the subcommittees of
21 the senate and house standing committees on appropriations with
22 jurisdiction over the budget for the department.

23 (v) "Work project" means a group of activities featuring a
24 fixed duration, budget, and scope that is expected to cause a
25 measurable change in the delivery, efficiency, or effectiveness of
26 1 or more operations.

27 Sec. 204. The following shall constitute the appropriations

1 from part 1 for interdepartmental grant funds received by the
2 department from sources outside the department: \$2,711,600.00 from
3 training academy charges; \$183,900.00 from the department of
4 corrections contract; \$360,700.00 from the department of state;
5 \$11,258,700.00 from the department of transportation - state
6 trunkline funds; \$5,956,900.00 from casino gaming fees; \$665,400.00
7 from the department of treasury - emergency telephone fund
8 coordinator; and \$721,200.00 from the department of treasury -
9 emergency telephone fund operations.

10 Sec. 205. (1) The following shall constitute the
11 appropriations from part 1 for interdepartmental grant funds made
12 from the department to other departments: \$1,484,800.00 to the
13 department of environmental quality; \$150,100.00 to the department
14 of attorney general - justice training competitive grant;
15 \$800,500.00 to the judiciary - justice training competitive grant;
16 \$352,700.00 to the department of attorney general - operations;
17 \$650,000.00 to the department of military and veterans affairs -
18 homeland security grant; \$23,160,900.00 to DTMB - information
19 technology services and projects; and \$14,637,700.00 to DTMB -
20 Michigan public safety communications systems.

21 (2) Based on the availability of federal funding and the
22 demonstrated need as indicated by applications submitted to the
23 state court administrative office, the department shall provide
24 \$1,500,000.00 in Byrne justice assistance grant program funding to
25 the judiciary by interdepartmental grant.

26 Sec. 206. (1) In addition to the funds appropriated in part 1,
27 there is appropriated an amount not to exceed \$10,000,000.00 for

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

5 (2) In addition to the funds appropriated in part 1, there is
6 appropriated an amount not to exceed \$3,500,000.00 for state
7 restricted contingency funds. These funds are not available for
8 expenditure until they have been transferred to another line item
9 in this article under section 393(2) of the management and budget
10 act, 1984 PA 431, MCL 18.1393.

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

17 (4) In addition to the funds appropriated in part 1, there is
18 appropriated an amount not to exceed \$200,000.00 for private
19 contingency funds. These funds are not available for expenditure
20 until they have been transferred to another line item in this
21 article under section 393(2) of the management and budget act, 1984
22 PA 431, MCL 18.1393.

23 Sec. 207. The department shall cooperate with the department
24 of technology, management, and budget to maintain a searchable
25 website that is accessible by the public at no cost that includes,
26 but is not limited to, all of the following:

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

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

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

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

7 (e) Job specifications and wage rates.

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

14 Sec. 209. Funds appropriated in part 1 shall not be used for
15 the purchase of foreign goods or services, or both, if
16 competitively priced and of comparable quality American goods or
17 services, or both, are available. Preference shall be given to
18 goods or services, or both, manufactured or provided by Michigan
19 businesses, if they are competitively priced and of comparable
20 quality. In addition, preference shall be given to goods or
21 services, or both, that are manufactured or provided by Michigan
22 businesses owned and operated by veterans, if they are
23 competitively priced and of comparable quality. In addition,
24 preference shall be given to goods or services, or both, that are
25 manufactured or provided by Michigan small businesses that have
26 veterans compose at least 35% of their total workforce. As used in
27 this section, "veteran" means that term as defined in section 261

1 of the management and budget act, 1984 PA 431, MCL 18.1261. As used
2 in this section, "small business" means that term as defined in
3 section 7a of the administrative procedures act of 1969, 1969 PA
4 306, MCL 24.207a.

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

12 Sec. 212. The departments and agencies receiving
13 appropriations in part 1 shall receive and retain copies of all
14 reports funded from appropriations in part 1. Federal and state
15 guidelines for short-term and long-term retention of records shall
16 be followed. The department and agencies receiving appropriations
17 in part 1 may electronically retain copies of reports unless
18 otherwise required by federal and state guidelines.

19 Sec. 215. A department or state agency shall not take
20 disciplinary action against an employee for communicating with a
21 member of the legislature or his or her staff.

22 Sec. 216. (1) Notwithstanding any other provision of this
23 article, the schedule of programs in part 1 lists programs which
24 may, but are not required to be, funded under this article.

25 (2) Notwithstanding any other provisions of this article, the
26 schedule of revenue sources in part 1 may or may not be received
27 from the funding entities listed.

1 (3) The secondary road patrol funding is not subject to
2 funding flexibility and shall be funded in accordance with section
3 629e of the Michigan vehicle code, 1949 PA 300, MCL 257.629e.

4 (4) Any funding required by statute is not subject to funding
5 flexibility and shall be funded in accordance with that statute.

6 Sec. 217. The department shall improve its budgetary
7 efficiency pertaining to the delivery of core services by doing all
8 of the following:

9 (a) Prioritizing personnel over buildings in budgetary
10 efficiency considerations.

11 (b) Pursuing the physical or virtual consolidation of support
12 service functions such as information technology, human resources,
13 and accounting as a means of improving standardization and
14 efficiency.

15 (c) Seeking expenditure reductions whenever possible through
16 the streamlining of existing service delivery activities.

17 (d) Identifying efficiencies that can be gained via the
18 reduction or elimination of programs, policies, and practices which
19 have outlived their usefulness.

20 Sec. 218. The departments and agencies receiving
21 appropriations in part 1 shall prepare a report on out-of-state
22 travel expenses not later than January 1 of each year. The travel
23 report shall be a listing of all travel by classified and
24 unclassified employees outside this state in the immediately
25 preceding fiscal year that was funded in whole or in part with
26 funds appropriated in the department's budget. The report shall be
27 submitted to the house and senate appropriations committees, the

1 house and senate fiscal agencies, and the state budget director.
2 The report shall include the following information:

3 (a) The dates of each travel occurrence.

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

9 Sec. 219. (1) The department shall provide quarterly reports,
10 beginning October 1, to the subcommittees and the senate and house
11 fiscal agencies, which provide the following data:

12 (a) A list of major work projects, including the status of
13 each project.

14 (b) The department's financial status, featuring a report of
15 budgeted versus actual expenditures by part 1 line item including a
16 year-end projection of budget requirements. If projected department
17 budget requirements exceed the allocated budget, the report shall
18 include a plan to reduce overall expenses while still satisfying
19 specified service level requirements.

20 (c) A report on the performance metrics cited in this article.

21 (2) The department shall provide all information necessary to
22 validate that the requirements of this part have been achieved.

23 (3) The department shall provide a corrective action plan
24 within 30 days of a quarterly report under this section for any
25 requirements of this part that have not been achieved. The
26 department shall provide a monthly status of correction action
27 plans.

1 (4) The department shall provide a summary of fund shifts,
2 that have been approved by the state budget office, that have
3 occurred between items listed in the schedule of programs mentioned
4 in part 1 on a quarterly basis to the subcommittees and the senate
5 and house fiscal agencies.

6 Sec. 221. The appropriations in part 1 are for the core
7 services, support services, and work projects of the department,
8 including, but not limited to, the following core services: traffic
9 safety and enforcement, criminal investigations, fire
10 investigation, specialty teams, capitol security, state emergency
11 operations center and preparedness, criminal history systems,
12 highway safety planning and awareness, motor carrier enforcement,
13 forensics, training, and establishing and monitoring law
14 enforcement standards. As used in this section, "core service"
15 means that phrase as defined in section 373 of the management and
16 budget act, 1984 PA 431, MCL 18.1373.

17 Sec. 222. The department shall notify the subcommittees, the
18 chairpersons of the senate and house standing committees on
19 appropriations, and the senate and house fiscal agencies not less
20 than 90 days before recommending to close or consolidate any state
21 police posts. The notification shall include a local and state
22 impact study of the proposed post closure or consolidation.

23 Sec. 223. At least 90 days before beginning any effort to
24 privatize, the department shall submit a complete project plan to
25 the subcommittees and the senate and house fiscal agencies. The
26 plan shall include the criteria under which the privatization
27 initiative will be evaluated. The evaluation shall be completed and

1 submitted to the subcommittees and the senate and house fiscal
2 agencies within 30 months.

3 Sec. 224. Funds appropriated in part 1 shall not be used by a
4 principal executive department, state agency, or authority to hire
5 a person to provide legal services that are the responsibility of
6 the attorney general. This prohibition does not apply to legal
7 services for bonding activities and for those activities that the
8 attorney general authorizes.

9 Sec. 226. (1) When the department provides contractual
10 services to a local unit of government, the department shall be
11 reimbursed for all costs incurred in providing the services,
12 including, but not limited to, retirement and overtime costs.

13 (2) The department shall define service cost models for those
14 services requiring reimbursement.

15 (3) Contractual services provided to an entity other than a
16 local unit of government may be provided by department personnel,
17 but only on an overtime basis outside the normal work schedule of
18 the personnel.

19 (4) This section does not apply to state agencies.

20 Sec. 228. Not later than November 30, the state budget office
21 shall prepare and transmit a report that provides for estimates of
22 the total general fund/general purpose appropriations lapses at the
23 close of the fiscal year. This report shall summarize the projected
24 year-end general fund/general purpose appropriations lapses by
25 major departmental program or program areas. The report shall be
26 transmitted to the office of the state budget, the chairpersons of
27 the senate and house appropriations committees, the subcommittees,

1 and the senate and house fiscal agencies.

2 Sec. 229. Within 14 days after the release of the executive
3 budget recommendation, the department shall cooperate with the
4 state budget office to provide the senate and house appropriations
5 chairs, the subcommittees, and the senate and house fiscal agencies
6 with an annual report on estimated state restricted fund balances,
7 state restricted fund projected revenues, and state restricted fund
8 expenditures for the fiscal years ending September 30, 2013 and
9 September 30, 2014.

10 Sec. 230. The department shall maintain, on a publicly
11 accessible website, a department scorecard that identifies, tracks,
12 and regularly updates key metrics that are used to monitor and
13 improve the department's performance.

14 Sec. 231. The department, in keeping with its role as the
15 general law enforcement agency of the state and as the law
16 enforcement agency of last resort for communities that are either
17 without local law enforcement resources or are seriously
18 underserved by local law enforcement resources, shall provide
19 general law enforcement assistance to those communities until
20 adequate law enforcement services can be provided to those
21 communities by other means.

22 Sec. 232. The department shall serve as an active liaison
23 between the DTMB and state, local, regional, and federal public
24 safety agencies to establish interoperability standards to ensure
25 effective communication among public safety agencies and to
26 facilitate the use of the MPSCS towers by those local public safety
27 agencies that have an interest in using the towers as a part of

1 their communication system. The department shall also report user
2 issues to the DTMB.

3 **EXECUTIVE DIRECTION**

4 Sec. 250. (1) From the funds appropriated in part 1, there is
5 funding to support unclassified employee positions as authorized by
6 section 5 of article XI of the state constitution of 1963. These
7 positions include the following: department director, chief
8 administrative officer, and executive director of the Michigan
9 commission on law enforcement standards.

10 (2) Not less than 30 days prior to the department submitting a
11 request for an additional unclassified employee position from the
12 civil service commission, or for any substantive change to the
13 duties of an existing unclassified employee position, the
14 department shall notify the subcommittees and the senate and house
15 fiscal agencies.

16 Sec. 251. From the funds appropriated in part 1 for executive
17 direction, effective and efficient administrative leadership shall
18 be provided to the department.

19 Sec. 252. From the funds appropriated in part 1 for special
20 operations and events, the department shall provide effective
21 protection for the governor and visiting dignitaries to the state.

22 **SCIENCE, TECHNOLOGY, AND TRAINING**

23 **TRAINING**

24 Sec. 302. (1) The department shall develop and deliver
25 professional, innovative, and quality training that supports the

1 enforcement and public safety efforts of the criminal justice
2 community.

3 (2) The department shall maintain the staffing and resources
4 necessary to provide educational opportunities for personal and
5 professional growth to a minimum of 10,000 state and local law
6 enforcement employees and other public safety partners.

7 (3) The department shall maintain the staffing and resources
8 necessary to provide educational opportunities for personal and
9 professional growth to a minimum of 3,000 community members.

10 (4) The department shall seek to increase its classroom
11 occupancy rate at the training academy with the goal of reaching
12 55% on an annual basis.

13 (5) The department shall place emphasis on recruiting MCOLES-
14 certified police officers for the trooper recruit school. Emphasis
15 shall be given in the hiring process to those officers who are on
16 layoff and possess valid MCOLES certification. Any emphasis given
17 in the recruiting and selection process shall be consistent with
18 the department's hiring standards and in accordance with civil
19 service rules.

20 (6) The department shall distribute and review course
21 evaluations to ensure quality training is provided.

22 (7) Beginning October 1, the department shall submit a report
23 to the subcommittees within 60 days of the conclusion of any
24 trooper recruit school. The report shall include the following:

25 (a) The number of veterans and the number of MCOLES-certified
26 police officers who commenced that trooper recruit school.

27 (b) The number of veterans and the number of MCOLES-certified

1 police officers who concluded that trooper recruit school.

2 (c) The devices or campaigns that were used to specifically
3 recruit veterans and MCOLES-certified police officers for that
4 trooper recruit school.

5 **ESTABLISHING AND MAINTAINING LAW ENFORCEMENT STANDARDS**

6 Sec. 303. (1) MCOLES shall establish standards for the
7 selection, employment, training, education, licensing, and
8 revocation of all law enforcement officers.

9 (2) MCOLES shall maintain the staffing and resources necessary
10 to provide the basic law enforcement training curriculum for law
11 enforcement training academy programs statewide.

12 (3) MCOLES shall maintain staffing and resources necessary to
13 update law enforcement standards within 30 days of the effective
14 date of any new legislation.

15 **CRIMINAL HISTORY SYSTEMS**

16 Sec. 304. (1) In accordance with applicable state and federal
17 laws and regulations, the department shall maintain a criminal
18 history system and the state accident data collection system in the
19 support of public safety and law enforcement communities in this
20 state.

21 (2) The department shall maintain the staffing and resources
22 necessary to adhere to 1925 PA 289, MCL 28.241 to 28.248.

23 (3) The department shall improve the accuracy, timeliness, and
24 completeness of criminal history information by conducting a
25 minimum of 30 outreach activities targeted to criminal justice
26 agencies.

27 (4) The department shall maintain the state accident data

1 collection system and make this information available to the public
2 at a reasonable cost. For bulk access to the accident records in
3 which the vehicle identification number has been collected and
4 computerized, the department shall make those records available to
5 the public at cost, provided that the name and address have been
6 excluded.

7 (5) The department shall provide fingerprint and background
8 check services in support of public safety and law enforcement
9 communities in this state.

10 (6) The department shall maintain the staffing and resources
11 necessary to process fingerprint and background check services
12 commensurate with fiscal year 2010-2011.

13 (7) The department shall maintain resources and educational
14 outreach for the electronic submission of fingerprint information
15 from local law enforcement agencies and maintain at least a 97%
16 submission rate.

17 (8) The department shall define and maintain a cost model
18 pertaining to providing fingerprint check services and provide that
19 fingerprint service fees shall be commensurate with the actual
20 costs of delivering this service.

21 (9) The department shall maintain the law enforcement
22 information network in support of public safety and law enforcement
23 communities in this state.

24 (10) The department shall maintain the staffing and resources
25 necessary to adhere to the C.J.I.S. policy council act, 1974 PA
26 163, MCL 28.211 to 28.215.

27 (11) The department shall audit criminal justice agencies as

1 required by federal guidelines.

2 (12) The department shall prepare a report to the legislature
3 defining a list of options to reduce the LEIN budget by 5% without
4 adversely impacting services to customers.

5 (13) The department shall oversee the sex offender registry
6 and its enforcement in this state.

7 (14) The department shall maintain the staff and resources
8 necessary to enforce the provision of the sex offenders
9 registration act, 1994 PA 295, MCL 28.721 to 28.736.

10 (15) The sex offender registry unit shall follow up on tips
11 assigned to law enforcement agencies within 10 working days.

12 **FORENSIC SCIENCES**

13 **FORENSICS**

14 Sec. 401. (1) The department shall provide forensic testing
15 services to aid in criminal investigations.

16 (2) The department shall maintain the staffing and resources
17 necessary to provide forensic evidence with an average turnaround
18 time of 55 days assuming an annual caseload volume commensurate
19 with that received in fiscal year 2010-2011.

20 (3) The department shall ensure its ability to maintain
21 accreditation by the American society of crime laboratory
22 directors/laboratory accreditation board (ASCLD/LAB).

23 (4) The department shall implement improved methods with the
24 intent of reaching an average 30-day turnaround for forensic
25 evidence.

26 (5) If changes are made to the department's protocol for

1 retaining and purging DNA analysis samples and records, the
2 department shall post a copy of the protocol changes on the
3 department's website.

4 **UNIFORM SERVICES**

5 **TRAFFIC SAFETY AND ENFORCEMENT**

6 Sec. 501. (1) The department shall oversee traffic safety and
7 enforcement in this state.

8 (2) The department shall maintain the staffing and resources
9 necessary to make traffic contacts per patrol hours commensurate
10 with the service level and contact areas exhibited in fiscal year
11 2010-2011. There shall be no degradation of road patrol services to
12 any region of this state.

13 (3) The department shall maintain the staffing and resources
14 necessary to continually work to enhance traffic safety throughout
15 the state and shall dedicate a minimum of 300,000 hours to
16 statewide patrol, of which a minimum of 24,000 shall be committed
17 to distressed cities in this state.

18 (4) Department enlisted personnel who are employed to enforce
19 traffic laws as provided in section 629e of the Michigan vehicle
20 code, 1949 PA 300, MCL 257.629e, shall not be prohibited from
21 responding to crimes in progress or other emergency situations and
22 are responsible for protecting every citizen of this state from
23 harm.

24 (5) The department shall maintain the staffing and resources
25 necessary to perform activities to maintain a 93% compliance rate
26 for reporting by registered sex offenders.

1 (6) The department shall submit a report on or before December
2 1 to the subcommittees and the senate and house fiscal agencies
3 regarding the cities in distress public safety initiative. The
4 report shall include, but is not limited to, the following
5 information for the prior fiscal year months:

6 (a) Statistics regarding relevant trooper schools, including
7 the number of applications, the number of troopers graduated, and
8 the cities or posts in which each of these troopers is assigned or
9 stationed.

10 (b) Statistics regarding criminal activity, including the
11 number of arrests made by troopers assigned to the cities in
12 distress, the number of traffic stops made by troopers assigned to
13 cities in distress, the number of parole or probation violators
14 arrested by troopers assigned to cities in distress, the number of
15 violent and assaultive crimes committed in the cities in distress,
16 the number of illegal drug and narcotic crimes committed in the
17 cities in distress, and the number of property crimes committed in
18 the cities in distress.

19 (c) Where reasonably available, statistics regarding the
20 number of local law enforcement officers employed by the cities in
21 distress and the number of criminal prosecutions in the counties in
22 which the cities in distress are located.

23 (7) The department shall respond to potential and imminent
24 threats to this state's facilities, systems, and property, and
25 large scale recreational and major public sponsored events.

26 (8) The department shall use the funds appropriated in part 1
27 for security at events to support the department's costs associated

1 with the additional show-of-force, enforcement, or traffic safety
2 efforts during major public events within this state.

3 (9) From the funds appropriated in part 1 for security at
4 events, the department shall maintain the ability to support the
5 cost of 7,000 overtime hours or the financial equivalent of 7,000
6 overtime hours in terms of overtime, fuel, equipment, and other
7 costs.

8 (10) The department shall provide traffic control for events
9 at Michigan international speedway.

10 **CAPITOL SECURITY**

11 Sec. 505. (1) The department shall provide security services
12 at the state capitol complex facilities.

13 (2) The department shall maintain the staff and resources
14 necessary to respond to emergencies at the house office building,
15 Farnum building, capitol parking lot, Townsend parking ramp, the
16 Roosevelt parking ramp, and other areas as directed.

17 (3) The department shall pursue federal grants to improve the
18 security at the capitol building.

19 (4) The department may develop a phased approach for improving
20 security at the capitol building.

21 (5) The department shall dedicate a minimum of 35,000 patrol
22 hours for the state capitol complex facilities.

23 **SPECIALIZED SERVICES**

24 **SPECIALTY TEAMS**

25 Sec. 601. (1) The department shall provide specialty services
26 to citizens of this state in accordance with all applicable state

1 and federal laws and regulations.

2 (2) The department shall maintain the staffing and resources
3 necessary to provide training to maintain readiness to respond
4 appropriately to at least the number of requests for specialty
5 services which occurred in fiscal year 2010-2011.

6 (3) The canine unit shall be available for call out statewide
7 100% of the time.

8 (4) The bomb squad unit shall be available for call out
9 statewide 100% of the time.

10 (5) The emergency support teams shall be available for call
11 out statewide 100% of the time and shall strive to achieve
12 acceptable response times.

13 (6) The underwater recovery unit shall be available for call
14 out statewide 100% of the time.

15 (7) Aviation services shall be available for call out
16 statewide 100% of the time, unless prohibited by weather or
17 unexpected mechanical breakdowns.

18 (8) Money privately donated to the department is appropriated
19 under part 1 to be used for the purposes designated by the donor of
20 the money. Money privately donated to the department's canine unit
21 shall be used to purchase equipment and other items to enhance the
22 operation of the canine unit.

23 (9) The department shall operate the Michigan intelligence
24 operation center as the state's federally recognized fusion center.

25 (10) The department shall seek to increase the number of
26 public and private sector contacts which receive vital homeland
27 security information and intelligence in order to enhance the

1 safety and security for citizens of this state.

2 **CRIMINAL INVESTIGATIONS**

3 Sec. 602. (1) The department shall identify and apprehend
4 criminals through criminal investigations in this state.

5 (2) The department shall maintain the staffing and resources
6 necessary to devote a comparable number of hours investigating
7 crimes as those performed in fiscal year 2010-2011.

8 (3) The department shall maintain the staffing and resources
9 necessary to annually meet or exceed a case clearance rate of 56%.

10 (4) The department shall provide protection to this state, its
11 economy, welfare, and vital state-sponsored programs through the
12 prevention and suppression of organized smuggling of untaxed
13 tobacco products in the state, through enforcement of the tobacco
14 products tax act, 1993 PA 327, MCL 205.421 to 205.436, and other
15 laws pertaining to combating criminal activity in this state, by
16 maintaining a tobacco tax enforcement unit that will dedicate a
17 minimum of 16,600 hours to tobacco tax enforcement.

18 (5) The department shall annually provide 4 training
19 opportunities to local law enforcement partners with the goal of
20 increasing their knowledge of gambling laws, trends, and legal
21 issues.

22 (6) The department shall submit an annual report on or by
23 October 15 to the subcommittees, the senate and house
24 appropriations subcommittees on general government, and the senate
25 and house fiscal agencies, that details expenditures related to tax
26 enforcement activities for the prior fiscal year.

27 **FIRE INVESTIGATION**

1 Sec. 603. (1) The department shall provide fire investigation
2 services to citizens of this state through investigative assistance
3 to local law enforcement agencies.

4 (2) The department shall maintain the staffing and resources
5 necessary to maintain readiness to respond appropriately to at
6 least the number of requests for service that occurred in fiscal
7 year 2010-2011.

8 (3) The fire investigation unit shall be available for call
9 out statewide 100% of the time.

10 **MOTOR CARRIER ENFORCEMENT**

11 Sec. 604. (1) The department shall maintain the staffing and
12 resources necessary to enforce the motor carrier safety laws and
13 regulations of the state.

14 (2) The department shall inspect all black and yellow school
15 buses annually.

16 (3) The department shall maintain the staffing and resources
17 necessary to annually inspect at least 53,000 commercial vehicles.

18 **SUPPORT SERVICES**

19 Sec. 701. (1) The department shall provide administrative
20 support for department operations.

21 (2) The department shall maintain the staffing and resources
22 necessary to ensure proper accountability of state funds.

23 (3) The department shall maintain the staffing and resources
24 necessary to adhere to the state of Michigan financial management
25 guide for accounting, contracting, purchasing, budgeting, and
26 financial reporting and the administrative guide to state

1 government.

2 (4) The department shall ensure fiscal controls relating to
3 procurement of goods and services and other expenditures.

4 **STATE EMERGENCY OPERATIONS CENTER AND PREPAREDNESS**

5 Sec. 703. (1) The department shall respond to civil disorders
6 and natural disasters.

7 (2) The department shall, at a minimum, maintain readiness
8 including training and equipment to respond to civil disorders and
9 natural disasters commensurate with the capabilities of fiscal year
10 2010-2011.

11 (3) The department shall ensure public safety through the
12 emergency management and homeland security division by providing
13 public and private sector partners with timely and accurate
14 information and regarding critical information key resources
15 threats as reported to or discovered by the Michigan intelligence
16 operations center and increase public awareness on how to report
17 suspicious activity through website or telephone communications.

18 (4) The department shall foster, promote, and maintain
19 partnerships to protect this state and homeland from all hazards.

20 (5) The department shall maintain the staffing and resources
21 necessary to do all of the following:

22 (a) Serve approximately 105 local emergency management
23 preparedness programs and 88 local emergency planning committees in
24 this state.

25 (b) Operate and maintain the state's emergency operations
26 center and provide command and control in support of emergency
27 response services.

1 (c) Maintain readiness, including training and equipment to
2 respond to civil disorders and natural disasters.

3 (d) Perform hazardous materials response training.

4 (6) The department shall conduct a minimum of 3 training
5 sessions to enhance safe response in the event of natural or
6 manmade incidents, emergencies, or disasters.

7 (7) The state director of emergency management may expend
8 money appropriated under this article to call upon any agency or
9 department of the state or any resource of the state to protect
10 life or property or to provide for the health or safety of the
11 population in any area of the state in which the governor proclaims
12 a state of emergency or state of disaster under 1945 PA 302, MCL
13 10.31 to 10.33, or under the emergency management act, 1976 PA 390,
14 MCL 30.401 to 30.421. The state director of emergency management
15 may expend the amounts the director considers necessary to
16 accomplish these purposes. The director shall submit to the state
17 budget director as soon as possible a complete report of all
18 actions taken under the authority of this section. The report shall
19 contain, as a separate item, a statement of all money expended that
20 is not reimbursable from federal money. The state budget director
21 shall review the expenditures and submit recommendations to the
22 legislature in regard to any possible need for a supplemental
23 appropriation.

24 (8) In addition to the money appropriated in this article, the
25 department may receive and expend money from local, private,
26 federal, or state sources for the purpose of providing emergency
27 management training to local or private interests and for the

1 purpose of supporting emergency preparedness, response, recovery,
2 and mitigation activity. If additional expenditure authorization in
3 the Michigan administrative information network is approved by the
4 state budget office under this section, the department and the
5 state budget office shall notify the subcommittees and the senate
6 and house fiscal agencies within 10 days after the approval. The
7 notification shall include the amount and source and the additional
8 authorization, the date of its approval, and the projected use of
9 funds to be expended under the authorization.

10 (9) From the funds appropriated in part 1, \$500,000.00 shall
11 be expended to support the urban search and rescue taskforce.

12 **DISASTER AND EMERGENCY CONTINGENCY FUND**

13 Sec. 704. (1) In addition to the funds appropriated in part 1,
14 there is appropriated from the disaster and emergency contingency
15 fund up to \$800,000.00 to cover costs related to any disaster or
16 emergency as defined in the emergency management act, 1976 PA 390,
17 MCL 30.401 to 30.421.

18 (2) Funds in the disaster and emergency contingency fund shall
19 not be expended unless the state budget director recommends the
20 expenditure and the department notifies the senate and house
21 appropriations committees. No later than December 1, the department
22 shall provide an annual report to the senate and house
23 appropriations committees, the senate and house fiscal agencies,
24 and the state budget office on the use of the disaster and
25 emergency contingency fund during the prior fiscal year.

26 (3) In the event that federal emergency management agency
27 (FEMA) reimbursement is approved for costs paid from the disaster

1 and emergency contingency fund, the federal revenue shall be
2 deposited into the disaster and emergency contingency fund.

3 (4) Unexpended and unencumbered funds remaining in the
4 disaster and emergency contingency fund at the close of the fiscal
5 year shall not lapse to the general fund and shall be carried
6 forward and be available for expenditure in subsequent fiscal
7 years.

8 **HIGHWAY SAFETY PLANNING AND AWARENESS**

9 Sec. 705. The department shall provide highway safety
10 information and awareness to the public and other interested
11 parties.

12 **ONE-TIME APPROPRIATIONS**

13 Sec. 801. The funds appropriated in section 108 for the
14 secondary road patrol program are for fiscal year 2013-2014 only
15 and shall be expended as provided in section 629e of the Michigan
16 vehicle code, 1949 PA 300, MCL 257.629e. It is the intent of the
17 legislature to convene a workgroup with the members of the
18 legislature, the department, and representatives of county
19 sheriff's departments and other local law enforcement agencies for
20 the purpose of reviewing the sources of revenue, allocation
21 formula, administration, and other issues concerning the secondary
22 road patrol program.

23 Sec. 802. The department shall maintain the staffing and
24 resources necessary to train at least 107 recruits.

25 Sec. 803. The 1-time appropriation in part 1 for the Grand
26 Rapids forensics laboratory shall be used for special maintenance

1 at the laboratory.

2 Sec. 804. From the 1-time appropriation in part 1 for the
3 emergency response team vehicle replacement, the department shall
4 purchase 2 vehicles to support the emergency response team.

5 PART 2A

6 PROVISIONS CONCERNING ANTICIPATED APPROPRIATIONS

7 FOR FISCAL YEAR 2014-2015

8 **GENERAL SECTIONS**

9 Sec. 1201. It is the intent of the legislature to provide
10 appropriations for the fiscal year ending on September 30, 2015 for
11 the line items listed in part 1. The fiscal year 2014-2015
12 appropriations are anticipated to be the same as those for fiscal
13 year 2013-2014, excluding appropriations designated as 1-time
14 appropriations and adjusting for changes in caseload and related
15 costs, federal fund match rates, economic factors, and available
16 revenue. These adjustments will be determined after the January
17 2014 consensus revenue estimating conference.

18 Sec. 1202. It is the intent of the legislature that the
19 department identify the amounts for normal retirement costs and
20 legacy retirement costs for the fiscal year ending on September 30,
21 2015 for the line items listed in part 1.

22 ARTICLE XVII

23 STATE TRANSPORTATION DEPARTMENT

24 PART 1

1 LINE-ITEM APPROPRIATIONS

2 Sec. 101. There is appropriated for the state transportation
3 department for the fiscal year ending September 30, 2014, from the
4 following funds:

5 **STATE TRANSPORTATION DEPARTMENT**

6 APPROPRIATION SUMMARY

7	Full-time equated unclassified positions.....	6.0	
8	Full-time equated classified positions.....	2,912.3	
9	GROSS APPROPRIATION.....		\$ 3,598,616,700
10	Total interdepartmental grants and intradepartmental		
11	transfers		3,625,100
12	ADJUSTED GROSS APPROPRIATION.....		\$ 3,594,991,600
13	Federal revenues:		
14	DOT, federal transit administration.....		44,710,000
15	DOT-FHWA, highway research, planning, and construction		1,072,497,500
16	DOT, federal railroad administration.....		3,100,000
17	DOT, federal aviation administration.....		78,578,000
18	Total federal revenues.....		1,198,885,500
19	Special revenue funds:		
20	Local revenues.....		50,177,100
21	Private revenues.....		100,000
22	Total local and private revenues.....		50,277,100
23	Blue Water Bridge fund.....		46,212,700
24	Comprehensive transportation fund.....		281,674,500
25	Economic development fund.....		42,477,500
26	IRS debt service rebate.....		6,868,800

1	Intercity bus equipment fund.....	140,000
2	Local bridge fund.....	23,787,900
3	Michigan transportation fund.....	989,713,600
4	Roads and risks reserve fund.....	115,000,000
5	Rail freight fund.....	2,000,000
6	State aeronautics fund.....	14,955,300
7	State trunkline fund.....	701,698,700
8	Total other state restricted revenues.....	2,224,529,000
9	State general fund/general purpose.....	\$ 121,300,000
10	State general fund/general purpose schedule:	
11	Ongoing state general fund/general	
12	purpose	0
13	One-time state general fund/general	
14	purpose	121,300,000
15	Sec. 102. DEBT SERVICE	
16	State trunkline.....	\$ 199,738,200
17	Economic development.....	10,003,400
18	Local bridge fund.....	2,406,300
19	Blue Water Bridge fund.....	6,962,500
20	Airport safety and protection plan.....	3,892,200
21	Comprehensive transportation.....	<u>19,318,500</u>
22	GROSS APPROPRIATION.....	\$ 242,321,100
23	Appropriated from:	
24	Federal revenues:	
25	DOT-FHWA, highway research, planning, and construction	45,912,200
26	Special revenue funds:	
27	Blue Water Bridge fund.....	6,962,500

1	Comprehensive transportation fund.....		19,318,500
2	Economic development fund.....		10,003,400
3	Local bridge fund.....		2,406,300
4	IRS debt service rebate.....		6,868,800
5	State aeronautics fund.....		3,892,200
6	State trunkline fund.....		146,957,200
7	State general fund/general purpose.....	\$	0
8	Sec. 103. COLLECTION, ENFORCEMENT, AND OTHER AGENCY		
9	SUPPORT SERVICES		
10	MTF grant to department of environmental quality.....	\$	1,285,700
11	MTF grant to department of state for collection of		
12	revenue and fees		20,000,000
13	MTF grant to department of treasury.....		2,500,000
14	MTF grant to legislative auditor general.....		296,000
15	STF grant to department of attorney general.....		2,387,000
16	STF grant to civil service commission.....		5,697,000
17	STF grant to department of technology, management, and		
18	budget		1,324,200
19	STF grant to department of state police.....		11,258,700
20	STF grant to department of treasury.....		129,700
21	STF grant to legislative auditor general.....		687,600
22	SAF grant to department of attorney general.....		174,400
23	SAF grant to civil service commission.....		150,000
24	SAF grant to department of technology, management, and		
25	budget		40,000
26	SAF grant to department of treasury.....		71,600
27	SAF grant to legislative auditor general.....		28,300

1	CTF grant to department of attorney general	200,900
2	CTF grant to civil service commission	200,000
3	CTF grant to department of technology, management, and	
4	budget	46,000
5	CTF grant to department of treasury	12,200
6	CTF grant to legislative auditor general	<u>36,400</u>
7	GROSS APPROPRIATION	\$ 46,525,700
8	Appropriated from:	
9	Special revenue funds:	
10	Comprehensive transportation fund	495,500
11	Michigan transportation fund	24,081,700
12	State aeronautics fund	464,300
13	State trunkline fund	21,484,200
14	State general fund/general purpose	\$ 0
15	Sec. 104. EXECUTIVE DIRECTION	
16	Full-time equated unclassified positions..... 6.0	
17	Full-time equated classified positions..... 29.3	
18	Unclassified salaries	\$ 707,000
19	Asset management council	1,626,400
20	Commission audit--29.3 FTE positions	<u>3,298,200</u>
21	GROSS APPROPRIATION	\$ 5,631,600
22	Appropriated from:	
23	Special revenue funds:	
24	Michigan transportation fund	1,626,400
25	State trunkline fund	4,005,200
26	State general fund/general purpose	\$ 0
27	Sec. 105. BUSINESS SUPPORT	

1	Full-time equated classified positions.....	76.5	
2	Business support services--67.5 FTE positions.....		\$ 9,427,700
3	Economic development and enhancement programs--9.0 FTE		
4	positions		1,426,200
5	Property management.....		8,068,700
6	Worker's compensation.....		<u>2,013,000</u>
7	GROSS APPROPRIATION.....		\$ 20,935,600
8	Appropriated from:		
9	Special revenue funds:		
10	Comprehensive transportation fund.....		1,369,700
11	Economic development fund.....		378,700
12	Michigan transportation fund.....		760,500
13	State aeronautics fund.....		625,400
14	State trunkline fund.....		17,801,300
15	State general fund/general purpose.....		\$ 0
16	Sec. 106. INFORMATION TECHNOLOGY		
17	Information technology services and projects.....		<u>\$ 31,119,700</u>
18	GROSS APPROPRIATION.....		\$ 31,119,700
19	Appropriated from:		
20	Federal revenues:		
21	DOT-FHWA, highway research, planning, and construction		520,500
22	Special revenue funds:		
23	Blue Water Bridge fund.....		53,100
24	Comprehensive transportation fund.....		215,600
25	Economic development fund.....		37,200
26	Michigan transportation fund.....		284,700
27	State aeronautics fund.....		168,300

1	State trunkline fund.....	29,840,300
2	State general fund/general purpose.....	\$ 0
3	Sec. 107. FINANCE, CONTRACTS, AND SUPPORT SERVICES	
4	Full-time equated classified positions.....	186.0
5	Finance, contracts, and support services--186.0 FTE	
6	positions	\$ <u>20,896,100</u>
7	GROSS APPROPRIATION.....	\$ 20,896,100
8	Appropriated from:	
9	Interdepartmental grant revenues:	
10	IDG for accounting service center user charges	3,625,100
11	Special revenue funds:	
12	Michigan transportation fund.....	1,677,000
13	State trunkline fund.....	15,594,000
14	State general fund/general purpose.....	\$ 0
15	Sec. 108. TRANSPORTATION PLANNING	
16	Full-time equated classified positions.....	141.0
17	Transportation planning--141.0 FTE positions	\$ 37,794,600
18	Grants to regional planning councils.....	<u>488,800</u>
19	GROSS APPROPRIATION.....	\$ 38,283,400
20	Appropriated from:	
21	Federal revenues:	
22	DOT-FHWA, highway research, planning, and construction	20,000,000
23	Special revenue funds:	
24	Comprehensive transportation fund.....	610,500
25	Michigan transportation fund.....	6,941,300
26	State aeronautics fund.....	15,000
27	State trunkline fund.....	10,716,600

1	State general fund/general purpose.....	\$	0
2	Sec. 109. DESIGN AND ENGINEERING SERVICES		
3	Full-time equated classified positions.....		1,500.8
4	Engineering services--701.1 FTE positions.....	\$	69,781,400
5	Program services--737.7 FTE positions.....		59,563,000
6	Intelligent transportation systems operations--12.0		
7	FTE positions		10,712,900
8	Welcome center operations--50.0 FTE positions.....		<u>4,403,900</u>
9	GROSS APPROPRIATION.....	\$	144,461,200
10	Appropriated from:		
11	Federal revenues:		
12	DOT-FHWA, highway research, planning, and construction		23,529,800
13	Special revenue funds:		
14	Michigan transportation fund.....		8,216,800
15	State trunkline fund.....		112,714,600
16	State general fund/general purpose.....	\$	0
17	Sec. 110. HIGHWAY MAINTENANCE		
18	Full-time equated classified positions.....		808.7
19	State trunkline operations--808.7 FTE positions.....	\$	<u>275,689,500</u>
20	GROSS APPROPRIATION.....	\$	275,689,500
21	Appropriated from:		
22	Special revenue funds:		
23	State trunkline fund.....		275,689,500
24	State general fund/general purpose.....	\$	0
25	Sec. 111. ROAD AND BRIDGE PROGRAMS		
26	State trunkline federal aid and road and bridge		
27	construction	\$	868,193,500

1	Local federal aid and road and bridge construction ...	240,443,000
2	Grants to local programs	33,000,000
3	Rail grade crossing	3,000,000
4	Local bridge program	21,381,600
5	County road commissions	583,032,000
6	Cities and villages	<u>325,066,400</u>
7	GROSS APPROPRIATION	\$ 2,074,116,500
8	Appropriated from:	
9	Federal revenues:	
10	DOT-FHWA, highway research, planning, and construction	982,535,000
11	Special revenue funds:	
12	Local funds	30,000,000
13	Blue Water Bridge fund	32,907,300
14	Local bridge fund	21,381,600
15	Michigan transportation fund	944,098,400
16	State trunkline fund	63,194,200
17	State general fund/general purpose	\$ 0
18	Sec. 112. BLUE WATER BRIDGE	
19	Full-time equated classified positions..... 41.0	
20	Blue Water Bridge operations--41.0 FTE positions	\$ <u>6,289,800</u>
21	GROSS APPROPRIATION	\$ 6,289,800
22	Appropriated from:	
23	Special revenue funds:	
24	Blue Water Bridge fund	6,289,800
25	State general fund/general purpose	\$ 0
26	Sec. 113. TRANSPORTATION ECONOMIC DEVELOPMENT	
27	Forest roads	\$ 5,000,000

1	Rural county urban system.....		2,500,000
2	Target industries/economic redevelopment.....		8,029,000
3	Urban county congestion.....		8,264,600
4	Rural county primary.....		<u>8,264,600</u>
5	GROSS APPROPRIATION.....	\$	32,058,200
6	Appropriated from:		
7	Special revenue funds:		
8	Economic development fund.....		32,058,200
9	State general fund/general purpose.....	\$	0
10	Sec. 114. AERONAUTICS SERVICES		
11	Full-time equated classified positions.....	54.0	
12	Aviation services--54.0 FTE positions.....	\$	7,354,700
13	Air service program.....		<u>301,200</u>
14	GROSS APPROPRIATION.....	\$	7,655,900
15	Appropriated from:		
16	Special revenue funds:		
17	State aeronautics fund.....		7,655,900
18	State general fund/general purpose.....	\$	0
19	Sec. 115. PUBLIC TRANSPORTATION SERVICES		
20	Full-time equated classified positions.....	36.0	
21	Passenger transportation services--36.0 FTE positions	\$	<u>5,662,800</u>
22	GROSS APPROPRIATION.....	\$	5,662,800
23	Appropriated from:		
24	Federal revenues:		
25	DOT, federal transit administration.....		972,100
26	Special revenue funds:		
27	Comprehensive transportation fund.....		4,651,800

1	Michigan transportation fund.....		38,900
2	State general fund/general purpose.....	\$	0
3	Sec. 116. BUS TRANSIT DIVISION: STATUTORY OPERATING		
4	Local bus operating.....	\$	166,624,000
5	Discretionary state operating.....		5,400,000
6	Nonurban operating/capital.....		<u>25,187,900</u>
7	GROSS APPROPRIATION.....	\$	197,211,900
8	Appropriated from:		
9	Federal revenues:		
10	DOT, federal transit administration.....		23,187,900
11	Special revenue funds:		
12	Comprehensive transportation fund.....		172,024,000
13	Local funds.....		2,000,000
14	State general fund/general purpose.....	\$	0
15	Sec. 117. INTERCITY PASSENGER AND FREIGHT		
16	Full-time equated classified positions.....	39.0	
17	Office of rail--39.0 FTE positions.....	\$	6,293,700
18	Freight property management.....		1,000,000
19	Detroit/Wayne County port authority.....		468,200
20	Intercity services.....		5,940,000
21	Rail operations and infrastructure.....		26,092,000
22	Rail passenger service/Wolverine.....		19,333,000
23	Marine passenger service.....		400,000
24	Terminal development.....		<u>461,000</u>
25	GROSS APPROPRIATION.....	\$	59,987,900
26	Appropriated from:		
27	Federal revenues:		

1	DOT, federal transit administration.....		4,500,000
2	DOT, federal railroad administration.....		3,100,000
3	Special revenue funds:		
4	Local funds.....		150,000
5	Private funds.....		100,000
6	Comprehensive transportation fund.....		47,309,900
7	Intercity bus equipment fund.....		140,000
8	Rail freight fund.....		2,000,000
9	Michigan transportation fund.....		1,987,900
10	State trunkline fund.....		700,100
11	State general fund/general purpose.....	\$	0
12	Sec. 118. PUBLIC TRANSPORTATION DEVELOPMENT		
13	Specialized services.....	\$	18,028,800
14	Transit capital.....		32,145,300
15	Van pooling.....		807,000
16	Service initiatives.....		1,682,900
17	Transportation to work.....		<u>4,700,000</u>
18	GROSS APPROPRIATION.....	\$	57,364,000
19	Appropriated from:		
20	Federal revenues:		
21	DOT, federal transit administration.....		16,050,000
22	Special revenue funds:		
23	Local funds.....		5,635,000
24	Comprehensive transportation fund.....		35,679,000
25	State general fund/general purpose.....	\$	0
26	Sec. 119. CAPITAL OUTLAY		
27	(1) BUILDINGS AND FACILITIES		

1	Special maintenance, remodeling, and additions	\$	<u>3,001,500</u>
2	GROSS APPROPRIATION.....	\$	3,001,500
3	Appropriated from:		
4	State trunkline fund.....		3,001,500
5	State general fund/general purpose.....	\$	0
6	(2) AIRPORT IMPROVEMENT PROGRAMS		
7	Airport safety, protection and improvement program ...	\$	<u>93,104,300</u>
8	GROSS APPROPRIATION.....	\$	93,104,300
9	Appropriated from:		
10	Federal revenues:		
11	DOT, federal aviation administration.....		78,578,000
12	Special revenue funds:		
13	Local funds.....		12,392,100
14	State aeronautics fund.....		2,134,200
15	State general fund/general purpose.....	\$	0
16	Sec. 120. ONE-TIME BASIS ONLY		
17	Priority roads investment program.....	\$	115,000,000
18	Federal aid match for state trunkline road and bridge		
19	construction	\$	<u>121,300,000</u>
20	GROSS APPROPRIATION.....	\$	236,300,000
21	Appropriated from:		
22	Roads and risks reserve fund.....		115,000,000
23	State general fund/general purpose.....	\$	121,300,000

24

PART 2

25

PROVISIONS CONCERNING APPROPRIATIONS

26

FOR FISCAL YEAR 2013-2014

1 **GENERAL SECTIONS**

2 Sec. 201. Pursuant to section 30 of article IX of the state
3 constitution of 1963, total state spending from state resources
4 under part 1 for fiscal year 2013-2014 is \$2,345,829,000.00 and
5 state spending from state resources to be paid to local units of
6 government for fiscal year 2013-2014 is \$1,208,687,600.00. The
7 itemized statement below identifies appropriations from which
8 spending to local units of government will occur:

9 DEPARTMENT OF TRANSPORTATION

10	Grants to regional planning councils.....	\$	488,800
11	Grants to local programs.....		33,000,000
12	Rail grade crossing.....		3,000,000
13	Local bridge program.....		21,381,600
14	Grants to county road commissions.....		583,032,000
15	Grants to cities and villages.....		325,066,400
16	Economic development fund.....		32,058,200
17	Air service program.....		301,200
18	Local bus operating.....		166,624,000
19	Discretionary state operating.....		5,400,000
20	Detroit/Wayne County port authority.....		468,200
21	Marine passenger service.....		400,000
22	Terminal development.....		461,000
23	Specialized services.....		3,943,800
24	Municipal credit program.....		0
25	Transit capital.....		25,895,300
26	Service initiatives.....		332,900

1	Transportation to work.....	4,700,000
2	Airport safety, protection, and improvement	
3	program.....	<u>2,134,200</u>
4	Total payments to local units of government	\$ 1,208,687,600

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

8 Sec. 203. As used in this article:

9 (a) "AMTRAK" means the national railroad passenger
10 corporation.

11 (b) "CTF" means comprehensive transportation fund.

12 (c) "Department" means the state transportation department.

13 (d) "DOT" means the United States department of
14 transportation.

15 (e) "DOT-FHWA" means DOT, federal highway administration.

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

17 (g) "IRS" means the internal revenue service.

18 (h) "MTF" means Michigan transportation fund.

19 (i) "SAF" means state aeronautics fund.

20 (j) "STF" means state trunkline fund.

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

27 (2) In addition to the funds appropriated in part 1, there is

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

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

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

18 Sec. 207. The department shall cooperate with the department
19 of technology, management, and budget to maintain a searchable
20 website accessible by the public at no cost that includes, but is
21 not limited to, all of the following:

- 22 (a) Fiscal year-to-date expenditures by category.
23 (b) Fiscal year-to-date expenditures by appropriation unit.
24 (c) Fiscal year-to-date payments to a selected vendor,
25 including the vendor name, payment date, payment amount, and
26 payment description.
27 (d) The number of active department employees by job

1 classification.

2 (e) Job specifications and wage rates.

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

9 Sec. 209. Funds appropriated in part 1 shall not be used for
10 the purchase of foreign goods or services, or both, if
11 competitively priced and of comparable quality American goods or
12 services, or both, are available. Preference shall be given to
13 goods or services, or both, manufactured or provided by Michigan
14 businesses, if they are competitively priced and of comparable
15 quality. In addition, preference shall be given to goods or
16 services, or both, that are manufactured or provided by Michigan
17 businesses owned and operated by veterans, if they are
18 competitively priced and of comparable quality.

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

25 Sec. 212. The department and agencies receiving appropriations
26 in part 1 shall receive and retain copies of all reports funded
27 from appropriations in part 1. Federal and state guidelines for

1 short-term and long-term retention of records shall be followed.
2 The department may electronically retain copies of reports unless
3 otherwise required by federal and state guidelines.

4 Sec. 215. A department shall not take disciplinary action
5 against an employee for communicating with a member of the
6 legislature or his or her staff.

7 Sec. 228. Not later than November 30, the state budget office
8 shall prepare and transmit a report that provides for estimates of
9 the total general fund/general purpose appropriation lapses at the
10 close of the prior fiscal year. This report shall summarize the
11 projected year-end general fund/general purpose appropriation
12 lapses by major departmental program or program areas. The report
13 shall be transmitted to the office of the state budget, the
14 chairpersons of the senate and house of representatives standing
15 committees on appropriations, and the senate and house fiscal
16 agencies.

17 Sec. 229. Within 14 days after the release of the executive
18 budget recommendation, the department shall cooperate with the
19 state budget office to provide the state budget director, the
20 senate and house appropriations chairs, the senate and house
21 appropriations subcommittees on transportation, respectively, and
22 the senate and house fiscal agencies with an annual report on
23 estimated state restricted fund balances, state restricted fund
24 projected revenues, and state restricted fund expenditures for the
25 fiscal years ending September 30, 2013 and September 30, 2014.

26 Sec. 233. Not later than April 1, the department shall prepare
27 and transmit a report that provides detail regarding the

1 department's expenditures for administration and planning
2 associated with local units of government. The report shall list
3 the portion of all the expenditures from part 1 that are allocated
4 for administration and planning that are associated with the
5 disbursement of all local funds. The report shall be transmitted to
6 the office of the state budget, the senate and house appropriations
7 chairs, the senate and house appropriations subcommittees on
8 transportation, respectively, and the senate and house fiscal
9 agencies.

10 Sec. 235. The department shall maintain, on a publicly
11 accessible website, a department scorecard that identifies, tracks,
12 and regularly updates key metrics that are used to monitor and
13 improve the agency's performance.

14 Sec. 260. The departments and agencies receiving
15 appropriations in part 1 shall prepare a report on out-of-state
16 travel expenses not later than January 1 of each year. The travel
17 report shall be a listing of all travel by classified and
18 unclassified employees outside this state in the immediately
19 preceding fiscal year that was funded in whole or in part with
20 funds appropriated in the department's budget. The report shall be
21 submitted to the senate and house appropriations committees, the
22 house and senate fiscal agencies, and the state budget director.
23 The report shall include the following information:

24 (a) The dates of each travel occurrence.

25 (b) The transportation and related costs of each travel
26 occurrence, including the proportion funded with state general
27 fund/general purpose revenues, the proportion funded with state

1 restricted revenues, the proportion funded with federal revenues,
2 and the proportion funded with other revenues.

3 Sec. 262. Funds appropriated in part 1 shall not be used by a
4 principal executive department, state agency, or authority to hire
5 a person to provide legal services that are the responsibility of
6 the attorney general. This prohibition does not apply to legal
7 services for bonding activities and for those activities that the
8 attorney general authorizes.

9 Sec. 263. (1) The department shall report no later than April
10 1, 2014 on each specific policy change made to implement a public
11 act affecting the department that took effect during the prior
12 calendar year to the house and senate appropriations subcommittees
13 on the budget for the department, the joint committee on
14 administrative rules, and the senate and house fiscal agencies.

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

22 (3) As used in this section:

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

25 (b) "Small business" means that term as defined under section
26 7a of the administrative procedures act of 1969, 1969 PA 306, MCL
27 24.207a.

1 Sec. 270. In order to reduce costs and maintain quality, it is
2 the intent of the legislature that, excluding the fleet of motor
3 vehicles for the department of state police, the department will
4 prioritize the utilization of remanufactured parts as the primary
5 means of maintenance and repair for the state of Michigan's fleet
6 of motor vehicles.

7 DEPARTMENTAL SECTIONS

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

15 (2) A bridge authority shall hold 3 public hearings on an
16 increase in any toll charged by the authority at least 30 days
17 before the toll change will become effective. Two of the hearings
18 shall be held within 5 miles of the bridge over which the bridge
19 authority has jurisdiction. One hearing shall be held in Lansing.
20 Public hearings held under this section shall be conducted in
21 accordance with the open meetings act, 1976 PA 267, MCL 15.261 to
22 15.275, and shall be conducted so as to provide a reasonable
23 opportunity for public comment, including both spoken and written
24 comments.

25 Sec. 303. On request, the department shall provide to a
26 legislator, in writing, a report on the amount of money to be

1 received by each city and village and the county road commission of
2 each county, that is included in whole or in part within the
3 legislator's legislative district.

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

12 Sec. 305. (1) The department may permit space on public
13 passenger transportation properties to be occupied by public or
14 private tenants on a competitive market rate basis. The department
15 shall require that revenue from the tenants be placed in an account
16 to be used to pay the costs to maintain and improve the property.

17 (2) The department shall charge public transit agencies and
18 intercity bus carriers equal rates per square foot for leasing
19 space in state-owned intermodal facilities.

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

1 each state department:

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

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

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

8 (2) Not later than 2 months after publication of the state of
9 Michigan comprehensive annual financial report, each state
10 department receiving funding pursuant to an interdepartment
11 contract with the department shall submit a written report to the
12 department, the state budget director, and the house and senate
13 fiscal agencies stating by spending authorization account the
14 amount of estimated funds contracted with the department, the
15 amount of funds expended, the amount of funds returned to the
16 transportation funds, and any unreimbursed transportation-related
17 costs incurred but not billed to transportation funds. A copy of
18 the report shall be submitted to the auditor general, and the
19 report shall be subject to audit by the auditor general as provided
20 in subsection (3).

21 (3) Biennially, in each even-numbered fiscal year, the auditor
22 general shall conduct an audit of charges to transportation funds
23 by state departments for the 2 preceding fiscal years. The audit
24 shall include both charges governed by interdepartmental contracts
25 as well as miscellaneous charges from other state departments not
26 governed by contracts. The auditor general shall prepare a detailed
27 report, with recommendations and conclusions, including a summary

1 of charges and related services to transportation funds by
2 department, the appropriateness of those charges, the cost
3 allocation methodologies used in determining the level of funding,
4 and any unreimbursed transportation-related costs, if any. The
5 report shall be provided to the senate and house of representatives
6 committees on appropriations, the senate and house fiscal agencies,
7 and the state budget director 9 months after publication of the
8 state of Michigan comprehensive annual financial report.

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

15 Sec. 308. (1) As prescribed in subsection (2), the department
16 shall submit reports to the state budget director, the house and
17 senate appropriations subcommittees on transportation, and the
18 house and senate fiscal agencies on department activities related
19 to the prequalification of construction contractors under 1933 PA
20 170, MCL 123.501 to 123.508, and related administrative rules. The
21 report shall be submitted on or before December 1, 2013.

22 (2) The report shall include all of the following:

23 (a) A description of the department's processes and procedures
24 for evaluating construction contractor performance on capital
25 construction projects administered by the department including
26 state trunkline projects, rail infrastructure projects, local
27 agency federal-aid highway projects, and airport improvement

1 projects.

2 (b) Criteria that would cause the department to rate
3 contractor performance as unsatisfactory.

4 (c) The impact, if any, on a contractor's prequalification if
5 given an unsatisfactory performance rating by the department.

6 (d) A description of all department actions related to
7 unsatisfactory contractor performance ratings and restrictions on
8 contractor prequalification during the fiscal year ending September
9 30, 2013.

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

15 Sec. 311. From the funds appropriated in part 1, the
16 department shall work with the Michigan economic development
17 corporation and local stakeholders to update a 1992 study of a
18 proposed Father Marquette national memorial and Mackinac Straits
19 area museum. The study update shall include a discussion of funding
20 alternatives.

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

1 projects.

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

12 (3) The department shall submit a report to the state budget
13 director, the house and senate appropriations subcommittees on
14 transportation, and the house and senate fiscal agencies on the
15 status of the state infrastructure bank. The report shall be
16 submitted on or before December 1, 2013. The report shall include
17 all of the following:

18 (a) The balance in the state infrastructure bank at September
19 30, 2013, including a breakdown of the balance by cash and cash
20 equivalents, outstanding loans, and balance available for loan to
21 local agencies.

22 (b) A breakdown of the state infrastructure loan balance by
23 amounts designated as originating from federal sources and the
24 amounts originating from nonfederal sources.

25 (c) A list of outstanding loans by agency, original loan
26 amount, project description, loan term, and amount outstanding.

27 Sec. 319. The department shall post signs at each rest area to

1 identify the agency or contractor responsible for maintenance of
2 the rest area. The signs shall include a department telephone
3 number and shall indicate that unsafe or unclean conditions at the
4 rest area may be reported to that telephone number.

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

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

15 Sec. 375. The department is prohibited from reimbursing
16 contractors or consultants for costs associated with groundbreaking
17 ceremonies, receptions, open houses, or press conferences related
18 to transportation projects funded, in whole or in part, by revenue
19 appropriated in part 1.

20 Sec. 381. The department shall require as a condition of each
21 contract or subcontract for construction, maintenance, or
22 engineering services that the prequalified contractor or
23 prequalified subcontractor agree to use the E-Verify system to
24 verify that all persons hired during the contract term by the
25 contractor or subcontractor are legally present and authorized to
26 work in the United States. The department may verify this
27 information directly or may require contractors and subcontractors

1 to verify the information and submit a certification to the
2 department. The department shall report to the house and senate
3 appropriations committees and the house and senate fiscal agencies
4 by March 1, 2014 describing the processes it has developed and
5 implemented under provisions of this section. As used in this
6 section, "E-Verify" means an Internet-based system operated by the
7 department of homeland security, U.S. citizenship and immigration
8 services in partnership with the social security administration.

9 Sec. 382. In administering a contract with a county road
10 commission, city, or village that allocates costs of construction
11 or reconstruction of highways, roads, and streets as provided in
12 section 18d of 1951 PA 51, MCL 247.668d, the department shall
13 submit the final cost-sharing bill to the county road commission,
14 city, or village not later than 2 years after the date of the final
15 contract payment to the construction contractor.

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

23 (2) The report shall be submitted to the senate and house
24 appropriations subcommittees on transportation and the house and
25 senate fiscal agencies no later than July 1.

26 (3) From the funds appropriated in part 1, the department is
27 prohibited from transporting legislators or legislative staff on

1 state-owned aircraft without prior approval from the senate
2 majority leader or the speaker of the house of representatives and
3 only when the aircraft is already scheduled by state employees on
4 related official state business.

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

8 Sec. 384. (1) Except as otherwise provided in subsection (2),
9 the department shall not obligate the state to expend any state
10 transportation revenue for construction planning or construction of
11 the Detroit River International Crossing or a renamed successor. In
12 addition, except as provided in subsection (2), the department
13 shall not commit the state to any new contract related to the
14 construction planning or construction of the Detroit River
15 International Crossing or a renamed successor that would obligate
16 the state to expend any state transportation revenue. An
17 expenditure for staff resources used in connection with project
18 activities, which expenditure is subject to full and prompt
19 reimbursement from Canada, shall not be considered an expenditure
20 of state transportation revenue.

21 (2) If the legislature enacts specific enabling legislation
22 for the construction of the Detroit River International Crossing or
23 a renamed successor, subsection (1) does not apply once the
24 enabling legislation goes into effect.

25 Sec. 385. (1) The department shall submit reports to the state
26 budget director, the speaker of the house, the house minority
27 leader, the senate majority leader, the senate minority leader, the

1 house and senate appropriations subcommittees on transportation,
2 and the house and senate fiscal agencies on department activities
3 related to all nonconstruction or construction planning activities
4 related to the Detroit River International Crossing or a renamed
5 successor. The initial report shall be submitted on or before
6 December 1, 2013 and shall cover the fiscal year ending September
7 30, 2013.

8 (2) The initial report shall include, at a minimum, all of the
9 following:

10 (a) Department costs incurred in the fiscal year ending
11 September 30, 2013, including employee salaries, wages, benefits,
12 travel, and contractual services, and what activities those costs
13 were related to.

14 (b) Costs of other executive branch agencies incurred in the
15 fiscal year ending September 30, 2013, including employee salaries,
16 wages, benefits, travel, and contractual services, and what
17 activities those costs were related to.

18 (c) A breakdown of the source of funds used for the activities
19 described in subdivisions (a) and (b).

20 (d) A breakdown of reimbursements made by Canada under section
21 384(1) to the state for expenditures for staff resources used in
22 connection with project activities.

23 (e) A narrative description of the status of the Detroit River
24 International Crossing or a renamed successor, including efforts
25 undertaken to implement provisions of the crossing agreement
26 executed June 15, 2012 by representatives of the Canadian
27 government and this state.

1 (3) After submission of the initial report, a subsequent
2 report shall be submitted on March 1, 2014, June 1, 2014, and
3 September 1, 2014 and shall include the same information described
4 in subsection (2) for the applicable previous fiscal quarter.

5 **FEDERAL**

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

15 Sec. 402. A portion of the federal DOT-FHWA highway research,
16 planning, and construction funds made available to this state shall
17 be allocated to transportation programs administered by local
18 jurisdictions in accordance with section 10o of 1951 PA 51, MCL
19 247.660o. A local road agency, with respect to a project approved
20 for federal aid funding in a state transportation improvement
21 program, may enter into a voluntary buyout agreement with the
22 department or with another local road agency to exchange the
23 federal aid with state restricted transportation funds as agreed to
24 by the respective parties. The state restricted transportation
25 funds received in exchange for federal aid funds shall be used for
26 the same purpose as the federal aid funds were originally intended.

1 **MICHIGAN TRANSPORTATION FUND**

2 Sec. 501. The money received under the motor carrier act, 1933
3 PA 254, MCL 475.1 to 479.43, and not appropriated to the department
4 of licensing and regulatory affairs or the department of state
5 police is deposited in the Michigan transportation fund.

6 Sec. 503. (1) The funds appropriated in part 1 for the
7 economic development and local bridge programs shall not lapse at
8 the end of the fiscal year but shall carry forward each fiscal year
9 for the purposes for which appropriated in accordance with 1987 PA
10 231, MCL 247.901 to 247.913, and section 10(5) of 1951 PA 51, MCL
11 247.660.

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

16 (3) In addition to the funds appropriated in part 1, the
17 department of transportation economic development fund and local
18 bridge fund may receive federal, local, or private funds or
19 restricted source funds such as interest earnings. These funds are
20 appropriated for projects that are consistent with the purposes of
21 the respective funds.

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

25 Sec. 504. Funds from the Michigan transportation fund shall be
26 distributed to the comprehensive transportation fund, the economic

1 development fund, the recreation improvement fund, and the state
2 trunkline fund, in accordance with this article and part 711 of the
3 natural resources and environmental protection act, 1994 PA 451,
4 MCL 324.71101 to 324.71108, and may only be used as specified in
5 this article, 1951 PA 51, MCL 247.651 to 247.675, and part 711 of
6 the natural resources and environmental protection act, 1994 PA
7 451, MCL 324.71101 to 324.71108.

8 **STATE TRUNKLINE FUND**

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

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

1 transportation planning.

2 Sec. 604. At the close of the fiscal year, any unencumbered
3 and unexpended balance in the state trunkline fund shall remain in
4 the state trunkline fund and shall carry forward and is
5 appropriated for federal aid road and bridge programs for projects
6 contained in the annual state transportation program.

7 Sec. 610. The department shall have as a priority the removal
8 of dead deer and other large animal remains from the traveled
9 portion and shoulder of state highways. The department, and
10 counties that perform state highway maintenance under contract,
11 shall remove animal remains, wherever practicable and when funds
12 are available, away from the traveled portion and shoulder of state
13 highways.

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

1 Sec. 660. (1) The legislature encourages the department to
2 examine the use of alternative road surface materials, including
3 recycled materials, and to develop criteria and specifications for
4 their use in both department-managed and contracted projects.

5 (2) The department shall evaluate the use of a bituminous mix
6 which incorporates crumb rubber from scrap tires.

7 **COMPREHENSIVE TRANSPORTATION FUND**

8 Sec. 701. The department shall establish an intercity bus
9 equipment and facility fund as a subsidiary fund within the
10 comprehensive transportation fund created under section 10b of 1951
11 PA 51, MCL 247.660b. Proceeds received by this state from the sale
12 of state-owned intercity bus equipment shall be credited to the
13 intercity bus equipment facility fund for the purchase and repair
14 of intercity bus equipment, as appropriated. Security deposits not
15 returned to a lessee of state-owned intercity bus equipment under
16 terms of the lease agreement shall be credited to the intercity bus
17 equipment fund for the repair of intercity bus equipment, as
18 appropriated. Money received by the department from lease payments
19 for state-owned intercity bus equipment, and facility maintenance
20 charges under terms of leases of state-owned intercity facilities,
21 shall be credited to the intercity bus equipment facility fund for
22 the purchase and repair of intercity bus equipment or for the
23 maintenance and rehabilitation of state-owned intercity facilities,
24 as appropriated. At the close of the fiscal year, any funds
25 remaining in the intercity bus equipment facility fund shall remain
26 in the fund and be carried forward into the succeeding fiscal year.

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

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

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

25 Sec. 711. (1) As prescribed in subsection (2), the department
26 shall submit reports to the state budget director, the house and
27 senate appropriations subcommittees on transportation, and the

1 house and senate fiscal agencies on rail passenger service provided
2 by AMTRAK under a contractual agreement with the department. The
3 report shall be submitted on or before May 1, 2014.

4 (2) The report shall include all of the following:

5 (a) Passenger counts for the preceding fiscal year for each of
6 the 3 AMTRAK routes in Michigan.

7 (b) Revenue and operating expenses by AMTRAK route.

8 (c) Total state operating payments to AMTRAK in the preceding
9 fiscal year by AMTRAK route.

10 (d) A discussion of major factors affecting route costs and
11 revenue and net state costs in the preceding fiscal year, and
12 factors affecting route costs and revenue and net state costs
13 anticipated in the current and future fiscal years.

14 Sec. 735. For the fiscal year ending September 30, 2014, the
15 appropriation to a street railway pursuant to section 10e(22) of
16 1951 PA 51, MCL 247.660e, is \$0.

17 Sec. 736. From the funds appropriated in part 1 for rail
18 operations and infrastructure, \$1,500,000.00 shall be allocated for
19 a pilot project to test traffic control devices at rail grade
20 crossings on railroad tracks that are federally designated as a
21 high-speed rail corridor under 49 USC 26106. Any pilot project
22 entered into under this section shall be done using a competitive
23 bidding process.

24 Sec. 740. The department shall report by March 1 of each year
25 to the house of representatives and senate appropriations
26 subcommittees on transportation, the house and senate fiscal
27 agencies, and the state budget director the encumbered and

1 unencumbered balances of the comprehensive transportation fund.

2 **AERONAUTICS FUND**

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

10 **CAPITAL OUTLAY**

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

19 (2) Political entities and subdivisions shall provide not less
20 than 5% of the cost of any project under this section, unless a
21 total nonfederal share greater than 10% is otherwise specified in
22 federal law. State money shall not be allocated until local money
23 is allocated. State money for any 1 project shall not exceed 1/3 of
24 the total appropriation in part 1 from state funds for airport
25 improvement programs.

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

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

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

26 ONE-TIME APPROPRIATIONS

