

**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; and to provide for the expenditure of the appropriations.

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 agriculture and rural development for the fiscal year ending

House Bill No. 4328 (H-1) as amended April 23, 2013

1 September 30, 2014, from the following funds:

2 **DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT**

3 APPROPRIATION SUMMARY

4	Full-time equated unclassified positions.....	6.0	
5	Full-time equated classified positions.....	428.0	
6	GROSS APPROPRIATION.....		\$ [76,793,300]
7	Interdepartmental grant revenues:		
8	IDG from LARA (LCC), liquor quality testing fees.....		214,100
9	IDG from MDNR, forest development fund.....		200,000
10	IDG from MDEQ, biosolids.....		110,200
11	Total interdepartmental grants and intradepartmental		
12	transfers		524,300
13	ADJUSTED GROSS APPROPRIATION.....		\$ [76,269,000]
14	Federal revenues:		
15	USDA, multiple grants.....		5,814,900
16	EPA, multiple grants.....		1,601,800
17	HHS-FDA.....		2,304,200
18	Total federal revenues.....		9,720,900
19	Special revenue funds:		
20	Total local revenues.....		0
21	Private - slow-the-spread foundation.....		20,400
22	Private - commodity group revenue.....		76,500
23	Total private revenues.....		96,900
24	Agricultural preservation fund.....		1,624,500
25	Agriculture equine industry development fund.....		3,855,500
26	Agriculture licensing and inspection fees.....		4,075,000
27	Animal welfare fund.....		214,900

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1	Commodity inspection fees.....	432,000
2	Consumer and industry food safety education fund.....	314,800
3	Dairy and food safety fund.....	3,329,600
4	Freshwater protection fund.....	5,173,000
5	Gasoline inspection and testing fund.....	2,723,700
6	Grain dealer fee fund.....	696,900
7	Horticulture fund.....	37,900
8	Industry support funds.....	443,600
9	Migratory labor housing fund.....	162,600
10	Nonretail liquor fees.....	797,700
11	Refined petroleum fund.....	4,012,000
12	Renewable fuels fund.....	51,200
13	Testing fees.....	285,000
14	Weights and measures regulation fees.....	791,000
15	Total other state restricted revenues.....	29,020,900
16	State general fund/general purpose.....	\$ [37,430,300]
17	Sec. 102. DEPARTMENTWIDE	
18	Full-time equated unclassified positions..... 6.0	
19	Full-time equated classified positions..... 27.0	
20	Commissions and boards.....	\$ 23,800
21	Unclassified positions--6.0 FTE positions.....	707,000
22	Executive direction--9.0 FTE positions.....	1,360,200
23	Operational services--15.0 FTE positions.....	1,041,700
24	Statistical reporting service--1.0 FTE position.....	148,700
25	Emergency management--2.0 FTE positions.....	800,700
26	Accounting service center.....	948,400
27	Rent and building occupancy.....	<u>1,061,600</u>

1	GROSS APPROPRIATION.....	\$	6,092,100
2	Appropriated from:		
3	Federal revenues:		
4	USDA, multiple grants.....		240,400
5	EPA, multiple grants.....		186,300
6	HHS-FDA.....		574,500
7	Special revenue funds:		
8	Private - commodity group revenue.....		76,500
9	Agricultural preservation fund.....		24,300
10	Agriculture licensing and inspection fees.....		181,600
11	Freshwater protection fund.....		35,900
12	Industry support funds.....		52,200
13	Nonretail liquor fees.....		39,600
14	Refined petroleum fund.....		320,300
15	State general fund/general purpose.....	\$	4,360,500
16	Sec. 103. INFORMATION AND TECHNOLOGY		
17	Information technology services and projects.....	\$	<u>1,444,700</u>
18	GROSS APPROPRIATION.....	\$	1,444,700
19	Appropriated from:		
20	Interdepartmental grant revenues:		
21	IDG from LARA (LCC), liquor quality testing fees.....		3,100
22	Special revenue funds:		
23	Agricultural preservation fund.....		200
24	Agriculture equine industry development fund.....		83,700
25	Agriculture licensing and inspection fees.....		31,900
26	Freshwater protection fund.....		100
27	Gasoline inspection testing fund.....		30,900

1	Nonretail liquor fees.....		500
2	State general fund/general purpose.....	\$	1,294,300
3	Sec. 104. FOOD AND DAIRY		
4	Full-time equated classified positions.....	101.0	
5	Food safety and quality assurance--75.0 FTE positions	\$	10,881,200
6	Milk safety and quality assurance--26.0 FTE positions		<u>3,821,300</u>
7	GROSS APPROPRIATION.....	\$	14,702,500
8	Appropriated from:		
9	Federal revenues:		
10	USDA, multiple grants.....		318,800
11	HHS-FDA.....		961,400
12	Special revenue funds:		
13	Consumer and industry food safety education fund.....		314,800
14	Dairy and food safety fund.....		3,329,600
15	State general fund/general purpose.....	\$	9,777,900
16	Sec. 105. ANIMAL INDUSTRY		
17	Full-time equated classified positions.....	60.0	
18	Animal disease prevention and response--60.0 FTE		
19	positions	\$	8,706,100
20	Indemnification - livestock depredation.....		<u>49,600</u>
21	GROSS APPROPRIATION.....	\$	8,755,700
22	Appropriated from:		
23	Federal revenues:		
24	USDA, multiple grants.....		513,400
25	HHS-FDA.....		45,400
26	Special revenue funds:		
27	Agriculture licensing and inspection fees.....		11,700

1	Animal welfare fund.....		214,900
2	State general fund/general purpose.....	\$	7,970,300
3	Sec. 106. PESTICIDE AND PLANT PEST MANAGEMENT		
4	Full-time equated classified positions.....	86.0	
5	Pesticide and plant pest management--81.0 FTE		
6	positions	\$	10,876,300
7	Producer security/grain dealers--5.0 FTE positions ...		<u>736,700</u>
8	GROSS APPROPRIATION.....	\$	11,613,000
9	Appropriated from:		
10	Federal revenues:		
11	USDA, multiple grants.....		822,200
12	EPA, multiple grants.....		719,400
13	HHS-FDA.....		116,900
14	Special revenue funds:		
15	Private - slow-the-spread foundation.....		20,400
16	Agriculture licensing and inspection fees.....		3,773,300
17	Commodity inspection fees.....		432,000
18	Grain dealers fee fund.....		696,900
19	Horticulture fund.....		37,900
20	Industry support funds.....		240,300
21	State general fund/general purpose.....	\$	4,753,700
22	Sec. 107. ENVIRONMENTAL STEWARDSHIP		
23	Full-time equated classified positions.....	50.0	
24	Environmental stewardship--18.0 FTE positions.....	\$	6,020,400
25	Michigan agriculture environmental assurance program--		
26	7.0 FTE positions		1,668,800
27	Farmland and open space preservation--9.0 FTE		

1	positions	1,300,000
2	Private forest development program.....	200,000
3	Local conservation districts.....	100
4	Migrant labor housing--9.0 FTE positions.....	1,198,500
5	Right-to-farm--3.0 FTE positions.....	571,400
6	Intercounty drain--4.0 FTE positions.....	<u>468,300</u>
7	GROSS APPROPRIATION.....	\$ 11,427,500
8	Appropriated from:	
9	Interdepartmental grant revenues:	
10	IDG from MDNR, forest development fund.....	200,000
11	IDG from MDEQ, biosolids.....	110,200
12	Federal revenues:	
13	USDA, multiple grants.....	912,500
14	EPA, multiple grants.....	304,100
15	Special revenue funds:	
16	Agricultural preservation fund.....	1,300,000
17	Freshwater protection fund.....	5,137,000
18	Migratory labor housing fund.....	162,600
19	State general fund/general purpose.....	\$ 3,301,100
20	Sec. 108. LABORATORY PROGRAM	
21	Full-time equated classified positions..... 90.0	
22	Laboratory services--36.0 FTE positions.....	\$ 5,571,300
23	USDA monitoring--13.0 FTE positions.....	1,586,000
24	Consumer protection program--41.0 FTE positions.....	<u>6,016,100</u>
25	GROSS APPROPRIATION.....	\$ 13,173,400
26	Appropriated from:	
27	Interdepartmental grant revenues:	

1	IDG from LARA (LCC), liquor quality testing fees		211,000
2	Federal revenues:		
3	USDA, multiple grants.....		1,586,900
4	EPA, multiple grants.....		392,000
5	HHS-FDA.....		606,000
6	Special revenue funds:		
7	Agriculture equine industry development fund.....		604,600
8	Agriculture licensing and inspection fees.....		76,500
9	Gasoline inspection and testing fund.....		2,692,800
10	Refined petroleum fund.....		3,691,700
11	Renewable fuels fund.....		51,200
12	Testing fees.....		285,000
13	Weights and measures regulation fees.....		791,000
14	State general fund/general purpose.....	\$	2,184,700
15	Sec. 109. AGRICULTURE DEVELOPMENT		
16	Full-time equated classified positions.....	13.0	
17	Agriculture development--10.0 FTE positions.....		\$ 2,582,600
18	Food and agriculture industry growth initiative.....		1,000,000
19	Grape and wine program--3.0 FTE positions.....		802,600
20	Rural development value-added grants.....		<u>1,050,000</u>
21	GROSS APPROPRIATION.....	\$	5,435,200
22	Appropriated from:		
23	Federal revenues:		
24	USDA, multiple grants.....		1,420,700
25	Special revenue funds:		
26	Industry support funds.....		151,100
27	Nonretail liquor fees.....		757,600

1	State general fund/general purpose	\$	3,105,800
2	Sec. 110. FAIRS AND EXPOSITIONS		
3	Full-time equated classified positions..... 1.0		
4	Fairs and racing--1.0 FTE position.....	\$	356,600
5	County fairs capital improvement grants.....		282,000
6	Purses and supplements - fairs/licensed tracks.....		708,300
7	Licensed tracks - light horse racing.....		40,300
8	Light horse racing - breeders' awards.....		20,000
9	Standardbred breeders' awards.....		285,900
10	Standardbred purses and supplements - licensed tracks		527,800
11	Standardbred sire stakes.....		239,000
12	Thoroughbred supplements - licensed tracks.....		385,900
13	Thoroughbred breeders' awards.....		358,600
14	Thoroughbred sire stakes.....		<u>244,800</u>
15	GROSS APPROPRIATION.....	\$	3,449,200
16	Appropriated from:		
17	Special revenue funds:		
18	Agriculture equine industry development fund.....		3,167,200
19	State general fund/general purpose.....	\$	282,000
20	Sec. 111. CAPITAL OUTLAY		
21	Farmland and open space development acquisition.....	\$	<u>300,000</u>
22	GROSS APPROPRIATION.....	\$	300,000
23	Appropriated from:		
24	Special revenue funds:		
25	Agriculture preservation fund.....		300,000
26	State general fund/general purpose.....	\$	0
27	Sec. 112. ONE-TIME BASIS ONLY		

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1	Private forestry program.....	\$	300,000
	[Aquifer and water resources study.....		<u>100,000]</u>
2	GROSS APPROPRIATION.....	[\$	400,000]
3	Appropriated from:		
4	State general fund/general purpose.....	[\$	400,000]

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FOR FISCAL YEAR 2013-2014

GENERAL SECTIONS

9 Sec. 201. Pursuant to section 30 of article IX of the state
10 constitution of 1963, total state spending from state resources
11 under part 1 for fiscal year 2013-2014 is [\$66,451,200.00] and state
12 spending from state resources to be paid to local units of
13 government for fiscal year 2013-2014 is \$3,500,000.00. The itemized
14 statement below identifies appropriations from which spending to
15 local units of government will occur:

DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT

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

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

21 Sec. 203. As used in this article:

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

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

25 (c) "EPA" means the United States environmental protection

1 agency.

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

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

5 (f) "IDG" means interdepartmental grant.

6 (g) "LARA" means the Michigan department of licensing and
7 regulatory affairs.

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

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

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

(k) "MOU" means memorandum of understanding.

(l) "TB" means tuberculosis.

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

11 Sec. 204. The civil service commission shall bill departments
12 and agencies at the end of the first fiscal quarter for the charges
13 authorized by section 5 of article XI of the state constitution of
14 1963. Payments shall be made for the total amount of the billing by
15 the end of the second fiscal quarter.

16 Sec. 206. (1) In addition to the funds appropriated in part 1,
17 there is appropriated an amount not to exceed \$5,000,000.00 for
18 federal contingency funds. These funds are not available for
19 expenditure until they have been transferred to another line item
20 in part 1 under section 393(2) of the management and budget act,
21 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 \$6,000,000.00 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 part 1 under section 393(2) of the management and budget act,
27 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 \$100,000.00 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. 207. The department shall maintain a searchable website
14 accessible by the public at no cost that includes, but is not
15 limited to, all of the following:

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

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

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

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

23 (e) Job specifications and wage rates.

24 Sec. 208. Unless otherwise specified, the department shall use
25 the Internet to fulfill the reporting requirements of this part.
26 This requirement may include transmission of reports via electronic
27 mail to the recipients identified for each reporting requirement,

1 or it may include placement of reports on an Internet or Intranet
2 site.

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

13 Sec. 211. Amounts appropriated in part 1 for information
14 technology may be designated as work projects and carried forward
15 to support technology projects under the direction of the
16 department of technology, management, and budget. Funds designated
17 in this manner are not available for expenditure until approved as
18 work projects under section 451a of the management and budget act,
19 1984 PA 431, MCL 18.1451a.

20 Sec. 212. The department and agencies receiving appropriations
21 in part 1 shall receive and retain copies of all reports funded
22 from appropriations in part 1. Federal and state guidelines for
23 short-term and long-term retention of records shall be followed.
24 The department may electronically retain copies of reports unless
25 otherwise required by federal and state guidelines.

26 Sec. 214. From the funds appropriated in part 1 for
27 information technology, departments and agencies shall pay user

1 fees to the department of technology, management, and budget for
2 technology-related services and projects. The user fees shall be
3 subject to provisions of an interagency agreement between the
4 department and agencies and the department of technology,
5 management, and budget.

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

9 Sec. 218. The departments and agencies receiving
10 appropriations in part 1 shall prepare a report on out-of-state
11 travel expenses not later than January 1 of each year. The travel
12 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 appropriations committees, the
17 house and senate fiscal agencies, and the state budget director.
18 The report shall include the following information:

19 (a) The dates of each travel occurrence.

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

25 Sec. 219. It is the intent of the legislature that all
26 principal executive departments and agencies cooperate with the
27 development and implementation of the department of technology,

1 management, and budget statewide office space consolidation plan.

2 Sec. 228. Not later than November 15, the department shall
3 prepare and transmit a report that provides for estimates of the
4 total general fund/general purpose appropriation lapses at the
5 close of the fiscal year. This report shall summarize the projected
6 year-end general fund/general purpose appropriation lapses by major
7 departmental program or program areas. The report shall be
8 transmitted to the office of the state budget, the chairpersons of
9 the senate and house of representatives standing committees on
10 appropriations, and the senate and house fiscal agencies.

11 Sec. 229. Within 14 days after the release of the executive
12 budget recommendation, the department shall provide the state
13 budget director, the senate and house appropriations chairs, the
14 senate and house appropriations subcommittees on agriculture and
15 rural development, respectively, and the senate and house fiscal
16 agencies with an annual report on estimated state restricted fund
17 balances, state restricted fund projected revenues, and state
18 restricted fund expenditures for the fiscal year ending September
19 30, 2014.

20 Sec. 230. 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 outside services that
25 the attorney general authorizes.

26 **DEPARTMENTWIDE**

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

6 (a) Management services publications.

7 (b) Management services audit and licensing functions.

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

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

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

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

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

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

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

24 (2) The department shall notify the senate and house
25 appropriations subcommittees on agriculture and rural development
26 and the senate and house fiscal agencies 30 days prior to proposing
27 changes in fees authorized under this section or under section 5 of

1 1915 PA 91, MCL 285.35.

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

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

18 **ANIMAL INDUSTRY**

19 Sec. 451. From the funds appropriated in part 1 for bovine
20 tuberculosis, the department shall pay for all whole herd testing
21 costs and individual animal testing costs in the modified
22 accredited zone to maintain split-state status requirements. These
23 costs include indemnity and compensation for injury causing death
24 or downer to animals.

25 Sec. 453. (1) Of the funds appropriated in part 1, the
26 department may provide for indemnity as provided for pursuant to

1 the animal industry act, 1988 PA 466, MCL 287.701 to 287.746, not
2 to exceed \$100,000.00 per order from any line item for the fiscal
3 year ending September 30, 2013. Before the department provides for
4 an indemnification under this section, the department shall report
5 the reason for the indemnification, the amount of the
6 indemnification, and to whom the indemnification is to be paid. The
7 report shall be given to each member of the senate and house
8 appropriations subcommittees on agriculture and rural development
9 and to the senate and house fiscal agencies and to the state budget
10 director.

11 (2) The department of agriculture and rural development shall
12 make an indemnification payment for the fair market value of
13 livestock killed by a wolf, coyote, or cougar, if the kill is
14 verified by the department of natural resources. The fair market
15 value of the livestock shall be determined pursuant to the
16 indemnification procedures prescribed in the animal industry act,
17 1988 PA 466, MCL 287.701 to 287.745.

18 (3) The funds appropriated in part 1 for indemnification -
19 livestock depredation are appropriated for indemnification payments
20 and related department costs under subsection (2). On or before
21 March 1 of the current fiscal year, the department shall report to
22 the house and senate appropriations subcommittees on agriculture
23 and rural development, and the house and senate fiscal agencies, on
24 costs incurred in the 2011-2012 and 2012-2013 fiscal years for
25 indemnification payments to producers made under subsection (2) and
26 related department costs.

27 Sec. 454. The department shall use its resources to

1 collaborate with the United States department of agriculture and
2 rural development to obtain TB-free status for the area of the
3 Lower Peninsula that is zoned as modified accredited advanced. The
4 department shall also aggressively work toward eradicating bovine
5 TB in the modified accredited zone. The department shall also
6 convene a workgroup to work toward eradicating bovine TB in the
7 modified accredited zone.

8 Sec. 456. Of the funds appropriated in part 1, no funds shall
9 be used to enforce the mandatory electronic animal identification
10 program for any domestic animals other than cattle until specific
11 procedures and guidelines for electronic animal identification are
12 outlined in statute.

13 Sec. 457. On or before October 15 of the current fiscal year
14 and on a quarterly basis thereafter, the department shall report to
15 the senate and house agriculture committees, the senate and house
16 appropriations subcommittees on agriculture and rural development,
17 and the senate and house fiscal agencies on the department's
18 progress toward meeting the USDA requirements as outlined in the
19 March 2007 bovine TB program review. The report shall include, but
20 is not limited to, information and data on: wildlife risk
21 mitigation plan implementation in the modified accredited zone;
22 implementation of a movement certificate process; progress toward
23 annual surveillance test requirements set out in the June 2007 MOU;
24 efforts to work with slaughter facilities in Michigan, as well as
25 those that slaughter a significant number of animals from Michigan;
26 educational programs and information for Michigan's livestock
27 community; any other item the legislature should be aware of that

1 will promote or hinder efforts to achieve bovine TB-free status for
2 Michigan.

3 Sec. 458. From the funds appropriated in part 1 for animal
4 industry, the department shall provide inspection and testing of
5 aquaculture facilities and aquaculture researchers as provided
6 under section 7 of the Michigan aquaculture development act, 1996
7 PA 199, MCL 286.877. It is the intent of the legislature that the
8 department shall work with aquaculture facilities and aquaculture
9 researchers to identify, contain, and eradicate viral hemorrhagic
10 septicemia in this state.

11 **PESTICIDE AND PLANT PEST MANAGEMENT**

12 Sec. 552. The department is encouraged to work with local
13 public health departments and with the USDA to maintain and expand
14 the clean sweep program for the safe disposal of hazardous
15 household chemicals and prescription drugs. The department shall
16 report to the house and senate appropriations subcommittees on
17 agriculture and rural development and the house and senate fiscal
18 agencies by March 1 of the current fiscal year on clean sweep
19 locations in this state and on factors affecting program success
20 and expansion including funding requirements.

21 **AGRICULTURE DEVELOPMENT**

22 Sec. 701. (1) The department shall establish and administer a
23 rural development value-added grant program. The program shall
24 promote the expansion of value-added agricultural production,
25 processing, and access within the state.

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

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

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

16 (5) The unexpended portion of the rural development value-
17 added grant program is considered a work project appropriation in
18 accordance with the management and budget act, 1984 PA 431, MCL
19 18.1101 to 18.1594.

20 (6) The department shall provide an interim report no later
21 than March 15 of the current fiscal year and year-end report no
22 later than September 30 of the current fiscal year to the senate
23 and house appropriations subcommittees on agriculture and rural
24 development and the senate and house fiscal agencies, including the
25 grantees, award amount, match funding, and project outcomes.

26 Sec. 706. Not later than April 1 of the current fiscal year,
27 the department shall provide a report to the senate and house

1 appropriations subcommittees on agriculture and rural development
2 and the senate and house fiscal agencies describing the
3 department's agriculture development and export market development
4 activities. The report shall identify grants awarded during the
5 prior fiscal year, including a description of federal or private
6 funds made available as a result of department activities.

7 Sec. 709. (1) Not later than April 1 of the current fiscal
8 year, the department shall provide a report to the senate and house
9 appropriations subcommittees on agriculture and rural development
10 and the senate and house fiscal agencies describing the activities
11 of the grape and wine industry council established under section
12 303 of the Michigan liquor control act of 1998, 1998 PA 58, MCL
13 436.1303.

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

15 (a) Council activities and accomplishments for the previous
16 fiscal year.

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

20 (c) Grants awarded during the prior fiscal year and the
21 results of research grant projects completed during the prior
22 fiscal year.

23 Sec. 711. (1) The department shall establish and administer
24 the food and agriculture industry growth initiative. The program
25 shall use a grant process to support research, education, and
26 technical assistance efforts focused on removing barriers and
27 leveraging opportunities identified by those in the food and

1 agriculture industry as critical to business development and growth
2 within the state.

3 (2) In addition to the funds appropriated in part 1, the
4 department of agriculture and rural development may receive and
5 expend up to \$2,000,000.00 in funds received from the Michigan
6 strategic fund or the Michigan economic development corporation for
7 the food and agriculture industry growth initiative.

8 (3) The director shall establish a consortium of interested
9 parties including those involved in the food and agriculture
10 industry sector to develop the program priorities described in
11 subsection (1).

12 (4) The department shall award grants from the funds
13 appropriated in part 1 or received from the Michigan strategic fund
14 or the Michigan economic development corporation under subsection
15 (2) for food and agriculture industry growth initiative grants.
16 Grantees will be required to identify measurable project outcomes.

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

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

23 **FAIRS AND EXPOSITIONS**

24 Sec. 801. All appropriations from the agriculture equine
25 industry development fund shall be spent on equine-related
26 purposes. No funds from the agriculture equine industry development

1 fund shall be expended for nonequine-related purposes without prior
2 approval of the legislature.

3 Sec. 802. All appropriations from the agriculture equine
4 industry development fund, except for the racing commission and
5 laboratory analysis program appropriations, shall be reduced
6 proportionately if revenues to the agriculture equine industry
7 development fund decline during the fiscal year ending September
8 30, 2013 to a level lower than the amounts appropriated in section
9 110.

10 Sec. 803. In the event there is no live thoroughbred race meet
11 in 2013 or 2014, all purse money and program money appropriated for
12 the thoroughbred industry in fiscal year 2012-2013 and fiscal year
13 2013-2014 shall be held in escrow for a period not to exceed 18
14 months, or until a thoroughbred race meet license is applied for
15 and granted by the Michigan gaming control board. In the event
16 there is no thoroughbred meet in 2013 or 2014, the purse pool
17 distribution order to be issued by the Michigan gaming control
18 board in 2014 that delineates distribution between the thoroughbred
19 meet that has been held at pinnacle race course and the joint
20 thoroughbred/quarterhorse meet held in Mt. Pleasant shall be the
21 same distribution formula as issued in 2013, with the thoroughbred
22 portion being held in escrow.

23 Sec. 804. The Michigan gaming control board shall use actual
24 expenditure data in determining the actual regulatory costs of
25 conducting racing dates and shall provide that data to the senate
26 and house of representatives appropriations subcommittees on
27 agriculture and rural development and general government and the

1 senate and house fiscal agencies by November 1 of the current
2 fiscal year. The Michigan gaming control board shall not be
3 reimbursed for more than the actual regulatory cost of conducting
4 race dates. If a certified horsemen's organization funds more than
5 the actual regulatory cost, the balance shall remain in the
6 agriculture equine industry development fund to be used to fund
7 subsequent race dates conducted by race meeting licensees with
8 which the certified horsemen's organization has contracts. If a
9 certified horsemen's organization funds less than the actual
10 regulatory costs of the additional horse racing dates, the Michigan
11 gaming control board shall reduce the number of future race dates
12 conducted by race meeting licensees with which the certified
13 horsemen's organization has contracts. Prior to the reduction in
14 the number of authorized race dates due to budget deficits, the
15 executive director of the Michigan gaming control board shall
16 provide notice to the certified horsemen's organizations with an
17 opportunity to respond with alternatives. In determining actual
18 costs, the Michigan gaming control board shall take into account
19 that each specific breed may require different regulatory
20 mechanisms.

21 Sec. 805. (1) The department shall establish and administer a
22 county fairs capital improvement grant program. The program shall
23 assist in the promotion of building improvements or other capital
24 improvements at county fairgrounds of the state.

25 (2) The department shall award grants on a competitive basis
26 to county fair organizations from the funds appropriated in part 1
27 for county fairs capital improvements grants. Grantees will be

1 required to provide a dollar-for-dollar cash match with grant
2 awards and identify measurable project outcomes.

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

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

9 (5) The unexpended portion of the county fairs capital
10 improvement grant program is considered a work project
11 appropriation in accordance with the management and budget act,
12 1984 PA 431, MCL 18.1101 to 18.1594.

13 (6) The department shall provide an interim report no later
14 than March 1 of the current fiscal year and a year-end report no
15 later than September 30 of the current fiscal year to the senate
16 and house appropriations subcommittees on agriculture and rural
17 development and the senate and house fiscal agencies, including the
18 grantees, award amount, match funding, and project outcomes.

19 **CAPITAL OUTLAY**

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

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

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

12 ONE-TIME BASIS ONLY APPROPRIATIONS

13 Sec. 1103. (1) The appropriations in part 1 for private
14 forestry program are for the purpose of increasing the knowledge of
15 nonindustrial private forestland owners of sound forest management
16 practices and increasing the amount of commercial timber production
17 from those lands.

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

[Sec. 1104. Use of the funds appropriated in part 1 for an aquifer
and water resources study shall include test well monitoring of glacial
and bedrock aquifers for quantity and quality, precise calibrated flow
models of glacial and bedrock aquifers, modeling of different impact
scenarios based on usage, climate, and policies, and solutions to address
declining groundwater levels. The study shall be conducted with the
assistance of Michigan State University. Findings of the study shall be
made available to the department and to MDEQ.]

22

PART 2A

23

PROVISIONS CONCERNING ANTICIPATED APPROPRIATIONS

24

FOR FISCAL YEAR 2014-2015

House Bill No. 4328 (H-1) as amended April 23, 2013

1	transfers	10,056,100
2	ADJUSTED GROSS APPROPRIATION.....	[15,316,968,100]
3	Federal revenues:	
4	Total federal revenues.....	9,862,834,200
5	Social security act, temporary assistance for needy	
6	families	19,545,400
7	Special revenue funds:	
8	Total local revenues.....	251,820,200
9	Total private revenues.....	126,342,400
10	Merit award trust fund.....	85,834,700
11	Total other state restricted revenues.....	2,079,589,500
12	State general fund/general purpose.....	[\$ 2,891,001,700]
13	Sec. 102. DEPARTMENTWIDE ADMINISTRATION	
14	Full-time equated unclassified positions..... 6.0	
15	Full-time equated classified positions..... 176.7	
16	Director and other unclassified--6.0 FTE positions ...	\$ 707,000
17	Departmental administration and management--166.7 FTE	
18	positions	25,069,900
19	Worker's compensation program.....	6,963,000
20	Rent and building occupancy.....	9,791,300
21	Developmental disabilities council and projects--10.0	
22	FTE positions	<u>3,024,700</u>
23	GROSS APPROPRIATION.....	\$ 45,555,900
24	Appropriated from:	
25	Federal revenues:	
26	Total federal revenues.....	15,196,600
27	Special revenue funds:	

1	Total private revenues.....	35,200
2	Total other state restricted revenues.....	792,700
3	State general fund/general purpose.....	\$ 29,531,400
4	Sec. 103. BEHAVIORAL HEALTH PROGRAM ADMINISTRATION	
5	AND SPECIAL PROJECTS	
6	Full-time equated classified positions.....	104.0
7	Behavioral health program administration--103.0 FTE	
8	positions	\$ 19,629,400
9	Gambling addiction--1.0 FTE position.....	3,002,800
10	Protection and advocacy services support.....	194,400
11	Community residential and support services.....	992,100
12	Federal and other special projects.....	3,111,200
13	Family support subsidy.....	19,364,900
14	Housing and support services.....	<u>11,322,500</u>
15	GROSS APPROPRIATION.....	\$ 57,617,300
16	Appropriated from:	
17	Federal revenues:	
18	Total federal revenues.....	19,926,000
19	Social security act, temporary assistance for needy	
20	families	19,545,400
21	Special revenue funds:	
22	Total private revenues.....	200,000
23	Total other state restricted revenues.....	3,002,800
24	State general fund/general purpose.....	\$ 14,943,100
25	Sec. 104. BEHAVIORAL HEALTH SERVICES	
26	Full-time equated classified positions.....	9.5
27	Medicaid mental health services.....	\$ 2,187,650,100

House Bill No. 4328 (H-1) as amended April 23, 2013

1	Community mental health non-Medicaid services	283,688,700
2	Medicaid adult benefits waiver	31,989,600
3	Mental health services for special populations	5,842,800
4	Medicaid substance abuse services	47,696,700
5	CMHSP, purchase of state services contracts	137,761,600
6	Civil service charges	1,499,300
7	Federal mental health block grant--2.5 FTE positions .	15,440,000
8	State disability assistance program substance abuse	
9	services	2,018,800
10	Community substance abuse prevention, education, and	
11	treatment programs	80,093,000
12	Children's waiver home care program	21,544,900
13	Nursing home PAS/ARR-OBRA--7.0 FTE positions	12,252,100
14	Children with serious emotional disturbance waiver ...	12,651,000
	[Family independence program recipient substance abuse	
	treatment pilot	100]
15	GROSS APPROPRIATION	\$ [2,840,128,700]
16	Appropriated from:	
17	Interdepartmental grant revenues:	
18	Interdepartmental grant from the department of human	
19	services	6,194,900
20	Federal revenues:	
21	Total federal revenues	1,619,363,200
22	Special revenue funds:	
23	Total local revenues	25,228,900
24	Total other state restricted revenues	22,276,700
25	State general fund/general purpose	\$ [1,167,065,000]
26	Sec. 105. STATE PSYCHIATRIC HOSPITALS AND FORENSIC	
27	MENTAL HEALTH SERVICES	

1	Total average population	893.0	
2	Full-time equated classified positions.....	2,130.9	
3	Caro Regional Mental Health Center - psychiatric		
4	hospital - adult--461.3 FTE positions.....		\$ 55,019,700
5	Average population	185.0	
6	Kalamazoo Psychiatric Hospital - adult--466.1 FTE		
7	positions		63,649,300
8	Average population	189.0	
9	Walter P. Reuther Psychiatric Hospital - adult--420.8		
10	FTE positions		54,087,000
11	Average population	234.0	
12	Hawthorn Center - psychiatric hospital - children and		
13	adolescents--226.4 FTE positions.....		28,433,800
14	Average population	75.0	
15	Center for forensic psychiatry--556.3 FTE positions ..		
16	Average population	210.0	71,187,800
17	Revenue recapture.....		750,000
18	IDEA, federal special education.....		120,000
19	Special maintenance.....		332,500
20	Purchase of medical services for residents of		
21	hospitals and centers		445,600
22	Gifts and bequests for patient living and treatment		
23	environment		<u>1,000,000</u>
24	GROSS APPROPRIATION.....		\$ 275,025,700
25	Appropriated from:		
26	Federal revenues:		
27	Total federal revenues.....		34,529,300

1	Special revenue funds:	
2	CMHSP, purchase of state services contracts	137,761,600
3	Other local revenues	19,163,800
4	Total private revenues	1,000,000
5	Total other state restricted revenues	16,733,800
6	State general fund/general purpose	\$ 65,837,200
7	Sec. 106. PUBLIC HEALTH ADMINISTRATION	
8	Full-time equated classified positions..... 102.9	
9	Public health administration--7.3 FTE positions	\$ 1,549,500
10	Health and wellness initiatives--11.7 FTE positions ..	7,189,800
11	Minority health grants and contracts--2.5 FTE	
12	positions	612,700
13	Vital records and health statistics--81.4 FTE	
14	positions	<u>11,370,600</u>
15	GROSS APPROPRIATION	\$ 20,722,600
16	Appropriated from:	
17	Interdepartmental grant revenues:	
18	Interdepartmental grant from the department of human	
19	services	1,199,200
20	Federal revenues:	
21	Total federal revenues	4,224,400
22	Special revenue funds:	
23	Total other state restricted revenues	11,970,700
24	State general fund/general purpose	\$ 3,328,300
25	Sec. 107. HEALTH POLICY	
26	Full-time equated classified positions..... 64.8	
27	Emergency medical services program--23.0 FTE positions \$	6,187,400

1	Health policy administration--24.1 FTE positions	4,377,600
2	Nurse education and research program--3.0 FTE	
3	positions	769,900
4	Certificate of need program administration--12.3 FTE	
5	positions	2,763,700
6	Rural health services--1.0 FTE position.....	1,531,500
7	Michigan essential health provider.....	1,491,300
8	Primary care services--1.4 FTE positions.....	<u>3,731,300</u>
9	GROSS APPROPRIATION.....	\$ 20,852,700
10	Appropriated from:	
11	Interdepartmental grant revenues:	
12	Interdepartmental grant from the department of	
13	licensing and regulatory affairs.....	2,066,400
14	Interdepartmental grant from the department of	
15	treasury, Michigan state hospital finance authority.	114,900
16	Federal revenues:	
17	Total federal revenues.....	6,664,000
18	Special revenue funds:	
19	Total private revenues.....	255,000
20	Total other state restricted revenues.....	7,536,600
21	State general fund/general purpose.....	\$ 4,215,800
22	Sec. 108. INFECTIOUS DISEASE CONTROL	
23	Full-time equated classified positions..... 49.5	
24	AIDS prevention, testing, and care programs--15.7 FTE	
25	positions	\$ 69,164,400
26	Immunization program--12.8 FTE positions.....	14,999,000
27	Pediatric AIDS prevention and control--1.0 FTE	

1	position	1,233,100
2	Sexually transmitted disease control program--20.0 FTE	
3	positions	<u>6,213,800</u>
4	GROSS APPROPRIATION.....	\$ 91,610,300
5	Appropriated from:	
6	Federal revenues:	
7	Total federal revenues.....	42,783,000
8	Special revenue funds:	
9	Total private revenues.....	38,278,400
10	Total other state restricted revenues.....	7,696,700
11	State general fund/general purpose.....	\$ 2,852,200
12	Sec. 109. LABORATORY SERVICES	
13	Full-time equated classified positions..... 100.0	
14	Laboratory services--100.0 FTE positions.....	\$ <u>18,167,000</u>
15	GROSS APPROPRIATION.....	\$ 18,167,000
16	Appropriated from:	
17	Interdepartmental grant revenues:	
18	Interdepartmental grant from the department of	
19	environmental quality	480,700
20	Federal revenues:	
21	Total federal revenues.....	2,271,300
22	Special revenue funds:	
23	Total other state restricted revenues.....	8,728,000
24	State general fund/general purpose.....	\$ 6,687,000
25	Sec. 110. EPIDEMIOLOGY	
26	Full-time equated classified positions..... 115.1	
27	AIDS surveillance and prevention program.....	\$ 2,254,100

House Bill No. 4328 (H-1) as amended April 23, 2013

1	Bioterrorism preparedness--55.0 FTE positions	35,466,400
2	Epidemiology administration--41.6 FTE positions	12,257,200
3	Healthy homes program--8.0 FTE positions	[3,962,400]
4	Newborn screening follow-up and treatment services--	
5	10.5 FTE positions	6,026,100
6	Tuberculosis control and prevention	<u>867,000</u>
7	GROSS APPROPRIATION	[\$ 60,833,200]
8	Appropriated from:	
9	Federal revenues:	
10	Total federal revenues	50,165,300
11	Special revenue funds:	
12	Total private revenues	238,000
13	Total other state restricted revenues	7,416,800
14	State general fund/general purpose	\$ [3,013,100]
15	Sec. 111. LOCAL HEALTH ADMINISTRATION AND GRANTS	
16	Full-time equated classified positions..... 2.0	
17	Essential local public health services	\$ 37,386,200
18	Implementation of 1993 PA 133, MCL 333.17015	20,000
19	Local health services--2.0 FTE positions	533,300
20	Medicaid outreach cost reimbursement to local health	
21	departments	<u>9,000,000</u>
22	GROSS APPROPRIATION	\$ 46,939,500
23	Appropriated from:	
24	Federal revenues:	
25	Total federal revenues	9,533,300
26	Special revenue funds:	
27	Total local revenues	5,150,000

1	State general fund/general purpose	\$	32,256,200
2	Sec. 112. CHRONIC DISEASE AND INJURY PREVENTION AND		
3	HEALTH PROMOTION		
4	Full-time equated classified positions.....		63.3
5	Cancer prevention and control program--11.0 FTE		
6	positions	\$	14,987,100
7	Chronic disease control and health promotion		
8	administration--29.4 FTE positions.....		6,273,100
9	Diabetes and kidney program--8.0 FTE positions		1,885,600
10	Injury control intervention project		200,000
11	Smoking prevention program--12.0 FTE positions		2,576,800
12	Violence prevention--2.9 FTE positions		<u>2,170,600</u>
13	GROSS APPROPRIATION.....	\$	28,093,200
14	Appropriated from:		
15	Federal revenues:		
16	Total federal revenues		25,000,900
17	Special revenue funds:		
18	Total private revenues		500,000
19	Total other state restricted revenues		728,400
20	State general fund/general purpose	\$	1,863,900
21	Sec. 113. FAMILY, MATERNAL, AND CHILDREN'S HEALTH		
22	SERVICES		
23	Full-time equated classified positions.....		49.6
24	Childhood lead program--2.5 FTE positions	\$	1,243,200
25	Dental programs--3.0 FTE positions		1,643,800
26	Dental program for persons with developmental		
27	disabilities		151,000

1	Family, maternal, and children's health services	
2	administration--41.6 FTE positions.....	7,245,200
3	Family planning local agreements.....	9,085,700
4	Local MCH services.....	7,018,100
5	Pregnancy prevention program.....	602,100
6	Prenatal care outreach and service delivery support ..	9,151,400
7	Special projects--2.5 FTE positions.....	7,427,700
8	Sudden infant death syndrome program.....	<u>321,300</u>
9	GROSS APPROPRIATION.....	\$ 43,889,500
10	Appropriated from:	
11	Federal revenues:	
12	Total federal revenues.....	36,619,400
13	Special revenue funds:	
14	Total local revenues.....	75,000
15	Total private revenues.....	874,500
16	State general fund/general purpose.....	\$ 6,320,600
17	Sec. 114. WOMEN, INFANTS, AND CHILDREN FOOD AND	
18	NUTRITION PROGRAM	
19	Full-time equated classified positions..... 45.0	
20	Women, infants, and children program administration	
21	and special projects--45.0 FTE positions.....	\$ 17,832,600
22	Women, infants, and children program local agreements	
23	and food costs	<u>256,285,000</u>
24	GROSS APPROPRIATION.....	\$ 274,117,600
25	Appropriated from:	
26	Federal revenues:	
27	Total federal revenues.....	213,039,700

1	Special revenue funds:		
2	Total private revenues.....		61,077,900
3	State general fund/general purpose.....	\$	0
4	Sec. 115. CHILDREN'S SPECIAL HEALTH CARE SERVICES		
5	Full-time equated classified positions.....		46.8
6	Children's special health care services		
7	administration--44.0 FTE positions.....	\$	5,506,600
8	Requests for care and services--2.8 FTE positions....		1,524,100
9	Outreach and advocacy.....		5,510,000
10	Nonemergency medical transportation.....		1,505,900
11	Medical care and treatment.....		<u>97,557,700</u>
12	GROSS APPROPRIATION.....	\$	111,604,300
13	Appropriated from:		
14	Federal revenues:		
15	Total federal revenues.....		44,039,500
16	Special revenue funds:		
17	Total private revenues.....		1,005,900
18	Total other state restricted revenues.....		3,854,600
19	State general fund/general purpose.....	\$	62,704,300
20	Sec. 116. CRIME VICTIM SERVICES COMMISSION		
21	Full-time equated classified positions.....		13.0
22	Grants administration services--13.0 FTE positions...	\$	2,099,100
23	Justice assistance grants.....		19,106,100
24	Crime victim rights services grants.....		<u>16,570,000</u>
25	GROSS APPROPRIATION.....	\$	37,775,200
26	Appropriated from:		
27	Federal revenues:		

1	Total federal revenues.....	23,494,800
2	Special revenue funds:	
3	Total other state restricted revenues.....	14,280,400
4	State general fund/general purpose.....	\$ 0
5	Sec. 117. OFFICE OF SERVICES TO THE AGING	
6	Full-time equated classified positions.....	40.0
7	Office of services to aging administration--40.0 FTE	
8	positions	\$ 6,389,200
9	Community services.....	36,614,400
10	Nutrition services.....	36,744,000
11	Foster grandparent volunteer program.....	2,233,600
12	Retired and senior volunteer program.....	627,300
13	Senior companion volunteer program.....	1,604,400
14	Employment assistance.....	3,500,000
15	Respite care program.....	<u>5,868,700</u>
16	GROSS APPROPRIATION.....	\$ 93,581,600
17	Appropriated from:	
18	Federal revenues:	
19	Total federal revenues.....	58,154,600
20	Special revenue funds:	
21	Total private revenues.....	677,500
22	Merit award trust fund.....	4,068,700
23	Total other state restricted revenues.....	1,800,000
24	State general fund/general purpose.....	\$ 28,880,800
25	Sec. 118. MEDICAL SERVICES ADMINISTRATION	
26	Full-time equated classified positions.....	458.5
27	Medical services administration--434.5 FTE positions .	\$ 68,549,000

1	Facility inspection contract.....	132,800
2	MICChild administration.....	4,327,800
3	Electronic health record incentive program--24.0 FTE	
4	positions	<u>144,193,800</u>
5	GROSS APPROPRIATION.....	\$ 217,203,400
6	Appropriated from:	
7	Federal revenues:	
8	Total federal revenues.....	191,886,000
9	Special revenue funds:	
10	Total local revenues.....	105,900
11	Total private revenues.....	100,000
12	Total other state restricted revenues.....	330,000
13	State general fund/general purpose.....	\$ 24,781,500
14	Sec. 119. MEDICAL SERVICES	
15	Hospital services and therapy.....	\$ 1,241,676,300
16	Hospital disproportionate share payments.....	45,000,000
17	Physician services.....	462,956,400
18	Medicare premium payments.....	438,208,000
19	Pharmaceutical services.....	269,310,900
20	Home health services.....	3,783,700
21	Hospice services.....	102,974,400
22	Transportation.....	23,572,600
23	Auxiliary medical services.....	9,517,200
24	Dental services.....	183,247,600
25	Ambulance services.....	10,751,000
26	Long-term care services.....	1,756,486,200
27	Integrated care organization services.....	100

1	Medicaid home- and community-based services waiver...	299,895,900
2	Adult home help services.....	308,323,300
3	Personal care services.....	13,327,200
4	Program of all-inclusive care for the elderly.....	50,254,300
5	Autism services.....	39,484,600
6	Health plan services.....	4,722,693,700
7	MIChild program.....	69,744,400
8	Plan first family planning waiver.....	13,628,100
9	Medicaid adult benefits waiver.....	105,877,700
10	Special indigent care payments.....	95,738,900
11	Federal Medicare pharmaceutical program.....	196,140,500
12	Maternal and child health.....	20,279,500
13	Subtotal basic medical services program.....	10,482,872,500
14	School-based services.....	131,502,700
15	Special Medicaid reimbursement.....	337,217,600
16	Subtotal special medical services payments.....	<u>468,720,300</u>
17	GROSS APPROPRIATION.....	\$ 10,951,592,800
18	Appropriated from:	
19	Federal revenues:	
20	Total federal revenues.....	7,419,749,400
21	Special revenue funds:	
22	Total local revenues.....	64,335,000
23	Total private revenues.....	2,100,000
24	Merit award trust fund.....	81,766,000
25	Total other state restricted revenues.....	1,970,475,600
26	State general fund/general purpose.....	\$ 1,413,166,800
27	Sec. 120. INFORMATION TECHNOLOGY	

House Bill No. 4328 (H-1) as amended April 23, 2013

1	Information technology services and projects	\$	36,530,800
2	Michigan Medicaid information system		<u>50,201,100</u>
3	GROSS APPROPRIATION	\$	86,731,900
4	Appropriated from:		
5	Federal revenues:		
6	Total federal revenues		45,091,700
7	Special revenue funds:		
8	Total private revenues		20,000,000
9	Total other state restricted revenues		1,965,700
10	State general fund/general purpose	\$	19,674,500
11	Sec. 121. ONE-TIME BASIS ONLY APPROPRIATIONS		
12	Hospital services and therapy - graduate medical		
13	education	\$	1,656,800
14	Primary care services - island health clinics		325,000
15	[Mental health services for special populations		<u>3,000,000]</u>
15	GROSS APPROPRIATION	\$	<u>[4,981,800]</u>
16	Appropriated from:		
17	Federal revenues:		
18	Total federal revenues		1,101,800
19	State general fund/general purpose	\$	[3,880,000]

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

House Bill No. 4328 (H-1) as amended April 23, 2013

1 under part 1 for fiscal year 2013-2014 is [\$5,056,425,900.00] and
 2 state spending from state resources to be paid to local units of
 3 government for fiscal year 2013-2014 is [\$1,235,500,000.00]. The
 4 itemized statement below identifies appropriations from which
 5 spending to local units of government will occur:

6 DEPARTMENT OF COMMUNITY HEALTH

7 BEHAVIORAL HEALTH PROGRAM ADMINISTRATION

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

10 BEHAVIORAL HEALTH SERVICES

11	State disability assistance program substance abuse		
12	services	\$	2,018,000
13	Community substance abuse prevention, education, and		
14	treatment programs		12,769,200
15	Medicaid mental health services		708,534,800
16	Community mental health non-Medicaid services		283,688,700
17	Mental health services for special populations		[8,842,800]
18	Medicaid adult benefits waiver		10,774,100
19	Medicaid substance abuse services		16,065,200
20	Children's waiver home care program		5,871,900
21	Nursing home PAS/ARR-OBRA		2,721,700

22 HEALTH POLICY

23	Primary care services	\$	88,900
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24 INFECTIOUS DISEASE CONTROL

25	AIDS prevention, testing, and care programs	\$	1,041,100
26	Sexually transmitted disease management and		
27	field support		174,500

1	LABORATORY SERVICES		
2	Laboratory services.....	\$	2,800
3	LOCAL HEALTH ADMINISTRATION AND GRANTS		
4	Implementation of 1993 PA 133, MCL 333.17015	\$	5,700
5	Essential local public health services		32,236,100
6	CHRONIC DISEASE AND INJURY PREVENTION AND HEALTH PROMOTION		
7	Cancer prevention and control program.....	\$	94,700
8	FAMILY, MATERNAL, AND CHILDREN'S HEALTH SERVICES		
9	Prenatal care outreach and service delivery support ..		1,850,000
10	CHILDREN'S SPECIAL HEALTH CARE SERVICES		
11	Medical care and treatment.....	\$	585,300
12	Outreach and advocacy.....		1,250,800
13	CRIME VICTIM SERVICES COMMISSION		
14	Crime victim rights services grants.....	\$	6,180,200
15	OFFICE OF SERVICES TO THE AGING		
16	Community services.....	\$	12,229,300
17	Nutrition services.....		8,783,000
18	Foster grandparent volunteer program.....		536,400
19	Retired and senior volunteer program.....		147,300
20	Senior companion volunteer program.....		183,400
21	Respite care program.....		5,115,000
22	MEDICAL SERVICES		
23	Dental services.....	\$	1,364,200
24	Long-term care services.....		80,798,400
25	Transportation.....		3,583,000
26	Medicaid adult benefits waiver.....		10,481,900
27	Hospital services and therapy.....		2,489,000

House Bill No. 4328 (H-1) as amended April 23, 2013

1	Physician services.....	<u>14,433,600</u>
2	TOTAL OF PAYMENTS TO LOCAL UNITS	
3	OF GOVERNMENT.....	[\$1,235,500,000]

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

7 Sec. 203. As used in this article:

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

9 (b) "CMHSP" means a community mental health services program
10 as that term is defined in section 100a of the mental health code,
11 1974 PA 258, MCL 330.1100a.

12 (c) "Current fiscal year" means the fiscal year ending
13 September 30, 2014.

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

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

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

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

19 (h) "Federal health care reform legislation" means the patient
20 protection and affordable care act, Public Law 111-148, and the
21 health care and education reconciliation act of 2010, Public Law
22 111-152.

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

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

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

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

5 (m) "HEDIS" means healthcare effectiveness data and
6 information set.

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

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

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

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

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

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

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

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

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

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

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

3 Sec. 206. (1) In addition to the funds appropriated in part 1,
4 there is appropriated an amount not to exceed \$200,000,000.00 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 \$40,000,000.00 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 \$20,000,000.00 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 \$20,000,000.00 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 Sec. 207. The department shall maintain, on a public

1 accessible website, a department scorecard that identifies, tracks,
2 and regularly updates key metrics that are used to monitor and
3 improve the department's performance.

4 Sec. 208. Unless otherwise specified, the department shall use
5 the Internet to fulfill the reporting requirements of part 1. This
6 requirement may include transmission of reports via electronic mail
7 to the recipients identified for each reporting requirement, or it
8 may include placement of reports on the 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 competitively
18 priced and of comparable quality.

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

25 Sec. 212. (1) On or before February 1 of the current fiscal
26 year, the department shall report to the house and senate
27 appropriations subcommittees on community health, the house and

1 senate fiscal agencies, and the state budget director on the
2 detailed name and amounts of federal, restricted, private, and
3 local sources of revenue that support the appropriations in each of
4 the line items in part 1.

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

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

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

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

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

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

26 (e) Any other information considered necessary by the house of
27 representatives or senate appropriations committees or the state

1 budget director.

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

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

13 Sec. 218. The department shall include the following in its
14 annual list of proposed basic health services as required in part
15 23 of the public health code, 1978 PA 368, MCL 333.2301 to
16 333.2321:

17 (a) Immunizations.

18 (b) Communicable disease control.

19 (c) Sexually transmitted disease control.

20 (d) Tuberculosis control.

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

22 (f) Screening newborns for the conditions listed in section
23 5431 of the public health code, 1978 PA 368, MCL 333.5431, or
24 recommended by the newborn screening quality assurance advisory
25 committee created under section 5430 of the public health code,
26 1978 PA 368, MCL 333.5430.

27 (g) Community health annex of the Michigan emergency

1 management plan.

2 (h) Prenatal care.

3 Sec. 219. (1) The department may contract with the Michigan
4 public health institute for the design and implementation of
5 projects and for other public health-related activities prescribed
6 in section 2611 of the public health code, 1978 PA 368, MCL
7 333.2611. The department may develop a master agreement with the
8 institute to carry out these purposes for up to a 3-year period.
9 The department shall report to the house and senate appropriations
10 subcommittees on community health, the house and senate fiscal
11 agencies, and the state budget director on or before January 1 of
12 the current fiscal year all of the following:

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

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

17 (c) The expected project duration.

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

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

27 Sec. 223. The department may establish and collect fees for

1 publications, videos and related materials, conferences, and
2 workshops. Collected fees shall be used to offset expenditures to
3 pay for printing and mailing costs of the publications, videos and
4 related materials, and costs of the workshops and conferences. The
5 department shall not collect fees under this section that exceed
6 the cost of the expenditures.

7 Sec. 259. From the funds appropriated in part 1 for
8 information technology, departments and agencies shall pay user
9 fees to the department of technology, management, and budget for
10 technology-related services and projects. The user fees shall be
11 subject to provisions of an interagency agreement between the
12 department and agencies and the department of technology,
13 management, and budget.

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

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

26 (3) The department shall inform the senate and house
27 appropriations subcommittees on community health and the senate and

1 house fiscal agencies of any alterations or adjustments made to the
2 published plan for integrated care for individuals who are dual
3 Medicare/Medicaid eligibles when the final version of the plan has
4 been submitted to the federal centers for Medicare and Medicaid
5 services or the federal department of health and human services.

6 (4) At least 30 days before implementation of the plan for
7 integrated care for individuals who are dual Medicare/Medicaid
8 eligibles, the department shall submit the plan to the legislature
9 for review.

10 Sec. 265. The department and agencies receiving appropriations
11 in part 1 shall receive and retain copies of all reports funded
12 from appropriations in part 1. Federal and state guidelines for
13 short-term and long-term retention of records shall be followed.
14 The department may electronically retain copies of reports unless
15 otherwise required by federal and state guidelines.

16 Sec. 266. The departments and agencies receiving
17 appropriations in part 1 shall prepare a report on out-of-state
18 travel expenses not later than January 1 of each year. The travel
19 report shall be a listing of all travel by classified and
20 unclassified employees outside this state in the immediately
21 preceding fiscal year that was funded in whole or in part with
22 funds appropriated in the department's budget. The report shall be
23 submitted to the house and senate appropriations committees, the
24 house and senate fiscal agencies, and the state budget director.
25 The report shall include the following information:

26 (a) The dates of each travel occurrence.

27 (b) The transportation and related costs of each travel

1 occurrence, including the proportion funded with state general
2 fund/general purpose revenues, the proportion funded with state
3 restricted revenues, the proportion funded with federal revenues,
4 and the proportion funded with other revenues.

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

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

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

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

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

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

24 Sec. 276. Funds appropriated in part 1 shall not be used by a
25 principal executive department, state agency, or authority to hire
26 a person to provide legal services that are the responsibility of
27 the attorney general. This prohibition does not apply to legal

1 services for bonding activities and for those outside services that
2 the attorney general authorizes.

3 Sec. 287. Not later than November 15, the department shall
4 prepare and transmit a report that provides for estimates of the
5 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 of representatives standing appropriations
11 committees, and the senate and house fiscal agencies.

12 Sec. 292. (1) The department shall maintain a searchable
13 website accessible by the public at no cost that includes, but is
14 not limited to, all of the following:

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

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

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

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

22 (e) Job specifications and wage rates.

23 (2) The department may develop and operate its own website to
24 provide this information or may reference the state's central
25 transparency website as the source for this information.

26 Sec. 294. Amounts appropriated in part 1 for information
27 technology may be designated as work projects and carried forward

1 to support technology projects under the direction of the
2 department of technology, management, and budget. Funds designated
3 in this manner are not available for expenditure until approved as
4 work projects under section 451a of the management and budget act,
5 1984 PA 431, MCL 18.1451a.

6 Sec. 296. Within 14 days after the release of the executive
7 budget recommendation, the department shall provide the state
8 budget director, the senate and house appropriations chairs, the
9 senate and house appropriations subcommittees on community health,
10 respectively, and the senate and house fiscal agencies with an
11 annual report on estimated state restricted fund balances, state
12 restricted fund projected revenues, and state restricted fund
13 expenditures for the fiscal year ending September 30, 2014.

14 Sec. 297. It is the intent of the legislature that all
15 principal executive departments and agencies cooperate with the
16 development and implementation of the department of technology,
17 management, and budget statewide office space consolidation plan.

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

22 **BEHAVIORAL HEALTH SERVICES**

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

1 following:

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

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

8 (c) The coordination of inpatient and outpatient hospital
9 services through agreements with state-operated psychiatric
10 hospitals, units, and centers in facilities owned or leased by the
11 state, and privately owned hospitals, units, and centers licensed
12 by the state pursuant to sections 134 through 149b of the mental
13 health code, 1974 PA 258, MCL 330.1134 to 330.1149b.

14 (d) Individualized plans of service that are sufficient to
15 meet the needs of individuals, including those discharged from
16 psychiatric hospitals or centers, and that ensure the full range of
17 recipient needs is addressed through the CMHSP's or PIHP's program
18 or through assistance with locating and obtaining services to meet
19 these needs.

20 (e) A system of case management or care management to monitor
21 and ensure the provision of services consistent with the
22 individualized plan of services or supports.

23 (f) A system of continuous quality improvement.

24 (g) A system to monitor and evaluate the mental health
25 services provided.

26 (h) A system that serves at-risk and delinquent youth as
27 required under the provisions of the mental health code, 1974 PA

1 258, MCL 330.1001 to 330.2106.

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

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

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

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

23 (3) The report required by subsection (2) shall include
24 information about the changes and their effects on rates and
25 expenditures.

26 Sec. 403. (1) From the funds appropriated in part 1 for mental
27 health services for special populations, the department shall

1 ensure that CMHSPs or PIHPs meet with multicultural service
2 providers to develop a workable framework for contracting, service
3 delivery, and reimbursement.

4 (2) Funds appropriated in part 1 for mental health services
5 for special populations shall not be utilized for services provided
6 to illegal immigrants, fugitive felons, and individuals who are not
7 residents of this state. The department shall maintain contracts
8 with recipients of multicultural services grants that mandate
9 grantees establish that recipients of services are legally residing
10 in the United States. An exception to the contractual provision
11 shall be allowed to address individuals presenting with emergent
12 mental health conditions.

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

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

1 the information required by this section.

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

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

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

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

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

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

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

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

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

26 (g) An analysis of information provided by CMHSPs in response
27 to the needs assessment requirements of the mental health code,

1 1974 PA 258, MCL 330.1001 to 330.2106, including information about
2 the number of individuals in the service delivery system who have
3 requested and are clinically appropriate for different services.

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

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

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

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

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

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

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

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

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

1 organizations.

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

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

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

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

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

26 (2) The department shall approve managing entity fee schedules
27 for providing substance abuse services and charge participants in

1 accordance with their ability to pay.

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

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

12 (a) Expenditures stratified by department-designated community
13 mental health entity, by central diagnosis and referral agency, by
14 fund source, by subcontractor, by population served, and by service
15 type. Additionally, data on administrative expenditures by
16 department-designated community mental health entity shall be
17 reported.

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

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

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

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

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

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

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

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

27 Sec. 418. On or before the tenth of each month, the department

1 shall report to the senate and house appropriations subcommittees
2 on community health, the senate and house fiscal agencies, and the
3 state budget director on the amount of funding paid to PIHPs to
4 support the Medicaid managed mental health care program in the
5 preceding month. The information shall include the total paid to
6 each PIHP, per capita rate paid for each eligibility group for each
7 PIHP, and number of cases in each eligibility group for each PIHP,
8 and year-to-date summary of eligibles and expenditures for the
9 Medicaid managed mental health care program.

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

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

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

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

26 Sec. 428. Each PIHP shall provide, from internal resources,
27 local funds to be used as a bona fide part of the state match

1 required under the Medicaid program in order to increase capitation
2 rates for PIHPs. These funds shall not include either state funds
3 received by a CMHSP for services provided to non-Medicaid
4 recipients or the state matching portion of the Medicaid capitation
5 payments made to a PIHP.

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

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

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

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

26 (c) In conjunction with the state court administrator's
27 office, a report that evaluates the cost-benefit of establishing a

1 specialized mental health court program that diverts adults with
2 serious mental illness alleged to have committed an offense deemed
3 nonserious into treatment prior to the filing of any charges.

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

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

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

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

27 Sec. 492. If a CMHSP has entered into an agreement with a

1 county or county sheriff to provide mental health services to the
2 inmates of the county jail, the department shall not prohibit the
3 use of state general fund/general purpose dollars by CMHSPs to
4 provide mental health services to inmates of a county jail.

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

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

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

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

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

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

26 (3) The department shall continue to comply with state and
27 federal law and shall not initiate an action that negatively

1 impacts beneficiary safety.

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

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

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

21 (2) By May 15 of the current fiscal year, the department shall
22 provide a report to the house and senate appropriations
23 subcommittees on community health, the house and senate fiscal
24 agencies, and the state budget office on the effectiveness of
25 treatment programs for heroin and other opiates.

26 Sec. 499. The department shall explore ways to use mental
27 health funding to address the mental health needs of deaf and hard-

1 of-hearing persons. The department shall report to the senate and
2 house appropriations subcommittees on community health on the
3 results of this process by March 1 of the current fiscal year.

4 Sec. 500. Of the funds appropriated in part 1 for the jail
5 diversion programs initiative, the department shall give priority
6 to the following:

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

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

10 **STATE PSYCHIATRIC HOSPITALS AND FORENSIC MENTAL HEALTH SERVICES**

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

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

25 Sec. 605. (1) The department shall not implement any closures
26 or consolidations of state hospitals, centers, or agencies until

1 CMHSPs or PIHPs have programs and services in place for those
2 individuals currently in those facilities and a plan for service
3 provision for those individuals who would have been admitted to
4 those facilities.

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

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

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

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

1 approval of the state budget director. The revenue carried forward
2 shall be used as a first source of funds in the subsequent year.

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

10 **PUBLIC HEALTH ADMINISTRATION**

11 Sec. 650. The department shall report to the senate and house
12 appropriations subcommittees on community health by April 1 of the
13 current fiscal year on its criteria and methodology used to derive
14 the information provided to residents in the annual Michigan fish
15 advisory.

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

1 site activities. Program goals shall include children experiencing
2 good physical health, the reduction of obesity, providing a safe
3 place to play and exercise, and nutrition education. To be eligible
4 to participate in the pilot, program sites shall provide a 20%
5 match to the state funding. The department shall seek financial
6 support from corporate, foundation, or other private partners for
7 the program or for individual program sites.

8 HEALTH POLICY

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

14 Sec. 709. (1) The funds appropriated in part 1 for the
15 Michigan essential health care provider program may also provide
16 loan repayment for dentists that fit the criteria established by
17 part 27 of the public health code, 1978 PA 368, MCL 333.2701 to
18 333.2727.

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

24 Sec. 712. From the funds appropriated in part 1 for primary
25 care services, \$250,000.00 shall be allocated to free health
26 clinics operating in the state. The department shall distribute the

1 funds equally to each free health clinic. For the purpose of this
2 appropriation, "free health clinics" means nonprofit organizations
3 that use volunteer health professionals to provide care to
4 uninsured individuals.

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

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

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

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

1 under this subsection.

2 **INFECTIOUS DISEASE CONTROL**

3 Sec. 804. The department, in conjunction with efforts to
4 implement the Michigan prisoner reentry initiative, shall cooperate
5 with the department of corrections to share data and information as
6 they relate to prisoners being released who are HIV positive or
7 positive for the hepatitis C antibody.

8 **LOCAL HEALTH ADMINISTRATION AND GRANTS**

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

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

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

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

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

18 **CHRONIC DISEASE AND INJURY PREVENTION AND HEALTH PROMOTION**

19 Sec. 1004. It is the intent of the legislature that the
20 department continue to collaborate with the county of St. Clair and
21 the city of Detroit southwest community to investigate and evaluate
22 cancer rates.

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

24 Sec. 1103. By January 3 of the current fiscal year the
25 department shall annually issue to the legislature, and to the

1 public on the Internet, a report providing estimated public funds
2 administered by the department for family planning, sexually
3 transmitted infection prevention and treatment, and pregnancies and
4 births, as well as demographics collected by the department as
5 voluntarily self-reported by individuals utilizing those services.
6 The department shall provide the actual expenditures by marital
7 status or, where actual expenditures are not available, shall
8 provide estimated expenditures by marital status. The department
9 may utilize the Plan First application (Form MSA 1582), MICHild,
10 and Healthy Kids application (DCH 0373) or Assistance Application
11 (DHS 1171) or any other official application for public assistance
12 for medical coverage to determine the actual or estimated public
13 expenditures based on marital status.

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

22 (a) Funding allocations.

23 (b) Actual number of women, children, and adolescents served
24 and amounts expended for each group for the immediately preceding
25 fiscal year.

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

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

4 (3) For the purposes of this section, "rural" means a county,
5 city, village, or township with a population of 30,000 or less,
6 including those entities if located within a metropolitan
7 statistical area.

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

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

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

23 (2) Not later than December 1 of the current fiscal year, the
24 department shall report to the senate and house appropriations
25 subcommittees on community health and the senate and house standing
26 committees on health policy the number of individual patients
27 treated, number of procedures performed, and approximate total

1 market value of those procedures from the immediately preceding
2 fiscal year.

3 Sec. 1117. Contingent upon the availability of federal or
4 state restricted funds, the department may pursue efforts to reduce
5 the incidence of stillbirth. Efforts shall include the
6 establishment of a program to increase public awareness of
7 stillbirth, promote education to monitor fetal movements counting
8 kicks, promote a uniform definition of stillbirth, standardize data
9 collection of stillbirths, and collaborate with appropriate federal
10 agencies and statewide organizations. The department shall seek
11 federal or other grant funds to assist in implementing this
12 program.

13 Sec. 1119. From the funds appropriated in part 1 for family
14 planning local agreements or pregnancy prevention programs, no
15 state funds shall be used to encourage or support abortion
16 services.

17 Sec. 1135. (1) If funds become available, provision of the
18 school health education curriculum, such as the Michigan model for
19 health or another comprehensive school health education curriculum,
20 shall be in accordance with the health education goals established
21 by the Michigan model steering committee. The steering committee
22 shall be composed of a representative from each of the following
23 offices and departments:

24 (a) The department of education.

25 (b) The department of community health.

26 (c) The health administration in the department of community
27 health.

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

3 (e) The department of human services.

4 (f) The department of state police.

5 (2) Upon written or oral request, a pupil not less than 18
6 years of age or a parent or legal guardian of a pupil less than 18
7 years of age, within a reasonable period of time after the request
8 is made, shall be informed of the content of a course in the health
9 education curriculum and may examine textbooks and other classroom
10 materials that are provided to the pupil or materials that are
11 presented to the pupil in the classroom. This subsection does not
12 require a school board to permit pupil or parental examination of
13 test questions and answers, scoring keys, or other examination
14 instruments or data used to administer an academic examination.

15 Sec. 1136. From the funds appropriated in part 1 for prenatal
16 care outreach and service delivery support, \$700,000.00 shall be
17 allocated for a pregnancy and parenting support services program as
18 a pilot project, which program must promote childbirth. The
19 department shall establish a statewide program with a qualified
20 contractor that will contract with qualified service providers to
21 provide free counseling, support, and referral services to eligible
22 women during pregnancy through 12 months after birth. As
23 appropriate, the goals for client outcomes shall include an
24 increase in client support, an increase in childbirth choice, an
25 increase in adoption knowledge, an improvement in parenting skills,
26 and improved reproductive health through abstinence education. The
27 contractor of the statewide program shall provide for program

1 training, client educational material, program marketing, and
2 annual provider site monitoring.

3 Sec. 1137. From the funds appropriated in part 1 for prenatal
4 care outreach and service delivery support, not less than
5 \$350,000.00 of new funding shall be allocated to the nurse family
6 partnership program for the following projects:

7 (a) Enhanced support and education to nursing teams.

8 (b) Client recruitment in high-need communities.

9 (c) A nurse family partnership program in a city with a
10 population of 600,000 or more for strategic planning to expand and
11 sustain the program and for marketing and communications of the
12 program to raise awareness, engage stakeholders, and recruit
13 nurses.

14 Sec. 1138. The department shall allocate funds appropriated in
15 section 113 of part 1 for family, maternal, and children's health
16 services pursuant to section 1 of 2002 PA 360, MCL 333.1091.

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

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

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

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

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

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

1 Sec. 1204. By October 1 of the current fiscal year, the
2 department shall report to the senate and house appropriations
3 committees on community health and the senate and house fiscal
4 agencies on its plan for enrolling Medicaid eligible children's
5 special health care services recipients in the Medicaid health
6 plans. The report shall include information on which Medicaid
7 health plans are participating, the methods used to assure
8 continuity of care and continuity of ongoing relationships with
9 providers, and projected savings from the implementation of the
10 proposal.

11 **CRIME VICTIM SERVICES COMMISSION**

12 Sec. 1302. From the funds appropriated in part 1 for justice
13 assistance grants, up to \$200,000.00 shall be allocated for
14 expansion of forensic nurse examiner programs to facilitate
15 training for improved evidence collection for the prosecution of
16 sexual assault. The funds shall be used for program coordination
17 and training.

18 **OFFICE OF SERVICES TO THE AGING**

19 Sec. 1403. (1) By February 1 of the current fiscal year, the
20 office of services to the aging shall require each region to report
21 to the office of services to the aging and to the legislature home-
22 delivered meals waiting lists based upon standard criteria.

23 Determining criteria shall include all of the following:

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

25 (b) The recipient's inability to prepare his or her own meals

1 safely.

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

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

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

9 Sec. 1417. The department shall provide to the senate and
10 house appropriations subcommittees on community health, senate and
11 house fiscal agencies, and state budget director a report by March
12 30 of the current fiscal year that contains all of the following:

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

15 (b) Detail expenditure by each area agency on aging by
16 individual program and administration including both state-funded
17 resources and locally funded resources.

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

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

26 **MEDICAL SERVICES ADMINISTRATION**

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

7 (a) The purpose of the project to be carried forward is to
8 implement the Medicaid electronic health record program that
9 provides financial incentive payments to Medicaid health care
10 providers to encourage the adoption and meaningful use of
11 electronic health records to improve quality, increase efficiency,
12 and promote safety.

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

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

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

19 **MEDICAL SERVICES**

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

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

1 the department.

2 (2) The department may receive and expend premiums for the
3 buy-in of medical coverage in addition to the amounts appropriated
4 in part 1.

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

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

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

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

22 (2) An applicant qualified as described in subsection (1)
23 shall be given a letter of authorization to receive Medicaid
24 covered services related to her pregnancy. All qualifying
25 applicants shall be entitled to receive all medically necessary
26 obstetrical and prenatal care without preauthorization from a
27 health plan. All claims submitted for payment for obstetrical and

1 prenatal care shall be paid at the Medicaid fee-for-service rate in
2 the event a contract does not exist between the Medicaid
3 participating obstetrical or prenatal care provider and the managed
4 care plan. The applicant shall receive a listing of Medicaid
5 physicians and managed care plans in the immediate vicinity of the
6 applicant's residence.

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

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

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

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

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

1 pregnancy-related appointment.

2 Sec. 1611. (1) For care provided to medical services
3 recipients with other third-party sources of payment, medical
4 services reimbursement shall not exceed, in combination with such
5 other resources, including Medicare, those amounts established for
6 medical services-only patients. The medical services payment rate
7 shall be accepted as payment in full. Other than an approved
8 medical services co-payment, no portion of a provider's charge
9 shall be billed to the recipient or any person acting on behalf of
10 the recipient. Nothing in this section shall be considered to
11 affect the level of payment from a third-party source other than
12 the medical services program. The department shall require a
13 nonenrolled provider to accept medical services payments as payment
14 in full.

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

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

27 (2) The department shall require a prescription co-payment for

1 Medicaid recipients of \$1.00 for a generic drug and \$3.00 for a
2 brand-name drug, except as prohibited by federal or state law or
3 regulation.

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

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

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

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

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

17 (c) Fifty dollars for the first day of an inpatient hospital
18 stay.

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

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

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

1 HMO. If the recipient is discharged from the emergency room, the
2 hospital shall notify the recipient's HMO within 24 hours of the
3 diagnosis and treatment received.

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

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

12 Sec. 1659. The following sections of this part are the only
13 ones that shall apply to the following Medicaid managed care
14 programs, including the comprehensive plan, MIChoice long-term care
15 plan, and the mental health, substance abuse, and developmentally
16 disabled services program: 404, 411, 418, 428, 474, 494, 1607,
17 1657, 1662, 1689, 1699, 1740, 1764, 1815, 1820, and 1850.

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

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

27 (3) The department shall provide a copy of the analysis of the

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

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

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

25 (3) Children whose category of eligibility changes between the
26 Medicaid and MICHild programs shall be assured of keeping their
27 current health care providers through the current prescribed course

1 of treatment for up to 1 year, subject to periodic reviews by the
2 department if the beneficiary has a serious medical condition and
3 is undergoing active treatment for that condition.

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

8 (5) The department shall contract with Medicaid health plans
9 to provide physical health services to MICHild enrollees in their
10 Medicaid health plan approved service area. The department may
11 continue to obtain physical health services for MICHild enrollees
12 from health maintenance organizations and preferred provider
13 organizations currently under contract for whatever duration is
14 needed to implement coverage throughout the state by Medicaid
15 health plans. The department shall contract with qualified dental
16 plans to provide dental 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. Within 60 days of the end of each 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 current 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) The department shall distribute \$1,122,300.00
13 for poison control services to an academic health care system that
14 includes a children's hospital that has a high indigent care
15 volume.

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

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

27 (2) The department shall allocate \$45,000,000.00 in DSH

1 funding using the distribution methodology used in fiscal year
2 2003-2004.

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

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

13 Sec. 1756. The department shall develop a plan to expand and
14 improve the beneficiary monitoring program. The department shall
15 submit this plan to the house and senate appropriations
16 subcommittees on community health, the house and senate fiscal
17 agencies, and the state budget director by April 1 of the current
18 fiscal year.

19 Sec. 1757. The department shall direct the department of human
20 services to obtain proof from all Medicaid recipients that they are
21 legal United States citizens or otherwise legally residing in this
22 country and that they are residents of this state before approving
23 Medicaid eligibility.

24 Sec. 1764. The department shall annually certify rates paid to
25 Medicaid health plans and specialty prepaid inpatient health plans
26 as being actuarially sound in accordance with federal requirements
27 and shall provide a copy of the rate certification and approval

1 immediately to the house and senate appropriations subcommittees on
2 community health and the house and senate fiscal agencies.

3 Sec. 1775. If the state's application for a waiver to
4 implement managed care for dual Medicare/Medicaid eligibles is
5 approved by the federal government, the department shall provide
6 quarterly reports to the senate and house appropriations
7 subcommittees on community health and the senate and house fiscal
8 agencies on progress in implementing the waiver.

9 Sec. 1777. From the funds appropriated in part 1 for long-term
10 care services, the department shall permit, in accordance with
11 applicable federal and state law, nursing homes to use dining
12 assistants to feed eligible residents if legislation to permit the
13 use of dining assistants is enacted into law. The department shall
14 not be responsible for costs associated with training dining
15 assistants.

16 Sec. 1793. The department shall consider the development of a
17 pilot project that focuses on the prevention of preventable
18 hospitalizations from nursing homes.

19 Sec. 1804. The department, in cooperation with the department
20 of human services, shall work with the federal public assistance
21 reporting information system to identify Medicaid recipients who
22 are veterans and who may be eligible for federal veterans health
23 care benefits or other benefits.

24 Sec. 1815. From the funds appropriated in part 1 for health
25 plan services, the department shall not implement a capitation
26 withhold as part of the overall capitation rate schedule that
27 exceeds the 0.19% withhold administered during fiscal year 2008-

1 2009.

2 Sec. 1820. (1) In order to avoid duplication of efforts, the
3 department shall utilize applicable national accreditation review
4 criteria to determine compliance with corresponding state
5 requirements for Medicaid health plans that have been reviewed and
6 accredited by a national accrediting entity for health care
7 services.

8 (2) Upon submission by Medicaid health plans of a listing of
9 program requirements that are part of the state program review
10 criteria but are not reviewed by an applicable national accrediting
11 entity, the department shall review the listing and provide a
12 recommendation to the house and senate appropriations subcommittees
13 on community health, the house and senate fiscal agencies, and the
14 state budget office as to whether or not state program review
15 should continue. The Medicaid health plans may request the
16 department to convene a workgroup to fulfill this section.

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

20 (4) As used in this section, "national accrediting entity"
21 means the national committee for quality assurance, the utilization
22 review accreditation committee, or other appropriate entity, as
23 approved by the department.

24 (5) By July 1 of the current fiscal year, the department shall
25 provide a progress report to the house and senate appropriations
26 subcommittees on community health, the house and senate fiscal
27 agencies, and the state budget office on implementation of this

1 section.

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

5 Sec. 1842. (1) Subject to the availability of funds, the
6 department shall adjust the hospital outpatient Medicaid
7 reimbursement rate for qualifying hospitals as provided in this
8 section. The Medicaid reimbursement rate for qualifying hospitals
9 shall be adjusted to provide each qualifying hospital with its
10 actual cost of delivering outpatient services to Medicaid
11 recipients.

12 (2) As used in this section, "qualifying hospital" means a
13 hospital that has not more than 50 staffed beds and is either
14 located outside a metropolitan statistical area or in a
15 metropolitan statistical area but within a city, village, or
16 township with a population of not more than 12,000 according to the
17 official 2000 federal decennial census and within a county with a
18 population of not more than 165,000 according to the official 2000
19 federal decennial census.

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

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

23 (a) Identify physician shortages by practice and geographic
24 area.

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

27 (c) Consider policy changes to the graduate medical education

1 program to reduce practitioner shortages.

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

6 Sec. 1847. The department shall create a structure for an
7 ambulance quality assurance assessment program in consultation with
8 the Michigan association of ambulance services by April 1 of the
9 current fiscal year.

10 Sec. 1850. The department may allow Medicaid health plans to
11 assist with the redetermination process through outreach activities
12 to ensure continuation of Medicaid eligibility and enrollment in
13 managed care. This may include mailings, telephone contact, or
14 face-to-face contact with beneficiaries enrolled in the individual
15 Medicaid health plan. Health plans may offer assistance in
16 completing paperwork for beneficiaries enrolled in their plan.

17 Sec. 1854. The department may work with a provider of kidney
18 dialysis services and renal care as authorized under section 2703
19 of the patient protection and affordable care act, Public Law 111-
20 148, to develop a chronic condition health home program for
21 Medicaid enrollees identified with chronic kidney disease and who
22 are beginning dialysis. If initiated, the department shall develop
23 metrics that evaluate program effectiveness and submit a report by
24 June 1 of the current fiscal year to the senate and house
25 appropriations subcommittees on community health. Metrics shall
26 include cost savings and clinical outcomes.

27 Sec. 1857. It is the intent of the legislature that the

1 department not reduce Medicaid reimbursement for wheelchairs.

2 Sec. 1858. Medicaid services shall include treatment for
3 autism spectrum disorders as defined in the federally approved
4 Medicaid state plan.

5 Sec. 1860. The department may receive separate reports from
6 the health care association of Michigan, the Michigan county
7 medical care facility council, and aging services of Michigan
8 regarding each group's proposal to design and implement a Medicaid
9 reimbursement payment system for nursing facilities that
10 incorporates changes to both the plant and variable components. The
11 department shall provide copies of any reports received pursuant to
12 this section to the senate and house appropriations subcommittees
13 on community health and the senate and house fiscal agencies by
14 July 1 of the current fiscal year.

15 Sec. 1861. On or before October 31 of the current fiscal year,
16 the department shall provide the house and senate appropriations
17 subcommittees on community health and the house and senate fiscal
18 agencies its report regarding the pilot program involving
19 nonemergency medical transportation offered to Medicaid recipients.

20 Sec. 1865. Upon federal approval of the department's proposal
21 for integrated care for individuals who are dual Medicare/Medicaid
22 eligibles, the department shall provide the senate and house
23 appropriations subcommittees on community health and the senate and
24 house fiscal agencies its plan and organizational chart for
25 administering and providing oversight of this proposal. The plan
26 shall include information on how the department intends to organize
27 staff in an integrated manner to ensure that key components of the

House Bill No. 4328 (H-1) as amended April 24, 2013

1 proposal are implemented effectively.

2 [Sec. 1866. (1) From the funds appropriated in part 1 for hospital
3 services and therapy, the department shall make payments totaling
4 \$36,000,000.00 to rural hospitals and sole community hospitals. The
5 priority for these payments to rural and sole community hospitals is to
6 reimburse the hospitals for outpatient services at cost, for inpatient
7 services at cost, for hospital-employed physician services at cost, and
8 for assistance with labor and delivery services, based on the proportion
9 of Medicaid deliveries at each rural and sole community hospital.

10 (2) To allow hospitals to understand their rural payment amounts
11 under this section, the department shall provide hospitals with the
12 methodology for distribution under this section and provide each hospital
with its applicable data that is used to determine the payment amounts
by August 1 of the current fiscal year. The department shall publish the
distribution of payments for the current fiscal year and the immediately
preceding fiscal year.

(3) The department shall not distribute to a hospital under this
section an amount that is greater than 5% of the total amount distributed
to all hospitals under this section.

(4) As used in this section:

(a) "Rural hospital" includes a hospital that has fewer than 50
staffed beds and is located outside a metropolitan statistical area or is
located inside a metropolitan statistical area but within a city,
village, or township with a population of not more than 12,000 according
to the official 2000 decennial census and within a county with a
population of not more than 165,000 according to the official 2000
federal decennial census.

(b) "Sole community hospital" means a hospital that has been
designated by Medicare as a sole community hospital.]

13 Sec. 1868. The department shall assure access to a coordinated
14 beneficiary complaints process through the department's integrated
15 health care program for persons dually enrolled in Medicaid and
16 Medicare. This process shall afford at least the level of
17 responsiveness and protection that is currently provided for
18 Medicaid enrollees through the program's existing processes.

19 PART 2A

20 PROVISIONS CONCERNING ANTICIPATED APPROPRIATIONS

21 FOR FISCAL YEAR 2014-2015

22 GENERAL SECTIONS

23 Sec. 2001. It is the intent of the legislature to provide
24 appropriations for the fiscal year ending on September 30, 2015 for
25 the line items listed in part 1. The fiscal year 2014-2015

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 ARTICLE V

8 DEPARTMENT OF CORRECTIONS

9 PART 1

10 LINE-ITEM APPROPRIATIONS

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

14 DEPARTMENT OF CORRECTIONS

15 APPROPRIATION SUMMARY

16	Average population	43,953	
17	Full-time equated unclassified positions.....	16.0	
18	Full-time equated classified positions.....	14,480.5	
19	GROSS APPROPRIATION.....		\$ 2,043,809,500
20	Interdepartmental grant revenues:		
21	Total interdepartmental grants and intradepartmental		
22	transfers		1,109,600
23	ADJUSTED GROSS APPROPRIATION.....		\$ 2,042,699,900
24	Federal revenues:		
25	Total federal revenues.....		8,852,500

1	Special revenue funds:	
2	Total local revenues.....	266,200
3	Total private revenues.....	0
4	Total other state restricted revenues.....	56,002,900
5	State general fund/general purpose.....	\$ 1,977,578,300
6	Sec. 102. EXECUTIVE	
7	Full-time equated unclassified positions..... 16.0	
8	Full-time equated classified positions..... 3.0	
9	Unclassified positions--16.0 FTE positions.....	\$ 1,667,100
10	Executive direction--3.0 FTE positions.....	1,811,700
11	Neal, et al. settlement agreement.....	<u>20,000,000</u>
12	GROSS APPROPRIATION.....	\$ 23,478,800
13	Appropriated from:	
14	State general fund/general purpose.....	\$ 23,478,800
15	Sec. 103. PRISONER RE-ENTRY AND COMMUNITY SUPPORT	
16	Prisoner re-entry local service providers.....	\$ 14,211,500
17	Prisoner re-entry MDOC programs.....	12,929,200
18	Prisoner re-entry federal grants.....	1,035,000
19	Public safety initiative.....	4,500,000
20	Second chance employment - Goodwill's oil filter	
21	recycling project	<u>250,000</u>
22	GROSS APPROPRIATION.....	\$ 32,925,700
23	Appropriated from:	
24	Federal revenues:	
25	DOJ, prisoner reintegration.....	1,035,000
26	State general fund/general purpose.....	\$ 31,890,700
27	Sec. 104. OPERATIONS SUPPORT ADMINISTRATION	

1	Full-time equated classified positions.....	196.0	
2	Operations support administration--108.1 FTE positions		\$ 12,987,600
3	New custody staff training.....		8,963,800
4	Compensatory buyout and union leave bank.....		100
5	Worker's compensation.....		19,439,100
6	Bureau of fiscal management--65.9 FTE positions.....		8,363,900
7	Office of legal services--15.0 FTE positions.....		2,194,100
8	Internal affairs--7.0 FTE positions.....		1,211,000
9	Rent.....		2,095,200
10	Equipment and special maintenance.....		7,359,600
11	Administrative hearings officers.....		3,243,100
12	Judicial data warehouse user fees.....		50,000
13	Sheriffs' coordinating and training office.....		500,000
14	Prosecutorial and detainer expenses.....		4,551,000
15	County jail reimbursement program.....		<u>15,072,100</u>
16	GROSS APPROPRIATION.....		\$ 86,030,600
17	Appropriated from:		
18	Interdepartmental grant revenues:		
19	IDG-MDSP, Michigan justice training fund.....		337,600
20	Special revenue funds:		
21	Jail reimbursement program fund.....		5,900,000
22	Special equipment fund.....		5,800,000
23	Local corrections officer training fund.....		500,000
24	Correctional industries revolving fund.....		590,000
25	State general fund/general purpose.....		\$ 72,903,000
26	Sec. 105. FIELD OPERATIONS ADMINISTRATION		
27	Full-time equated classified positions.....	2,163.4	

1	Field operations--1,821.9 FTE positions	\$	198,911,300
2	Parole board operations--41.0 FTE positions		4,828,400
3	Parole/probation services		2,243,500
4	Community re-entry centers--215.5 FTE positions		32,267,500
5	Electronic monitoring center--56.0 FTE positions		13,347,400
6	Community corrections administration--10.0 FTE		
7	positions		1,257,300
8	Substance abuse testing and treatment services--19.0		
9	FTE positions		22,366,600
10	Residential services		15,475,500
11	Community corrections comprehensive plans and services		12,158,000
12	Felony drunk driver jail reduction and community		
13	treatment program		<u>1,440,100</u>
14	GROSS APPROPRIATION	\$	304,295,600
15	Appropriated from:		
16	Federal revenues:		
17	DOJ, office of justice programs, RSAT		575,700
18	Special revenue funds:		
19	Local - community tether program reimbursement		266,200
20	Re-entry center offender reimbursements		23,800
21	Parole and probation oversight fees		6,192,100
22	Parole and probation oversight fees set-aside		2,664,800
23	Tether program participant contributions		2,272,900
24	State general fund/general purpose	\$	292,300,100
25	Sec. 106. CORRECTIONAL FACILITIES-ADMINISTRATION		
26	Full-time equated classified positions		1,056.0
27	Correctional facilities administration--21.5 FTE		

1	positions	\$	6,814,500
2	Prison food service--341.0 FTE positions		67,541,100
3	Transportation--211.0 FTE positions		25,955,600
4	Central records--52.5 FTE positions		4,733,400
5	Inmate legal services		715,900
6	Loans to parolees		179,400
7	Housing inmates in federal institutions		993,800
8	Prison store operations--63.0 FTE positions		5,590,000
9	Prison industries operations--123.0 FTE positions		18,056,600
10	Federal school lunch program		812,800
11	Leased beds and alternatives to leased beds		1,000,000
12	Public works programs		1,000,000
13	Cost-effective housing initiative		100
14	Inmate housing fund		100
15	Education program--244.0 FTE positions		<u>33,492,000</u>
16	GROSS APPROPRIATION	\$	166,885,300
17	Appropriated from:		
18	Interdepartmental grant revenues:		
19	IDG-MDCH, forensic center food service		552,300
20	IDG-MDHS, Maxey/Woodland Center food service		219,700
21	Federal revenues:		
22	DAG-FNS, national school lunch		812,800
23	DED-OESE, title 1		552,500
24	DED-OVAE, adult education		943,800
25	DED-OSERS		114,100
26	DED, vocational education equipment		294,500
27	DED, youthful offender/Specter grant		1,365,400

1	DOJ-BOP, federal prisoner reimbursement		411,000
2	DOJ-OJP, serious and violent offender reintegration		
3	initiative		10,900
4	DOJ, prison rape elimination act grant		654,600
5	SSA-SSI, incentive payment		265,900
6	Federal education revenues		156,400
7	Special revenue funds:		
8	Correctional industries revolving fund		18,056,600
9	Public works user fees		1,000,000
10	Resident stores		5,590,000
11	State general fund/general purpose	\$	135,884,800
12	Sec. 107. HEALTH CARE		
13	Full-time equated classified positions	1,519.3	
14	Health care administration--15.0 FTE positions	\$	2,563,000
15	Prisoner health care services		91,953,100
16	Vaccination program		691,200
17	Interdepartmental grant to human services, eligibility		
18	specialists		100,000
19	Mental health services and support--363.0 FTE		
20	positions		58,194,900
21	Clinical complexes--1,141.3 FTE positions		<u>143,144,100</u>
22	GROSS APPROPRIATION	\$	296,646,300
23	Appropriated from:		
24	Special revenue funds:		
25	Prisoner health care copayments		285,700
26	State general fund/general purpose	\$	296,360,600
27	Sec. 108. NORTHERN REGION CORRECTIONAL FACILITIES		

1	Average population	20,731	
2	Full-time equated classified positions.....	4,239.9	
3	Alger correctional facility - Munising--261.2 FTE		
4	positions		\$ 31,097,300
5	Average population	889	
6	Baraga correctional facility - Baraga--295.8 FTE		
7	positions		34,144,400
8	Average population	884	
9	Earnest C. Brooks correctional facility - Muskegon--		
10	443.7 FTE positions		50,094,000
11	Average population	2,512	
12	Chippewa correctional facility - Kincheloe--436.3 FTE		
13	positions		48,537,300
14	Average population	2,282	
15	Kinross correctional facility - Kincheloe--323.8 FTE		
16	positions		36,660,400
17	Average population	1,799	
18	Marquette branch prison - Marquette--308.4 FTE		
19	positions		37,952,800
20	Average population	1,201	
21	Muskegon correctional facility - Muskegon--208.4 FTE		
22	positions		22,989,200
23	Average population	1,338	
24	Newberry correctional facility - Newberry--207.8 FTE		
25	positions		24,244,000
26	Average population	978	
27	Oaks correctional facility - Eastlake--295.6 FTE		

1	positions	34,623,300
2	Average population	1,156
3	Ojibway correctional facility - Marenisco--201.1 FTE	
4	positions	22,451,300
5	Average population	1,090
6	Central Michigan correctional facility - St. Louis--	
7	394.6 FTE positions	45,116,900
8	Average population	2,554
9	Pugsley correctional facility - Kingsley--210.9 FTE	
10	positions	23,728,400
11	Average population	1,342
12	Saginaw correctional facility - Freeland--287.4 FTE	
13	positions	32,782,200
14	Average population	1,480
15	St. Louis correctional facility - St. Louis--310.9 FTE	
16	positions	36,855,900
17	Average population	1,226
18	Northern region administration and support--54.0 FTE	
19	positions	<u>4,916,100</u>
20	GROSS APPROPRIATION.....	\$ 486,193,500
21	Appropriated from:	
22	State general fund/general purpose.....	\$ 486,193,500
23	Sec. 109. SOUTHERN REGION CORRECTIONAL FACILITIES	
24	Average population	23,222
25	Full-time equated classified positions.....	5,302.9
26	Bellamy Creek correctional facility - Ionia--391.4 FTE	
27	positions	\$ 44,166,000

1	Average population	1,850	
2	Carson City correctional facility - Carson City--427.9		
3	FTE positions		47,434,500
4	Average population	2,440	
5	Cooper street correctional facility - Jackson--260.1		
6	FTE positions		28,658,700
7	Average population	1,799	
8	G. Robert Cotton correctional facility - Jackson--		
9	392.9 FTE positions		42,137,200
10	Average population	1,841	
11	Charles E. Egeler correctional facility - Jackson--		
12	372.7 FTE positions		46,515,800
13	Average population	1,376	
14	Richard A. Handlon correctional facility - Ionia--		
15	246.4 FTE positions		28,250,000
16	Average population	1,373	
17	Gus Harrison correctional facility - Adrian--446.1 FTE		
18	positions		49,362,600
19	Average population	2,342	
20	Womens Huron Valley correctional complex - Ypsilanti--		
21	521.0 FTE positions		61,042,800
22	Average population	1,872	
23	Ionia correctional facility - Ionia--293.8 FTE		
24	positions		33,526,800
25	Average population	654	
26	Lakeland correctional facility - Coldwater--269.9 FTE		
27	positions		31,677,900

1	Average population	1,336	
2	Macomb correctional facility - New Haven--295.0 FTE		
3	positions		33,743,000
4	Average population	1,376	
5	Maxey/Woodland Center correctional facility - Whitmore		
6	Lake--264.4 FTE positions		31,240,600
7	Average population	328	
8	Michigan reformatory - Ionia--310.6 FTE positions		36,826,100
9	Average population	1,338	
10	Parnall correctional facility - Jackson--259.5 FTE		
11	positions		29,016,600
12	Average population	1,678	
13	Thumb correctional facility - Lapeer--286.2 FTE		
14	positions		32,912,300
15	Average population	1,219	
16	Special alternative incarceration program (Camp		
17	Cassidy Lake)--121.0 FTE positions.....		14,787,300
18	Average population	400	
19	Southern region administration and support--144.0 FTE		
20	positions		17,726,800
21	Ionia and Jackson area utilities.....		<u>7,586,200</u>
22	GROSS APPROPRIATION.....		\$ 616,611,200
23	Appropriated from:		
24	Federal revenues:		
25	Federal revenues and reimbursements.....		1,612,200
26	DOJ, state criminal alien assistance program.....		47,700
27	Special revenue funds:		

1	State restricted revenues and reimbursements	283,900
2	State general fund/general purpose	\$ 614,667,400
3	Sec. 110. INFORMATION TECHNOLOGY	
4	Information technology services and projects	\$ <u>24,742,500</u>
5	GROSS APPROPRIATION	\$ 24,742,500
6	Appropriated from:	
7	Special revenue funds:	
8	Correctional industries revolving fund	171,200
9	Parole and probation oversight fees set-aside	671,900
10	State general fund/general purpose	\$ 23,899,400
11	Sec. 111. CAPITAL OUTLAY	
12	Capital outlay - security improvements	\$ <u>6,000,000</u>
13	GROSS APPROPRIATION	\$ 6,000,000
14	Appropriated from:	
15	Special revenue funds:	
16	Special equipment fund	6,000,000
17	State general fund/general purpose	\$ 0

18 PART 2

19 PROVISIONS CONCERNING APPROPRIATIONS

20 FOR FISCAL YEAR 2013-2014

21 GENERAL SECTIONS

22 Sec. 201. Pursuant to section 30 of article IX of the state
 23 constitution of 1963, total state spending from state resources
 24 under part 1 for fiscal year 2013-2014 is \$2,033,581,200.00 and
 25 state spending from state resources to be paid to local units of

1 government for fiscal year 2013-2014 is \$90,609,700.00. The
2 itemized statement below identifies appropriations from which
3 spending to local units of government will occur:

4 DEPARTMENT OF CORRECTIONS

5 Field operations - assumption of county

6 probation staff \$ 57,036,100

7 Community corrections comprehensive plans

8 and services 12,158,000

9 Community corrections residential services 15,475,500

10 Felony drunk driver jail reduction and

11 community treatment program 1,440,100

12 Public safety initiative 4,500,000

13 TOTAL..... \$ 90,609,700

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

17 Sec. 203. As used in this article:

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

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

25 (i) Northern and southern region correctional facilities.

26 (ii) Northern and southern region administration and support.

27 (iii) Northern and southern region clinical complexes.

- 1 (iv) Prisoner health care services.
- 2 (v) Health care administration.
- 3 (vi) Vaccination program.
- 4 (vii) Prison food service and federal school lunch program.
- 5 (viii) Transportation.
- 6 (ix) Inmate legal services.
- 7 (x) Correctional facilities administration.
- 8 (xi) Central records.
- 9 (xii) DOJ psychiatric plan.
- 10 (xiii) Worker's compensation.
- 11 (xiv) New custody staff training.
- 12 (xv) Prison store operations.
- 13 (xvi) Education services and federal education grants.
- 14 (xvii) Education program.
- 15 (c) "DAG" means the United States department of agriculture.
- 16 (d) "DAG-FNS" means the DAG food and nutrition service.
- 17 (e) "DED" means the United States department of education.
- 18 (f) "DED-OESE" means the DED office of elementary and
19 secondary education.
- 20 (g) "DED-OSERS" means the DED office of special education and
21 rehabilitative services.
- 22 (h) "DED-OVAE" means the DED office of vocational and adult
23 education.
- 24 (i) "Department" or "MDOC" means the Michigan department of
25 corrections.
- 26 (j) "DOJ" means the United States department of justice.
- 27 (k) "DOJ-BOP" means the DOJ bureau of prisons.

1 (l) "DOJ-OJP" means the DOJ office of justice programs.

2 (m) "Evidence-based practices" or "EBP" means a decision-
3 making process that integrates the best available research,
4 clinician expertise, and client characteristics.

5 (n) "FTE" means full-time equated.

6 (o) "GED" means general educational development certificate.

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

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

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

14 (s) "IDG" means interdepartmental grant.

15 (t) "IDT" means intradepartmental transfer.

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

19 (v) "MDCH" means the Michigan department of community health.

20 (w) "MDHS" means the Michigan department of human services.

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

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

25 (z) "MPRI" means the Michigan prisoner reentry initiative.

26 (aa) "Objective risk and needs assessment" means an evaluation
27 of an offender's criminal history; the offender's noncriminal

1 history; and any other factors relevant to the risk the offender
2 would present to the public safety, including, but not limited to,
3 having demonstrated a pattern of violent behavior, and a criminal
4 record that indicates a pattern of violent offenses.

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

11 (cc) "Offender success" means that an offender has done all of
12 the following:

13 (i) Regularly reported to his or her assigned field agent.

14 (ii) Is participating in or has successfully completed all
15 required substance abuse, mental health, sex offender, or other
16 treatment as approved by the field agent.

17 (iii) Not sent or returned to prison for the conviction of a new
18 crime or the revocation of probation or parole.

19 (iv) Not been sentenced to a jail term for a new criminal
20 offense.

21 (v) Obtained employment, has enrolled or participated in a
22 program of education or job training, or has investigated all bona
23 fide employment opportunities.

24 (vi) Obtained housing.

25 (dd) "Offender target population" means felons or
26 misdemeanants who would likely be sentenced to imprisonment in a
27 state correctional facility or jail, who would not likely increase

1 the risk to the public safety based on an objective risk and needs
2 assessment that indicates that the offender can be safely treated
3 and supervised in the community.

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

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

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

14 (ff) "Programmatic success" means that the department program
15 or initiative has ensured that the offender has accomplished all of
16 the following:

17 (i) Obtained employment, has enrolled or participated in a
18 program of education or job training, or has investigated all bona
19 fide employment opportunities.

20 (ii) Obtained housing.

21 (iii) Obtained a state identification card.

22 (gg) "Recidivism" means any of the following:

23 (i) The arrest and conviction of a supervised individual for a
24 new offense while under community supervision.

25 (ii) The adjudication of a supervised individual for a
26 violation of the conditions of supervision while under community
27 supervision.

1 (iii) A sanction resulting from a violation of terms of
2 supervision that results in a return to prison without being
3 adjudicated.

4 (hh) "RSAT" means residential substance abuse treatment.

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

8 (jj) "Serious mental illness" means that term as defined in
9 section 100d(3) of the mental health code, 1974 PA 328, MCL
10 330.1100d.

11 (kk) "SSA" means the United States social security
12 administration.

13 (ll) "SSA-SSI" means SSA supplemental security income.

14 Sec. 206. 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. 207. State employees shall be given the opportunity to
18 bid on contracts that privatize services that are or were provided
19 by state employees. If the contract is awarded to any state
20 employee, he or she ceases being an employee of the state.

21 Sec. 208. Unless otherwise specified, the department shall use
22 the Internet to fulfill the reporting requirements of this part.
23 This requirement may include transmission of reports via electronic
24 mail to the recipients identified for each reporting requirement or
25 it may include placement of reports on an Internet or Intranet
26 site.

27 Sec. 209. Funds appropriated in part 1 shall not be used for

1 the purchase of foreign goods or services, or both, if
2 competitively priced and of comparable quality American goods or
3 services, or both, are available. Preference shall be given to
4 goods or services, or both, manufactured or provided by Michigan
5 businesses, if they are competitively priced and of comparable
6 quality. In addition, preference should be given to goods or
7 services, or both, that are manufactured or provided by Michigan
8 businesses owned and operated by veterans, if they are
9 competitively priced and of comparable quality.

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

18 (2) If a parolee or probationer has been ordered to pay
19 restitution, the department shall ensure that payment is a
20 condition of his or her community supervision. Restitution payments
21 shall be made as provided in section 22 of chapter XV of the code
22 of criminal procedure, 1927 PA 175, MCL 775.22. The department
23 shall collect not more than 50% of all money collected from
24 parolees and probationers for payments other than victim payments,
25 as that term is defined in section 22 of chapter XV of the code of
26 criminal procedure, 1927 PA 175, MCL 775.22.

27 (3) By April 1, the department shall provide the members of

1 the senate and house appropriations subcommittees on corrections,
2 the senate and house fiscal agencies, and the state budget director
3 with a report detailing the collection of fees under this section.
4 At minimum, this report shall include a categorical accounting of
5 all fees collected under this section.

6 Sec. 212. On a quarterly basis, the department shall report on
7 the number of full-time equated positions in pay status by civil
8 service classification to the senate and house appropriations
9 subcommittees on corrections and the senate and house fiscal
10 agencies. This report shall include a detailed accounting of the
11 long-term vacancies that exist within the department. As used in
12 this subsection, "long-term vacancy" means any full-time equated
13 position that has not been filled at any time during the past 24
14 calendar months.

15 Sec. 216. The department shall prepare a report on out-of-
16 state travel expenses not later than January 1 of each year. The
17 travel 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 house and senate standing committees on
22 appropriations, the house and senate fiscal agencies, and the state
23 budget director. The report shall include the following
24 information:

25 (a) The dates of each travel occurrence.

26 (b) The total transportation and related costs of each travel
27 occurrence, including the proportion funded with state general

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1 fund/general purpose revenues, the proportion funded with state
2 restricted revenues, the proportion funded with federal revenues,
3 and the proportion funded with other revenues.

4 Sec. 219. (1) Any contract for prisoner telephone services
5 entered into after the effective date of this article shall include
6 a condition that fee schedules for prisoner telephone calls,
7 including rates and any surcharges other than those necessary to
8 meet special equipment costs, be the same as fee schedules for
9 calls placed from outside of correctional facilities.

10 (2) Revenues appropriated and collected for special equipment
11 funds shall be considered state restricted revenue[. Of this revenue,
12 \$2,000,000.00 shall be used for education and programming, with
13 particular emphasis on individuals who are past their earliest release
14 dates. Any remaining balance] shall be
15 used for special equipment and security projects. Unexpended funds
16 remaining at the close of the fiscal year shall not lapse to the
17 general fund but shall be carried forward and be available for
18 appropriation in subsequent fiscal years.

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

25 (a) A list of all individual projects and purchases financed
26 with special equipment funds in the immediately preceding fiscal
27 year and the amounts expended on each project or purchase.

(b) A list of planned projects and purchases to be financed
with special equipment funds during the current fiscal year and the
amounts to be expended on each project or purchase.

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

3 Sec. 220. Not later than November 15, 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 chairpersons of the senate and house of
10 representatives standing committees on appropriations and the
11 senate and house fiscal agencies.

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

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

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

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

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

23 (e) Job specifications and wage rates.

24 Sec. 223. (1) In addition to the funds appropriated in part 1,
25 there is appropriated an amount not to exceed \$10,000,000.00 for
26 federal contingency funds. These funds are not available for
27 expenditure until they have been transferred to another line item

1 in part 1 under section 393(2) of the management and budget act,
2 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 \$10,000,000.00 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 part 1 under section 393(2) of the management and budget act,
8 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 \$4,000,000.00 for local
11 contingency funds. These funds are not available for expenditure
12 until they have been transferred to another line item in part 1
13 under section 393(2) of the management and budget act, 1984 PA 431,
14 MCL 18.1393.

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

21 Sec. 224. By March 1, the department shall provide a
22 litigation report to the senate and house appropriations
23 subcommittees on corrections, the senate and house fiscal agencies,
24 the legislative corrections ombudsman, and the state budget
25 director. The report shall identify all lawsuits adjudicated or
26 settled in which the department or an employee acting on behalf of
27 the department was a defendant and in which trial court proceedings

1 resulted in a decision of \$100,000.00 or more against the
2 department.

3 Sec. 229. Within 14 days after the release of the executive
4 budget recommendation, the department shall cooperate with the
5 state budget office to provide the senate and house appropriations
6 committee chairs, the senate and house appropriations subcommittees
7 on corrections, and the senate and house fiscal agencies with an
8 annual report on estimated state restricted fund balances, state
9 restricted fund projected revenues, and state restricted fund
10 expenditures for the fiscal years ending September 30, 2013 and
11 September 30, 2014.

12 Sec. 237. The department shall follow all requirements set
13 forth in statute and administrative rules related to procurement
14 requests and shall ensure that proper communication is maintained
15 with the department of technology, management, and budget regarding
16 the use of delegated purchasing authority granted by the department
17 of technology, management, and budget. The department shall not
18 pursue the procurement of any good or service on its own that falls
19 outside its delegated authority from the department of technology,
20 management, and budget. If any requests for proposal or requests
21 for qualifications are delayed due to the department's improper use
22 of purchasing authority under statute and administrative rules, the
23 department shall report on the improper use to the house and senate
24 appropriations subcommittees on corrections within 15 days after
25 determining that the improper use occurred. The report shall review
26 the purpose of the relevant procurement effort, explain why the
27 improper use of delegated authority occurred, and outline steps

1 being taken to ensure that improper use of delegated authority does
2 not occur again in the future.

3 Sec. 240. Funds appropriated in part 1 shall not be used by
4 the department to hire a person to provide legal services that are
5 the responsibility of the attorney general. This prohibition does
6 not apply to legal services for bonding activities and for those
7 outside services that the attorney general authorizes.

8 Sec. 241. The department shall maintain, on a publicly
9 accessible website, a department scorecard that identifies, tracks,
10 and regularly updates key metrics that are used to monitor and
11 improve the department's performance.

[Sec. 242. The department shall implement the internal food service, offender transport, laundry, staff training, offender programming, and warehouse and distribution strategies as reported in the May 2012 milestone reports utilizing the process and disciplines of the supply chain transformation (SCT) continuous quality improvement (CQI) approach. The department shall implement the officer uniform, prisoner medical care, video conferencing cost reductions, and department and Michigan state industries (MSI) organizational reviews subsequently recommended by department personnel positively influenced by the SCT/CQI activities.]

Sec. 243. Joint evaluation committees formed to evaluate requests for proposals which solicit bids for department services (i.e., pharmaceutical service; electronic monitoring; food distribution; food service; health; mental health; special alternative incarceration; bed space) shall provide an initial report to the chairs of the senate and house appropriations subcommittees on corrections identifying the members of the joint evaluation committee and the department service to be solicited out for bids to vendors. The joint evaluation committee shall provide status reports to the chairs of the senate and house appropriations subcommittees on corrections within 7 days after any joint evaluation committee meeting detailing any findings or final decisions made by the joint evaluation committee.

Sec. 244. The department shall adhere to the systematic, collaborative, double-digit value creation supply chain transformation (SCT) approach introduced and facilitated by the external supply chain and business transformation expert contracted by the department in 2009 and recommended on December 10, 2009. The current corrections operations and services transformation (COST) shall continue using the SCT process and disciplines.

Sec. 245. The department shall issue a report to the senate and house appropriations subcommittees on corrections by November 15 which details the steps taken by the department to implement the internal strategies and cost reductions recommended by the supply chain transformation (SCT) continuous quality improvement (CQI) teams and department personnel influenced by the SCT/CQI activities.]

12 **EXECUTIVE**

13 Sec. 301. For 3 years after a felony offender is released from
14 the department's jurisdiction, the department shall maintain the

15 offender's file on the offender tracking information system and
16 make it publicly accessible in the same manner as the file of the
17 current offender. However, the department shall immediately remove
18 the offender's file from the offender tracking information system
19 upon determination that the offender was wrongfully convicted and
20 the offender's file is not otherwise required to be maintained on
21 the offender tracking information system.

22 Sec. 304. The director of the department shall maintain a
23 staff savings initiative program to invite employees to submit
24 suggestions for saving costs for the department. The department
25 shall report semiannually to the senate and house appropriations
26 subcommittees on corrections, the senate and house fiscal agencies,

1 and the state budget director on the suggestions submitted under
2 this section, the implementation plan for those suggestions with
3 which the department agrees, and an explanation of any
4 disagreements with suggestions.

5 Sec. 305. By March 1, the department shall report to the
6 senate and house appropriations subcommittees on corrections, the
7 senate and house fiscal agencies, the legislative corrections
8 ombudsman, and the state budget director on the number of prisoners
9 who committed suicide during the previous calendar year. To the
10 extent permitted by law, the report shall include all of the
11 following information:

12 (a) The prisoner's age, offense, sentence, and admission date.

13 (b) Each prisoner's facility and unit.

14 (c) A description of the circumstances of the suicide.

15 (d) The date of the suicide.

16 (e) Whether the suicide occurred in a housing unit, a
17 segregation unit, a mental health unit, or elsewhere on the grounds
18 of the facility.

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

21 (g) Whether the prisoner had received a mental health
22 evaluation or assessment.

23 (h) Details on the department's responses to each suicide,
24 including immediate on-site responses and subsequent internal
25 investigations.

26 (i) A description of any monitoring and psychiatric
27 interventions that had been undertaken prior to the prisoner's

1 suicide, including any changes in placement or mental health care.

2 (j) Whether the prisoner had previously attempted suicide.

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

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

11 Sec. 402. (1) It is the intent of the legislature that the
12 funds appropriated in part 1 for prisoner re-entry programs be
13 expended for the purpose of reducing victimization by reducing
14 repeat offending through the following prisoner re-entry
15 programming:

16 (a) The provision of employment or employment services and job
17 training.

18 (b) The provision of housing assistance.

19 (c) Referral to mental health services.

20 (d) Referral to substance abuse services.

21 (e) Referral to public health services.

22 (f) Referral to education.

23 (g) Referral to any other services necessary for successful
24 reintegration.

25 (2) By March 1, the department shall provide a report on
26 prisoner re-entry expenditures and allocations to the members of

1 the senate and house appropriations subcommittees on corrections,
2 the senate and house fiscal agencies, the legislative corrections
3 ombudsman, and the state budget director. At a minimum, the report
4 shall include information on both of the following:

5 (a) Details on prior-year expenditures, including amounts
6 spent on each project funded, itemized by service provided and
7 service provider.

8 (b) Allocations and planned expenditures for each project
9 funded and for each project to be funded, itemized by service to be
10 provided and service provider. The department shall provide an
11 amended report quarterly, if any revisions to allocations or
12 planned expenditures occurred during that quarter.

13 (3) The department shall continue its efforts, with technical
14 assistance provided by the justice center of the council of state
15 governments, on establishing criteria and key indicators of the
16 success and failure of offenders. Indicators shall reflect the
17 status of and trends in key program elements, behavior improvements
18 on the part of offenders, and whether targeted goals are being met.

19 Sec. 404. (1) The department shall screen and assess each
20 prisoner for alcohol and other drug involvement to determine the
21 need for further treatment. The assessment process shall be
22 designed to identify the severity of alcohol and other drug
23 addiction and determine the treatment plan, if appropriate.

24 (2) The department shall provide substance abuse treatment to
25 prisoners with priority given to those prisoners who are most in
26 need of treatment and who can best benefit from program
27 intervention based on the screening and assessment provided under

1 subsection (1).

2 Sec. 405. (1) In expending residential substance abuse
3 treatment services funds appropriated under part 1, the department
4 shall ensure to the maximum extent possible that residential
5 substance abuse treatment services are available statewide.

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

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

26 Sec. 405a. The department shall work cooperatively with MDCH and
27 substance abuse coordinating agencies in referring offenders as

1 appropriate to intensive substance abuse services, including
2 residential services.

3 Sec. 406. As a condition for expending any money appropriated
4 in part 1 for reinvestment in prisoner re-entry programs, the
5 department shall establish a pilot program with an allocation of at
6 least \$2,000,000.00 from the funding appropriated to prisoner
7 reintegration programs to contract with faith-based nonprofit
8 agencies with established programs that assist prisoners exiting
9 the prison system to reintegrate into the community. The department
10 shall report to the house and senate appropriations subcommittees
11 on corrections, the house and senate fiscal agencies, and the state
12 budget director by December 1 on the contracts awarded under the
13 pilot program, including the faith-based, nonprofit agencies
14 selected and the contract amounts awarded to each agency. The
15 department shall analyze and compare the success and failure rates
16 of prisoners served under the pilot program and those served
17 through other department reintegration programs and shall report
18 this information to the legislature during budget hearings.

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

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

27 Sec. 408. The department shall measure the recidivism rates of

1 offenders using at least a 3-year period following their release
2 from prison. Any time spent in a county jail or otherwise
3 incarcerated shall be included in the recidivism rates.

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

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

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

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

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

26 (e) Reduce the admission or readmission to prison of
27 offenders, including probation violators and parole violators, for

1 substance abuse violations.

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

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

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

17 Sec. 411. The comprehensive corrections plans shall also
18 include, where appropriate, descriptive information on the full
19 range of sanctions and services that are available and utilized
20 within the local jurisdiction and an explanation of how jail beds,
21 residential services, the special alternative incarceration
22 program, probation detention centers, the electronic monitoring
23 program for probationers, and treatment and rehabilitative services
24 will be utilized to support the objectives and priorities of the
25 comprehensive corrections plans and the purposes and priorities of
26 section 8(4) of the community corrections act, 1988 PA 511, MCL
27 791.408, that contribute to the success of offenders. The plans

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

12 Sec. 412. (1) As part of the March biannual report specified
13 in section 12(2) of the community corrections act, 1988 PA 511, MCL
14 791.412, that requires an analysis of the impact of that act on
15 prison admissions and jail utilization, the department shall submit
16 to the senate and house appropriations subcommittees on
17 corrections, the senate and house fiscal agencies, and the state
18 budget director the following information for each county and
19 counties consolidated for comprehensive corrections plans:

20 (a) Approved technical assistance grants and comprehensive
21 corrections plans including each program and level of funding, the
22 utilization level of each program, and profile information of
23 enrolled offenders.

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

27 (c) Status of the community corrections information system and

1 the jail population information system.

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

5 (e) Offender disposition data by sentencing guideline range,
6 by disposition type, by prior record variable score, by number and
7 percent statewide and by county, current year, and comparisons to
8 the previous 3 years.

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

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

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

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

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

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

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

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

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

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

20 (3) State reimbursement under this subsection shall be \$60.00
21 per diem per diverted offender for offenders with a presumptive
22 prison guideline score, \$50.00 per diem per diverted offender for
23 offenders with a straddle cell guideline for a group 1 crime, and
24 \$35.00 per diem per diverted offender for offenders with a straddle
25 cell guideline for a group 2 crime. Reimbursements shall be paid
26 for sentences up to a 1-year total.

27 (4) As used in this subsection:

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

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

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

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

27 (6) Of the funds appropriated in part 1 for the county jail

1 reimbursement program, \$500,000.00 shall be utilized to reimburse
2 county jails for housing individuals who violate terms of probation
3 under the swift-and-sure sanctions pilot program.

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 senate and house fiscal agencies, and the state
14 budget director on each of the following programs from the previous
15 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 senate and house fiscal agencies, the
26 legislative corrections ombudsman, 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 senate and house fiscal agencies, the legislative
5 corrections ombudsman, 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 senate and house fiscal
7 agencies, the legislative corrections ombudsman, 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. 424. (1) From the funds appropriated in part 1 for
13 residential services, the department shall develop and implement,
14 in collaboration with the judiciary and as approved by the state
15 court administrative office, a demonstration project based on
16 evidence-based practices related to judicial and case management
17 interventions that have been proven to increase public safety for
18 high-risk, high-need probationers as determined by a validated risk
19 and need assessment instrument. As used in this section,
20 "probationer" means a circuit court probationer serving a probation
21 sentence for a crime.

22 (2) The demonstration project shall be implemented in 4 areas
23 of the state identified jointly by the department and the state
24 court administrative office. Preference shall be given to locations
25 that are representative of areas with high rates of violent crimes
26 as described in the council of state governments' justice center
27 report on analyses of crime, community corrections, and sentencing

1 policies in this state.

2 (3) The primary goal of the demonstration project is to reduce
3 crime and revictimization by high-risk, high-need probationers. The
4 secondary goal of the demonstration project is to reduce
5 expenditures for long-term incarceration.

6 (4) The demonstration project may provide up to 6 months of
7 residential services, and treatment methods, and interventions that
8 are evidence-based, including, but not limited to, the following:

9 (a) Risk/needs assessment.

10 (b) Motivational techniques.

11 (c) Type, intensity, and duration of treatment based on each
12 probationer's risk and needs and delivered consistent with
13 evidence-based practices.

14 (5) The department shall implement the evidence-based practice
15 of collaborative case management and utilize the services of the
16 department and of local community corrections consistent with the
17 local comprehensive corrections plan developed under the community
18 corrections act, 1988 PA 511, MCL 791.401 to 791.414.

19 (6) The department shall assign a probation officer to the
20 demonstration project to supervise a specialized caseload for high-
21 risk, high-need probationers. All probation officers supervising a
22 specialized caseload under this section shall receive substantial
23 education and training on issues of substance abuse, mental health,
24 and drug and alcohol testing.

25 (7) The probation officer shall work in cooperation with the
26 local judiciary and the community corrections advisory board in a
27 collaborative effort toward the goals of promoting probationer

1 success and reducing crime and revictimization.

2 (8) The probation officer assigned to the demonstration
3 project shall comply with supervision requirements established for
4 the demonstration project by the field operations administration
5 deputy director.

6 (9) The department shall identify and coordinate information
7 for each local jurisdiction selected for the demonstration project
8 regarding the rate of incarceration of high-risk, high-need
9 probationers to ensure that appropriate probationers are targeted
10 for the demonstration project.

11 (10) From the funds appropriated in part 1 for public
12 education and training, the department shall collaborate with the
13 local judiciary, community corrections advisory board, and service
14 providers to develop and provide appropriate training for all local
15 stakeholders involved in the demonstration project described in
16 this section.

17 (11) From the funds provided to the local jurisdiction for the
18 demonstration project, the department shall collaborate with the
19 local judiciary and the community corrections advisory board to
20 develop and implement an evaluation of the demonstration project
21 that will show the impact of the project on the arrests,
22 convictions, technical violations, and commitments to prison of the
23 demonstration project participants. This evaluation shall be
24 performed in accordance with department of corrections policy and
25 procedure on evaluation design in cooperation with the office of
26 research and planning.

27 (12) By May 1, the department shall report to the senate and

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1 house appropriations subcommittees on corrections, the senate and
2 house fiscal agencies, and the state budget director on the status
3 of the demonstration project prescribed under this section,
4 including information on all of the following:

5 (a) Demonstration project locations and participating courts.

6 (b) The number of probationers participating in the pilot
7 categorized by location and offense.

8 (c) Evaluation status and methodology.

9 (d) Preliminary results, if any.

[Sec. 429. The department shall provide case-level data to the council of state governments' justice center for purposes of analyzing the flow of offenders through the criminal justice systems managed by the department, including entry, termination, and snapshot populations on community supervision, in prison, and on parole supervision.]

10 Sec. 430. The department shall ensure that each prisoner has
11 the opportunity to meet with his or her transition team prior to
12 release from prison. If applicable, community providers shall enter
13 the prison to meet with the prisoner prior to release.

14 Sec. 431. The department shall ensure that prior to release
15 from prison, each offender has possession of all of the following:

16 (a) All documents necessary to obtain a state operator's
17 license or state identification card.

18 (b) A set of clothing that would be appropriate and suitable
19 for wearing to an interview for employment.

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

20 OPERATIONS AND SUPPORT ADMINISTRATION

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

1 Sec. 502. Funds included in part 1 for the sheriffs'
2 coordinating and training office are appropriated for and may be
3 expended to defray costs of continuing education, certification,
4 recertification, decertification, and training of local corrections
5 officers, the personnel and administrative costs of the sheriffs'
6 coordinating and training office, the local corrections officers
7 advisory board, and the sheriffs' coordinating and training council
8 under the local corrections officers training act, 2003 PA 125, MCL
9 791.531 to 791.546.

10 Sec. 504. Of the funds appropriated in part 1, \$50,000.00 is
11 appropriated to provide an interdepartmental grant to the judiciary
12 for use of the judicial data warehouse by department employees.

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

18 **FIELD OPERATIONS ADMINISTRATION**

19 Sec. 601. From the funds appropriated in part 1, the
20 department shall conduct a statewide caseload audit of field
21 agents. The audit shall address public protection issues and assess
22 the ability of the field agents to complete their professional
23 duties. The complete audit shall be submitted to the senate and
24 house appropriations subcommittees on corrections and the senate
25 and house fiscal agencies, and the state budget office by March 1.

26 Sec. 603. (1) All prisoners, probationers, and parolees

1 involved with the electronic tether program shall reimburse the
2 department for costs associated with their participation in the
3 program. The department may require community service work
4 reimbursement as a means of payment for those able-bodied
5 individuals unable to pay for the costs of the equipment.

6 (2) Program participant contributions and local community
7 tether program reimbursement for the electronic tether program
8 appropriated in part 1 are related to program expenditures and may
9 be used to offset expenditures for this purpose.

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

21 (4) For a fee determined by the department, the department
22 shall provide counties with the tether equipment, replacement
23 parts, administrative oversight of the equipment's operation,
24 notification of violators, and periodic reports regarding county
25 program participants. Counties are responsible for tether equipment
26 installation and service. For an additional fee as determined by
27 the department, the department shall provide staff to install and

1 service the equipment. Counties are responsible for the
2 coordination and apprehension of program violators.

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

6 Sec. 604. Community-placement prisoners and parolees shall
7 reimburse the department for the total costs of the program. As an
8 alternative method of payment, the department may develop a
9 community service work schedule for those individuals unable to
10 meet reimbursement requirements established by the department.

11 Sec. 608. By March 1, the department shall report to the
12 senate and house appropriations subcommittees on corrections, the
13 senate and house fiscal agencies, and the state budget director on
14 the use of electronic monitoring. At a minimum, the report shall
15 include all of the following:

16 (a) Details on the failure rate of parolees for whom GPS
17 tether is utilized, including the number and rate of parolee
18 technical violations, including specifying failures due to
19 committing a new crime that is uncharged but leads to parole
20 termination, and the number and rate of parolee violators with new
21 sentences.

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

26 (c) Monthly data on the number of offenders on active GPS
27 tether, passive GPS tether, radio frequency tether, and any other

1 type of tether.

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

10 (a) Monthly new participants by type of offender. Community
11 re-entry program participants shall be categorized by reason for
12 placement. For technical rule violators, the report shall sort
13 offenders by length of time since release from prison, by the most
14 recent violation, and by the number of violations occurring since
15 release from prison.

16 (b) Monthly participant unsuccessful terminations, including
17 cause.

18 (c) Number of successful terminations.

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

20 (e) Average length of placement.

21 (f) Return to prison statistics.

22 (g) Description of each program location or locations,
23 capacity, and staffing.

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

26 (i) Comparison with prior year statistics.

27 (j) Analysis of the impact on prison admissions and jail

1 utilization and the cost effectiveness of the program.

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

13 (2) To the extent policies or programs described in subsection
14 (1) are used, developed, or contracted for, the department may
15 request that funds appropriated in part 1 be transferred under
16 section 393(2) of the management and budget act, 1984 PA 431, MCL
17 18.1393, for their operation.

18 (3) The department shall continue to utilize parole violator
19 processing guidelines that require parole agents to utilize all
20 available appropriate community-based, nonincarcerative postrelease
21 sanctions and services when appropriate. The department shall
22 periodically evaluate such guidelines for modification, in response
23 to emerging information from the demonstration projects for
24 substance abuse treatment provided under this article and
25 applicable provisions of prior budget acts for the department.

26 (4) The department shall provide quarterly reports to the
27 senate and house appropriations subcommittees on corrections, the

1 senate and house fiscal agencies, and the state budget director on
2 the number of all parolees returned to prison and probationers
3 sentenced to prison for either a technical violation or new
4 sentence during the preceding calendar quarter. The reports shall
5 include the following information each for probationers, parolees
6 after their first parole, and parolees who have been paroled more
7 than once:

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

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

19 (c) The educational history of those offenders, including how
20 many had a GED or high school diploma prior to incarceration in
21 prison, how many received a GED while in prison, and how many
22 received a vocational certificate while in prison.

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

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

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

12 **HEALTH CARE**

13 Sec. 802. As a condition of expenditure of the funds
14 appropriated in part 1, the department shall provide the senate and
15 house of representatives appropriations subcommittees on
16 corrections, the senate and house fiscal agencies, the legislative
17 corrections ombudsman, and the state budget director with all of
18 the following:

19 (a) Quarterly reports on physical and mental health care
20 detailing quarterly and fiscal year-to-date expenditures itemized
21 by vendor, allocations, status of payments from contractors to
22 vendors, and projected year-end expenditures from accounts for
23 prisoner health care, mental health care, pharmaceutical services,
24 and durable medical equipment.

25 (b) Regular updates on progress on requests for proposals and
26 requests for information pertaining to prisoner health care and

1 mental health care, until the applicable contract is approved.

2 Sec. 804. (1) The department shall report quarterly 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 prisoner health care
6 utilization. The report shall include the number of inpatient
7 hospital days, outpatient visits, and emergency room visits in the
8 previous quarter and since October 1, 2009, by facility.

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

20 Sec. 806. From the funds appropriated in part 1, the
21 department shall require a hepatitis C antibody test and an HIV
22 test for each prisoner prior to release to the community by parole
23 or discharge on the maximum sentence. The department shall require
24 an HIV test and a hepatitis C risk factor screening for each
25 prisoner at the health screening at admissions. If hepatitis C risk
26 factors are identified, the department shall offer the prisoner a
27 hepatitis C antibody test. An explanation of results of the tests

1 shall be provided confidentially to the prisoner, and if
2 appropriate based on the test results, the prisoner shall also be
3 provided a recommendation to seek follow-up medical attention.

4 Sec. 807. The department shall ensure that all medications for
5 a prisoner be transported with that prisoner when the prisoner is
6 transferred from 1 correctional facility to another. Prisoners
7 being released shall have access to at least a 30-day supply of
8 medication and a prescription for refills to allow for continuity
9 of care in the community.

10 Sec. 809. The department, in conjunction with efforts to
11 implement prisoner re-entry, shall cooperate with the MDCH to share
12 data and information as they relate to prisoners being released who
13 are HIV positive or positive for the hepatitis C antibody. By March
14 1, the department shall report to the senate and house
15 appropriations subcommittees on corrections, the senate and house
16 fiscal agencies, and the state budget director on all of the
17 following:

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

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

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

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

12 (2) The department shall provide the senate and house
13 appropriations subcommittees on corrections, the senate and house
14 fiscal agencies, the legislative corrections ombudsman, and the
15 state budget director with quarterly updates on the utilization of
16 Medicaid benefits for prisoners.

17 Sec. 814. The department shall assure that psychotropic
18 medications are available, when deemed medically necessary by a
19 licensed medical service provider, to prisoners who have mental
20 illness diagnoses but are not enrolled in corrections mental health
21 services.

22 Sec. 816. By April 1, the department shall provide the members
23 of the senate and house appropriations subcommittees on
24 corrections, the senate and house fiscal agencies, the state budget
25 director, and the legislative corrections ombudsman with a report
26 on pharmaceutical expenditures and prescribing practices. In
27 particular, the report shall provide the following information:

1 (a) A detailed accounting of expenditures on antipsychotic
2 medications.

3 (b) Any changes that have been made to the prescription drug
4 formularies.

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

8 **CORRECTIONAL FACILITIES ADMINISTRATION**

9 Sec. 905. (1) The inmate housing fund shall be used for the
10 custody, treatment, clinical, and administrative costs associated
11 with the housing of prisoners other than those specifically
12 budgeted for elsewhere in this article. Funding in the inmate
13 housing fund is appropriated into a separate control account.
14 Funding in the control account shall be distributed as necessary
15 into separate accounts created to separately identify costs for
16 specific purposes.

17 (2) Quarterly reports on all expenditures from the inmate
18 housing fund shall be submitted by the department to the state
19 budget director, the senate and house appropriations subcommittees
20 on corrections, and the senate and house fiscal agencies.

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

24 Sec. 907. The department shall report by March 1 to the senate
25 and house appropriations subcommittees on corrections, the senate
26 and house fiscal agencies, the legislative corrections ombudsman,

1 and the state budget director on academic and vocational programs.
2 The report shall provide information relevant to an assessment of
3 the department's academic and vocational programs, including, but
4 not limited to, all of the following:

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

7 (b) The number of prisoners enrolled in each program, the
8 number of prisoners completing each program, the number of
9 prisoners who fail each program, the number of prisoners who do not
10 complete each program and the reason for not completing the
11 program, the number of prisoners transferred to another facility
12 while enrolled in a program and the reason for transfer, the number
13 of prisoners enrolled who are repeating the program by reason, and
14 the number of prisoners on waiting lists for each program, all
15 itemized by facility.

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

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

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

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

26 (g) An explanation of the department's plans for academic and
27 vocational programs, including plans to contract with intermediate

1 school districts for GED and high school diploma programs.

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

5 Sec. 910. The department shall allow the Michigan Braille
6 transcribing fund program to operate at its current location. The
7 donation of the building by the Michigan Braille transcribing fund
8 at the G. Robert Cotton correctional facility in Jackson is
9 acknowledged and appreciated. The department shall continue to
10 encourage the Michigan Braille transcribing fund program to produce
11 high-quality materials for use by the visually impaired.

12 Sec. 911. By March 1, the department shall report to the
13 senate and house appropriations subcommittees on corrections, the
14 senate and house fiscal agencies, the legislative corrections
15 ombudsman, and the state budget director the number of critical
16 incidents occurring each month by type and the number and severity
17 of assaults occurring each month at each facility during the
18 immediately preceding calendar year.

19 Sec. 912. The department shall report to the senate and house
20 appropriations subcommittees on corrections, the senate and house
21 fiscal agencies, the legislative corrections ombudsman, and the
22 state budget director by March 1 on the ratio of correctional
23 officers to prisoners for each correctional institution, the ratio
24 of shift command staff to line custody staff, and the ratio of
25 noncustody institutional staff to prisoners for each correctional
26 institution.

27 Sec. 913. (1) It is the intent of the legislature that any

1 prisoner required to complete an assaultive offender program,
2 sexual offender program, or other program as a condition of parole
3 shall be transferred to a facility where that program is available
4 in order to accomplish timely completion of that program prior to
5 the expiration of his or her minimum sentence and eligibility for
6 parole. Nothing in this section should be deemed to make parole
7 denial appealable in court.

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

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

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

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

21 Sec. 916. The department shall report by February 1 to the
22 senate and house appropriations subcommittees on corrections, the
23 senate and house fiscal agencies, and the state budget director on
24 the number of computers available for use by prisoners within each
25 prison facility. The report shall summarize the purpose and
26 frequency of use of these computers within each facility, and in
27 particular shall provide detail on the extent to which computers

1 are utilized for education programming, for both academic and
2 vocational purposes.

3 Sec. 921. The department shall notify the chairs of the senate
4 and house of representatives standing committees on appropriations,
5 the senate and house of representatives appropriations
6 subcommittees on corrections, the senate and house fiscal agencies,
7 the legislative corrections ombudsman, and the state budget
8 director not less than 90 days before recommending to close or
9 consolidate any correctional facilities or correctional camps. The
10 notification shall include a local and state impact study of the
11 proposed closure or consolidation. The study shall include, but not
12 be limited to, information on cost avoidance and cost savings
13 associated with the proposed closure or consolidation, including
14 costs for maintenance and security of facilities and camps after
15 closure, and any costs of field supervision, field operations
16 programs, or prisoner reintegration programs related to the closure
17 or consolidation of those correctional facilities or correctional
18 camps. Costs and savings shall be itemized by program or type of
19 expenditure.

20 Sec. 923. (1) The department shall cooperate with the
21 department of education to evaluate the feasibility of local
22 intermediate school districts providing education programming to
23 targeted prisoners under the age of 20 who have not received a high
24 school diploma. By June 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 on any plans or

1 evaluations developed under this section.

2 (2) The department shall make efforts to encourage retired
3 school teachers to provide education services in correctional
4 facilities through volunteerism.

5 Sec. 924. The department shall evaluate all prisoners at
6 intake for substance abuse disorders, developmental disorders,
7 serious mental illness, and other mental health disorders.
8 Prisoners with serious mental illness shall not be confined in
9 administrative segregation. Under the supervision of a mental
10 health professional, a prisoner with serious mental illness may be
11 secluded in a therapeutic environment for the safety of the
12 prisoner or others. A prisoner in therapeutic seclusion shall be
13 evaluated by a mental health professional at a frequency set forth
14 in the mental health code, 1974 PA 258, MCL 330.1001 to 330.2106,
15 or at least every 12 hours, whichever would require more frequent
16 evaluations, in order to remain in therapeutic seclusion.

17 Sec. 925. By March 1, the department shall report to the
18 senate and house appropriations subcommittees on corrections, the
19 senate and house fiscal agencies, the legislative corrections
20 ombudsman, and the state budget director on the annual number of
21 prisoners in administrative segregation between October 1, 2003 and
22 September 30, 2013, and the annual number of prisoners in
23 administrative segregation between October 1, 2003 and September
24 30, 2013 who at any time during the current or prior prison term
25 were diagnosed with serious mental illness or have a developmental
26 disorder and the number of days each of the prisoners with serious
27 mental illness or a developmental disorder have been confined to

1 administrative segregation.

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

4 (a) Ensure that any inmate care and control staff in contact
5 with prisoners less than 19 years of age are adequately trained
6 with regard to the developmental and mental health needs of
7 prisoners less than 19 years of age. By April 1, the department
8 shall report to the senate and house appropriations subcommittees
9 on corrections, the senate and house fiscal agencies, the
10 legislative corrections ombudsman, and the state budget director on
11 the training curriculum used and the number and types of staff
12 receiving training under that curriculum since October 2009.

13 (b) Provide appropriate placement for prisoners less than 19
14 years of age who have serious mental illness, serious emotional
15 disturbance, or a developmental disorder and need to be housed
16 separately from the general population. Prisoners less than 19
17 years of age who have serious mental illness, serious emotional
18 disturbance, or a developmental disorder shall not be placed in
19 administrative segregation. Under the supervision of a mental
20 health professional, a prisoner less than 19 years of age with
21 serious mental illness or serious emotional disturbance may be
22 secluded in a therapeutic environment for the safety of the
23 prisoner or others. A prisoner in therapeutic seclusion shall be
24 evaluated every 12 hours by a mental health professional in order
25 to remain in therapeutic seclusion.

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

1 entry.

2 Sec. 935. The department shall regularly evaluate each
3 correctional facility in terms of cost effectiveness and make a
4 determination as to how long each facility should remain open based
5 upon the age of the facility, the costs of its continued operation,
6 and the relative costs of alternative bed space that could be
7 utilized. When it is determined that a facility is no longer cost-
8 effective to operate due to the age of the facility or that the
9 facility has become functionally obsolete, or both, the department
10 should analyze the economic impact of the facility on the
11 surrounding community. If the department determines that the
12 facility is critical to the economic viability of the surrounding
13 community, the department shall work with the Michigan economic
14 development corporation and any other relevant state or local
15 agencies to encourage private sector investment in that community.

16 Sec. 937. The funds appropriated in part 1 for the cost-
17 effective housing initiative shall be utilized to ensure more cost-
18 effective housing of prisoners. The department shall use this
19 funding to house prisoners in the most cost-effective manner
20 possible. This shall include exploring the use of public-private
21 partnerships, the use of privately owned facilities in Michigan,
22 and the use of state facilities by third-party contractors. The use
23 of cost-effective housing from this initiative shall be used to
24 achieve general prison operations savings budgeted in the inmate
25 housing fund line item. The department shall work cooperatively
26 with the chairpersons of the senate and house appropriations
27 subcommittees on corrections in identifying appropriate reductions

1 to prison facility line items to achieve the budgeted savings in
2 the inmate housing fund line item.

3 Sec. 939. (1) By October 15, the department shall release a
4 request for proposal seeking competitive bids for the prison stores
5 and up to 1,750 custody beds.

6 (2) The department, working with the department of technology,
7 management, and budget, shall issue a quarterly report to the
8 senate and house appropriations subcommittees on corrections and
9 the senate and house fiscal agencies detailing the current status
10 of any requests for proposal required under this section. If the
11 status of any item listed in the report remains unchanged for more
12 than 2 consecutive reporting periods, the report shall provide an
13 explanation of the delay.

14 Sec. 940. For the purpose of procuring drug testing services
15 at correctional facilities, the department shall enter into a
16 contract with a Michigan-based company that provides laboratory
17 oral fluid drug testing.

18 Sec. 942. The department shall ensure that any contract with a
19 public or private party to operate a facility to house state
20 prisoners includes a provision to allow access by both the office
21 of the legislative auditor general and the office of the
22 legislative corrections ombudsman to the facility and to
23 appropriate records and documents related to the operation of the
24 facility. These access rights for both offices shall be the same
25 for the contracted facility as for a general state-operated
26 correctional facility.

27 Sec. 943. It is the intent of the legislature that the

House Bill No. 4328 (H-1) as amended April 23, 2013

1 department maintains sufficient perimeter security measures at
2 department prison facilities to ensure the safety of communities
3 surrounding those facilities.

4 Sec. 945. As a condition for expending funds appropriated in
5 part 1, the department shall allow a person acting as a prisoner
6 mentor to continue his or her mentoring relationship with a

7 prisoner as that prisoner transitions back into the community

8 during his or her term of parole unless the department has specific

9 reasons as to why the continuation of the mentoring relationship is

10 not in the best interest of the prisoner's transition success. The

11 department shall not establish or practice a policy that

12 automatically disqualifies a mentor from continuing an established

13 mentoring relationship during a prisoner's term of parole.

14 Sec. 946. As a condition for expending funds appropriated in

15 part 1, the department shall not restrict prisoner access to

16 programming and shall not deny prisoner access to persons qualified

17 to deliver programming because of the faith-based nature of the

18 programming. The department shall establish clear policy guidance

19 regarding the validity of faith-based programming for prisoners who

20 desire that programming and prohibiting discrimination against

21 faith-based programming relative to other types of programming for

22 those prisoners. The policy shall be communicated to all prison

23 wardens and key facility management staff to ensure compliance.

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

24 **MISCELLANEOUS**

25 Sec. 1009. The department shall make an information packet for

26 the families of incoming prisoners available on the department's

1 website. The information packet shall be updated by February 1 of
2 each year thereafter. The packet shall provide information on
3 topics including, but not limited to: how to put money into
4 prisoner accounts, how to make phone calls or create Jpay email
5 accounts, how to visit in person, proper procedures for filing
6 complaints or grievances, the rights of prisoners to physical and
7 mental health care, how to utilize the offender tracking
8 information system (OTIS), truth-in-sentencing and how it applies
9 to minimum sentences, the parole process, and guidance on the
10 importance of the role of families in the reentry process. The
11 department is encouraged to partner with external advocacy groups
12 and actual families of prisoners in the packet-writing process to
13 ensure that the information is useful and complete.

14 Sec. 1011. The department shall accept in-kind services and
15 equipment donations to facilitate the addition of a cable network
16 that provides programming that will address the religious needs of
17 incarcerated individuals. This network shall be a cable television
18 network that presently reaches the majority of households in the
19 United States. A bilingual channel affiliated with this network may
20 also be added to department programming to assist the religious
21 needs of Spanish-speaking inmates. The addition of these channels
22 shall be of no additional cost to this state.

23 **CAPITAL OUTLAY**

24 Sec. 1051. The appropriations in part 1 for capital outlay
25 shall be carried forward at the end of the fiscal year consistent
26 with the provisions of section 248 of the management and budget

1 act, 1984 PA 431, MCL 18.248.

2 PART 2A
3 PROVISIONS CONCERNING ANTICIPATED APPROPRIATIONS
4 FOR FISCAL YEAR 2014-2015

5 **GENERAL SECTIONS**

6 Sec. 1201. It is the intent of the legislature to provide
7 appropriations for the fiscal year ending on September 30, 2015 for
8 the line items listed in part 1. The fiscal year 2014-2015
9 appropriations are anticipated to be the same as those for fiscal
10 year 2013-2014, except that the line items will be adjusted for
11 changes in caseload and related costs, federal fund match rates,
12 economic factors, and available revenue. These adjustments will be
13 determined after the January 2014 consensus revenue estimating
14 conference.

15 ARTICLE VI
16 DEPARTMENT OF EDUCATION
17 PART 1
18 LINE-ITEM APPROPRIATIONS

19 Sec. 101. There is appropriated for the department of
20 education for the fiscal year ending September 30, 2014, from the
21 following funds:

22 **DEPARTMENT OF EDUCATION**
23 **APPROPRIATION SUMMARY**

1	Full-time equated unclassified positions.....	6.0		
2	Full-time equated classified positions.....	584.5		
3	GROSS APPROPRIATION.....		\$	318,285,900
4	Interdepartmental grant revenues:			
5	Total interdepartmental grants and intradepartmental			
6	transfers			0
7	ADJUSTED GROSS APPROPRIATION.....		\$	318,285,900
8	Federal revenues:			
9	Total federal revenues.....			232,145,300
10	Special revenue funds:			
11	Total local revenues.....			5,633,700
12	Total private revenues.....			1,933,300
13	Total other state restricted revenues.....			8,015,300
14	State general fund/general purpose.....		\$	70,558,300
15	Sec. 102. STATE BOARD OF EDUCATION/OFFICE OF THE			
16	SUPERINTENDENT			
17	Full-time equated unclassified positions.....	6.0		
18	Full-time equated classified positions.....	11.0		
19	State board of education, per diem payments.....		\$	24,400
20	Unclassified positions--6.0 FTE positions.....			775,700
21	State board/superintendent operations--11.0 FTE			
22	positions			<u>2,092,100</u>
23	GROSS APPROPRIATION.....		\$	2,892,200
24	Appropriated from:			
25	Federal revenues:			
26	Federal revenues.....			219,400
27	Special revenue funds:			

1	Private foundations.....		28,100
2	Certification fees.....		852,000
3	State general fund/general purpose.....	\$	1,792,700
4	Sec. 103. CENTRAL SUPPORT		
5	Full-time equated classified positions..... 22.6		
6	Central support--22.6 FTE positions.....	\$	3,461,900
7	Worker's compensation.....		35,000
8	Building occupancy charges - property management		
9	services		3,031,600
10	Training and orientation workshops.....		150,000
11	Terminal leave payments.....		<u>554,700</u>
12	GROSS APPROPRIATION.....	\$	7,233,200
13	Appropriated from:		
14	Federal revenues:		
15	Federal revenues.....		1,453,900
16	Federal indirect funds.....		2,432,900
17	Special revenue funds:		
18	Certification fees.....		553,600
19	Teacher testing fees.....		15,000
20	Training and orientation workshop fees.....		150,000
21	State general fund/general purpose.....	\$	2,627,800
22	Sec. 104. INFORMATION TECHNOLOGY SERVICES		
23	Information technology operations.....	\$	<u>4,070,500</u>
24	GROSS APPROPRIATION.....	\$	4,070,500
25	Appropriated from:		
26	Federal revenues:		
27	Federal revenues.....		585,000

1	Federal indirect funds.....		1,728,400
2	Special revenue funds:		
3	Local cost sharing (schools for deaf/blind)		76,500
4	Certification fees.....		375,800
5	State general fund/general purpose.....	\$	1,304,800
6	Sec. 105. SPECIAL EDUCATION SERVICES		
7	Full-time equated classified positions.....	47.0	
8	Special education operations--47.0 FTE positions	\$	<u>8,850,400</u>
9	GROSS APPROPRIATION.....	\$	8,850,400
10	Appropriated from:		
11	Federal revenues:		
12	Federal revenues.....		8,375,100
13	Special revenue funds:		
14	Private foundations.....		110,100
15	Certification fees.....		43,700
16	State general fund/general purpose.....	\$	321,500
17	Sec. 106. MICHIGAN SCHOOLS FOR THE DEAF AND BLIND		
18	Full-time equated classified positions.....	77.0	
19	Michigan schools for the deaf and blind operations--		
20	76.0 FTE positions	\$	12,485,600
21	Camp Tuhsmeheeta--1.0 FTE position.....		295,100
22	Private gifts - blind.....		200,000
23	Private gifts - deaf.....		<u>50,000</u>
24	GROSS APPROPRIATION.....	\$	13,030,700
25	Appropriated from:		
26	Federal revenues:		
27	Federal revenues.....		6,721,500

1	Special revenue funds:		
2	Local cost sharing (schools for deaf/blind)		5,233,000
3	Local school district service fees		312,500
4	Gifts, bequests, and donations		545,100
5	Student insurance revenue		218,600
6	State general fund/general purpose	\$	0
7	Sec. 107. PROFESSIONAL PREPARATION SERVICES		
8	Full-time equated classified positions	34.0	
9	Professional preparation operations--34.0 FTE		
10	positions	\$	5,827,100
11	Department of attorney general		<u>66,000</u>
12	GROSS APPROPRIATION	\$	5,893,100
13	Appropriated from:		
14	Federal revenues:		
15	Federal revenues		1,427,700
16	Special revenue funds:		
17	Certification fees		3,836,900
18	Teacher college review fees		55,300
19	Teacher testing fees		355,100
20	State general fund/general purpose	\$	218,100
21	Sec. 108. MICHIGAN OFFICE OF GREAT START		
22	Full-time equated classified positions	62.0	
23	Office of great start operations--61.0 FTE positions .	\$	22,192,900
24	Child development and care external support		17,491,000
25	Head start collaboration office--1.0 FTE positions ...		305,300
26	Child development care public assistance		<u>156,802,600</u>
27	GROSS APPROPRIATION	\$	196,791,800

1	Appropriated from:	
2	Federal revenues:	
3	Federal revenues.....	156,279,800
4	Special revenue funds:	
5	Private foundations.....	250,000
6	Certification fees.....	63,500
7	State general fund/general purpose.....	\$ 40,198,500
8	Sec. 109. STATE AID AND SCHOOL FINANCE SERVICES	
9	Full-time equated classified positions..... 9.5	
10	State aid and school finance operations--9.5 FTE	
11	positions	\$ <u>1,343,300</u>
12	GROSS APPROPRIATION.....	\$ 1,343,300
13	Appropriated from:	
14	State general fund/general purpose.....	\$ 1,343,300
15	Sec. 110. AUDIT SERVICES	
16	Full-time equated classified positions..... 4.5	
17	Audit operations--4.5 FTE positions.....	\$ <u>594,500</u>
18	GROSS APPROPRIATION.....	\$ 594,500
19	Appropriated from:	
20	Federal revenues:	
21	Federal indirect funds.....	472,600
22	Special revenue funds:	
23	Certification fees.....	60,400
24	State general fund/general purpose.....	\$ 61,500
25	Sec. 111. ADMINISTRATIVE LAW SERVICES	
26	Full-time equated classified positions..... 2.0	
27	Administrative law operations--2.0 FTE positions.....	\$ <u>1,272,100</u>

1	GROSS APPROPRIATION.....	\$	1,272,100
2	Appropriated from:		
3	Federal revenues:		
4	Federal revenues.....		551,600
5	Special revenue funds:		
6	Certification fees.....		651,000
7	State general fund/general purpose.....	\$	69,500
8	Sec. 112. BUREAU OF ASSESSMENT AND ACCOUNTABILITY		
9	Full-time equated classified positions.....		65.6
10	Educational assessment operations--65.6 FTE positions	\$	<u>12,494,600</u>
11	GROSS APPROPRIATION.....	\$	12,494,600
12	Appropriated from:		
13	Federal revenues:		
14	Federal revenues.....		11,329,100
15	State general fund/general purpose.....	\$	1,165,500
16	Sec. 113. SCHOOL SUPPORT SERVICES		
17	Full-time equated classified positions.....		82.6
18	Grants coordination and school support services		
19	operations--82.6 FTE positions.....	\$	14,951,700
20	Federal and private grants.....		<u>3,000,000</u>
21	GROSS APPROPRIATION.....	\$	17,951,700
22	Appropriated from:		
23	Federal revenues:		
24	Federal revenues.....		16,112,600
25	Special revenue funds:		
26	Local school district service fees.....		11,700
27	Private foundations.....		1,000,000

1	Commodity distribution fees.....		71,700
2	Certification fees.....		84,800
3	State general fund/general purpose.....	\$	670,900
4	Sec. 114. FIELD SERVICES		
5	Full-time equated classified positions.....	44.0	
6	Field services operations--44.0 FTE positions.....	\$	<u>8,849,000</u>
7	GROSS APPROPRIATION.....	\$	8,849,000
8	Appropriated from:		
9	Federal revenues:		
10	Federal revenues.....		8,619,700
11	Special revenue funds:		
12	Certification fees.....		75,400
13	State general fund/general purpose.....	\$	153,900
14	Sec. 115. EDUCATIONAL IMPROVEMENT AND INNOVATION		
15	SERVICES		
16	Full-time equated classified positions.....	56.7	
17	Educational improvement and innovation operations--		
18	56.7 FTE positions	\$	<u>8,269,600</u>
19	GROSS APPROPRIATION.....	\$	8,269,600
20	Appropriated from:		
21	Federal revenues:		
22	Federal revenues.....		6,449,400
23	Special revenue funds:		
24	Certification fees.....		552,500
25	State general fund/general purpose.....	\$	1,267,700
26	Sec. 116. CAREER AND TECHNICAL EDUCATION		
27	Full-time equated classified positions.....	27.0	

1	Career and technical education operations--27.0 FTE		
2	positions	\$	<u>4,704,500</u>
3	GROSS APPROPRIATION.....	\$	4,704,500
4	Appropriated from:		
5	Federal revenues:		
6	Federal revenues.....		3,782,900
7	State general fund/general purpose.....	\$	921,600
8	Sec. 117. LIBRARY OF MICHIGAN		
9	Full-time equated classified positions..... 33.0		
10	Library of Michigan operations--32.0 FTE positions ...	\$	4,308,200
11	Library services and technology program--1.0 FTE		
12	positions		5,603,700
13	State aid to libraries.....		7,512,300
14	Michigan eLibrary.....		1,750,000
15	Renaissance zone reimbursements.....		1,460,000
16	MPERS payments to libraries.....		<u>1,300,000</u>
17	GROSS APPROPRIATION.....	\$	21,934,200
18	Appropriated from:		
19	Federal revenues:		
20	IMLS, library services and technology act.....		5,603,700
21	State general fund/general purpose.....	\$	16,330,500
22	Sec. 118. SCHOOL REFORM OFFICE		
23	Full-time equated classified positions..... 6.0		
24	School reform office operations--6.0 FTE positions ...	\$	<u>2,110,500</u>
25	GROSS APPROPRIATION.....	\$	2,110,500
26	Appropriated from:		
27	State general fund/general purpose.....	\$	2,110,500

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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 \$78,573,600.00 and state spending from state resources to be paid to local units of government for fiscal year 2013-2014 is \$10,272,300.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF EDUCATION

State aid to libraries.....	\$	7,512,300
Renaissance zone reimbursements.....		1,460,000
MPERS payments to libraries.....		<u>1,300,000</u>
Total department of education.....	\$	10,272,300

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:

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

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

1 (c) "Participating entity" means a district library that is a
2 reporting unit of the Michigan public school employees' retirement
3 system under the public school employees retirement act of 1979,
4 1980 PA 300, MCL 38.1301 to 38.1437, and that reports employees to
5 the Michigan public school employees' retirement system for the
6 applicable fiscal year.

7 (d) "Retirement board" means the board that administers the
8 retirement system under the public school employees retirement act
9 of 1979, 1980 PA 300, MCL 38.1301 to 38.1437.

10 (e) "Retirement system" and "MPERS" mean the Michigan public
11 school employees' retirement system under the public school
12 employees retirement act of 1979, 1980 PA 300, MCL 38.1301 to
13 38.1437.

14 Sec. 205. Unless otherwise specified, the department shall use
15 the Internet to fulfill the reporting requirements of this part.
16 This requirement may include transmission of reports via electronic
17 mail to the recipients identified for each reporting requirement,
18 or it may include placement of reports on an Internet or Intranet
19 site.

20 Sec. 206. The department shall provide through the Internet
21 the state board of education agenda and all supporting documents,
22 and shall notify the state budget director and the senate and house
23 fiscal agencies that the agenda and supporting documents are
24 available on the Internet, at the time the agenda and supporting
25 documents are provided to state board of education members.

26 Sec. 207. The department shall maintain a searchable website
27 accessible by the public at no cost that includes, but is not

1 limited to, all of the following:

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

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

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

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

9 (e) Job specifications and wage rates.

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

17 Sec 209. The department shall maintain, on a publicly
18 accessible website, a department scorecard that identifies, tracks,
19 and regularly updates key metrics that are used to monitor and
20 improve the agency's performance.

21 Sec. 210. The department and agencies receiving appropriations
22 in part 1 shall receive and retain copies of all reports funded
23 from appropriations in part 1. Federal and state guidelines for
24 short-term and long-term retention of records shall be followed.
25 The department may electronically retain copies of reports unless
26 otherwise required by federal and state guidelines.

27 Sec. 211. From the funds appropriated in part 1 for

1 information technology, departments and agencies shall pay user
2 fees to the department of technology, management, and budget for
3 technology-related services and projects. The user fees shall be
4 subject to provisions of an interagency agreement between the
5 department and agencies and the department of technology,
6 management, and budget.

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

17 Sec. 213. (1) In addition to the funds appropriated in part 1,
18 there is appropriated up to \$180,000.00 from payments for
19 subrecipient monitoring services provided to other departments.

20 (2) The funds may be expended for all expenses necessary to
21 provide the required subrecipient monitoring services to other
22 departments.

23 Sec. 214. (1) Due to the current budgetary problems in this
24 state, out-of-state travel for the fiscal year ending September 30,
25 2014 shall be limited to situations in which 1 or more of the
26 following conditions apply:

27 (a) The travel is required by legal mandate or court order or

1 for law enforcement purposes.

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

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

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

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

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

14 (2) Not later than January 1 of each year, each department
15 shall prepare a travel report listing all travel by classified and
16 unclassified employees outside this state, including travel outside
17 this state for a professional development conference or training
18 seminar, in the immediately preceding fiscal year that was funded
19 in whole or in part with funds appropriated in the department's
20 budget. The report shall be submitted to the house and senate
21 standing committees on appropriations, the house and senate fiscal
22 agencies, and the state budget director. The report shall include
23 the following information:

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

26 (b) The destination of each travel occurrence.

27 (c) The dates of each travel occurrence.

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

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

10 Sec. 215. The department shall not approve the travel of more
11 than 1 departmental employee to a specific professional development
12 conference or training seminar that is located outside of this
13 state unless the professional development conference or training
14 seminar is funded by a federal or private funding source and
15 requires more than 1 person from a department to attend, or the
16 conference or training seminar includes multiple issues in which 1
17 employee from the department does not have expertise.

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

21 Sec. 217. Not later than November 15, the department shall
22 prepare and transmit a report that provides for estimates of the
23 total general fund/general purpose appropriation lapses at the
24 close of the fiscal year. This report shall summarize the projected
25 year-end general fund/general purpose appropriation lapses by major
26 departmental program or program areas. The report shall be
27 transmitted to the office of the state budget, the chairpersons of

1 the senate and house of representatives standing committees on
2 appropriations, and the senate and house fiscal agencies.

3 Sec. 218. Amounts appropriated in part 1 for information
4 technology may be designated as work projects and carried forward
5 to support technology projects under the direction of the
6 department of technology, management, and budget. Funds designated
7 in this manner are not available for expenditure until approved as
8 work projects under section 451a of the management and budget act,
9 1984 PA 431, MCL 18.1451a.

10 Sec. 219. (1) In addition to the funds appropriated in part 1,
11 there is appropriated an amount not to exceed \$5,000,000.00 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 \$700,000.00 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 \$250,000.00 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,
27 MCL 18.1393.

1 (4) In addition to the funds appropriated in part 1, there is
2 appropriated an amount not to exceed \$3,000,000.00 for private
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 Sec. 220. (1) The department shall provide data requested by a
8 member of the legislature, his or her staff, or the house and
9 senate fiscal agencies in a timely manner. If the department fails
10 to provide reasonably requested data within 30 days after the
11 request, the state money appropriated in part 1 for state
12 board/superintendent operations shall be reduced by 1%.

13 (2) If the department fails to provide to the legislature
14 reports and other data required by boilerplate or statute within 30
15 days after the date the information is due, the state money
16 appropriated in part 1 for state board/superintendent operations
17 shall be reduced by 1%.

18 Sec. 221. 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. 225. It is the intent of the legislature that not later
25 than 60 days after the state receives audited membership counts
26 from intermediate school districts, the state superintendent of
27 public instruction shall investigate and report to the legislature

House Bill No. 4328 (H-1) as amended April 23, 2013

1 on the scope of and proposed solutions to pupil membership fraud
2 and the incidence of students counted in membership in a district
3 and not remaining in that district for the balance of the school
4 year.

5 Sec. 227. Within 14 days after the release of the executive
6 budget recommendation, the department shall provide the state
7 budget director, the senate and house appropriations chairs, the
8 senate and house appropriations subcommittees responsible for the
9 department budget, respectively, and the senate and house fiscal
10 agencies with an annual report on estimated state restricted fund
11 balances, state restricted fund projected revenues, and state
12 restricted fund expenditures for the fiscal year ending September
13 30, 2014.

14 Sec. 228. It is the intent of the legislature that all
15 principal executive departments and agencies cooperate with the
16 development and implementation of the department of technology,
17 management, and budget statewide office space consolidation plan.

18 Sec. 229. The department and the superintendent of public
19 instruction shall use funds appropriated in part 1 to ensure that
20 all of the activities and duties required to be carried out by the
21 department and the superintendent of public instruction under
22 section 1280c of the revised school code, 1976 PA 451, MCL
23 380.1280c, are completed not later than the deadlines prescribed in
24 that section.

[Sec. 230. Funds appropriated in part 1 shall not be used to fund
the common core state standards initiative or smarter balanced
assessments. Funds shall not be used to implement programs or student
assessments created by the common core state standards initiative or
smarter balanced assessments.]

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

26 Sec. 301. (1) The appropriations in part 1 may be used for per

1 diem payments to the state board for meetings at which a quorum is
2 present or for performing official business authorized by the state
3 board. The per diem payments shall be at a rate as follows:

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

5 (b) State board of education - member other than president -
6 \$100.00 per day.

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

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

13 MICHIGAN SCHOOLS FOR THE DEAF AND BLIND

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

20 Sec. 405. The department may assist the department of
21 community health, other departments, and local school districts to
22 secure reimbursement for eligible services provided in Michigan
23 schools from the federal Medicaid program. The department may
24 submit reports of direct expenses related to this effort to the
25 department of community health for reimbursement.

26 Sec. 406. (1) The Michigan schools for the deaf and blind may

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

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

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

14 Sec. 407. Revenue received by the Michigan schools for the
15 deaf and blind from gifts, bequests, and donations that is
16 unexpended at the end of the state fiscal year may be carried over
17 to the succeeding fiscal year and shall not revert to the general
18 fund.

19 **PROFESSIONAL PREPARATION SERVICES**

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

24 Sec. 502. The department shall authorize teacher preparation
25 institutions to provide an alternative program by which up to 1/2
26 of the required student internship or student teaching credits may

1 be earned through substitute teaching. The department shall require
2 that teacher preparation institutions collaborate with school
3 districts to ensure that the quality of instruction provided to
4 student teachers is comparable to that required in a traditional
5 student teaching program.

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

10 LIBRARY OF MICHIGAN

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

18 Sec. 803. It is the intent of the legislature that the library
19 of Michigan and the component programs currently within the library
20 of Michigan with the exception of the genealogical collections
21 shall be kept together in a state department.

22 Sec. 804. (1) The funds appropriated in part 1 for renaissance
23 zone reimbursements shall be used to reimburse public libraries
24 pursuant to section 12 of the Michigan renaissance zone act, 1996
25 PA 376, MCL 125.2692, for taxes levied in 2013. The allocations
26 shall be made not later than 60 days after the department of

1 treasury certifies to the department and to the state budget
2 director that the department of treasury has received all necessary
3 information to properly determine the amounts due to each eligible
4 recipient.

5 (2) If the amount appropriated under this section is not
6 sufficient to fully pay obligations under this section, payments
7 shall be prorated on an equal basis among all eligible public
8 libraries.

9 Sec. 805. (1) The funds appropriated in part 1 for MPSERS
10 payments to libraries shall be used for payments to district
11 libraries that are participating entities of the Michigan public
12 school employees' retirement system.

13 (2) Payments made under this section shall be considered to be
14 the difference between the unfunded actuarial accrued liability
15 contribution rate as calculated pursuant to section 41 of the
16 public school employees retirement act of 1979, 1980 PA 300, MCL
17 38.1341, and the maximum employer rate of 20.96% stipulated in
18 section 41 of the public school employees retirement act of 1979,
19 1980 PA 300, MCL 38.1341.

20 (3) The amount allocated to each district library under this
21 section shall be based on each district library's percentage of the
22 total covered payroll for all district libraries that are
23 participating entities for the immediately preceding fiscal year.
24 District libraries that receive funds under this section shall use
25 the funds solely for the purpose of retirement contributions as
26 specified in subsection (4).

27 (4) Each participating entity receiving funds under this

1 section shall forward an amount equal to the amount allocated under
2 subsection (3) to the retirement system in a form and manner
3 determined by the retirement system.

4 **GRANTS ADMINISTRATION AND SCHOOL SUPPORT SERVICES**

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

12 Sec. 903. By not later than March 1, 2014, the department
13 shall work with districts that operate as a school of excellence
14 cyber school as defined in section 551 of the revised school code,
15 1976 PA 451, MCL 380.551, and districts that operate an alternative
16 education program with a seat-time waiver under section 101 of the
17 state school aid act of 1979, 1979 PA 94, MCL 388.1701, to provide
18 a report to the house and senate chairpersons of the appropriations
19 subcommittees responsible for the department budget, the house and
20 senate fiscal agencies, and the state budget director on all of the
21 following:

22 (a) Each district operating a program and the districts that
23 enroll students in their program.

24 (b) The total number of students and membership pupils
25 enrolled in each program.

26 (c) The district in which each pupil is enrolled if other than

1 the district with the seat-time waiver or the cyber school.

2 (d) The district in which the pupil was enrolled prior to
3 enrolling in the cyber school or the district with a seat-time
4 waiver program.

5 (e) The number of participating students who had previously
6 dropped out of school.

7 (f) The number of participating students who had previously
8 been expelled from school.

9 (g) The cost per pupil paid to each online education provider.

10 (h) The cost per pupil charged to school districts that enroll
11 their students in the program.

12 (i) The name of each online education provider contracted by a
13 district with a seat-time waiver or a cyber school and the state in
14 which the online education provider is located.

15 **OFFICE OF GREAT START**

16 Sec. 1001. By November 1, 2013, the department shall submit a
17 report to the house and senate appropriations subcommittees on the
18 department of education budget and the house and senate fiscal
19 agencies on the number of eligible child care providers by type
20 receiving payment for child care services from the department on
21 October 1, 2013.

22 Sec. 1003. (1) The department shall provide the house and
23 senate appropriations subcommittees on the department budget with
24 an annual report on the activities of the early childhood
25 investment corporation (ECIC) for fiscal year 2011-2012 and fiscal
26 year 2012-2013. The report is due by February 15 and shall contain

1 at least the following information:

2 (a) Detail of the amounts of grants awarded.

3 (b) The grant recipients.

4 (c) The activities funded by each grant.

5 (d) An analysis of each grant recipient's success in
6 addressing the development of a comprehensive system of early
7 childhood services and supports.

8 (2) All ECIC contracts for comprehensive systems planning
9 shall be bid out through a statewide request-for-proposal process.

10

PART 2A

11

PROVISIONS CONCERNING ANTICIPATED APPROPRIATIONS

12

FOR FISCAL YEAR 2014-2015

13

GENERAL SECTIONS

14

15 Sec. 1201. It is the intent of the legislature to provide
16 appropriations for the fiscal year ending on September 30, 2015 for
17 the line items listed in part 1. The fiscal year 2014-2015
18 appropriations are anticipated to be the same as those for fiscal
19 year 2013-2014, except that the line items will be adjusted for
20 changes in caseload and related costs, federal fund match rates,
21 economic factors, and available revenue. These adjustments will be
22 determined after the January 2014 consensus revenue estimating
23 conference.

23

ARTICLE VII

DEPARTMENT OF ENVIRONMENTAL QUALITY

PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. There is appropriated for the department of environmental quality for the fiscal year ending September 30, 2014, from the following funds:

DEPARTMENT OF ENVIRONMENTAL QUALITY

APPROPRIATION SUMMARY

9	Full-time equated unclassified positions.....	6.0		
10	Full-time equated classified positions.....	1,285.5		
11	GROSS APPROPRIATION.....		\$	507,878,500
12	Interdepartmental grant revenues:			
13	Total interdepartmental grants and intradepartmental			
14	transfers			9,399,300
15	ADJUSTED GROSS APPROPRIATION.....		\$	498,479,200
16	Federal revenues:			
17	Total federal revenues.....			150,911,400
18	Special revenue funds:			
19	Total local revenues.....			0
20	Total private revenues.....			541,800
21	Total other state restricted revenues.....			320,626,100
22	State general fund/general purpose.....		\$	26,399,900
23	FUND SOURCE SUMMARY			
24	Full-time equated unclassified positions.....	6.0		
25	Full-time equated classified positions.....	1,285.5		
26	GROSS APPROPRIATION.....		\$	507,878,500
27	Interdepartmental grant revenues:			

1	IDG, MDSP.....	1,484,100
2	IDG, MDOT - Michigan transportation fund.....	1,284,900
3	IDT, interdivisional charges.....	2,053,400
4	IDT, laboratory services.....	4,576,900
5	Total interdepartmental grants and intradepartmental	
6	transfers	9,399,300
7	ADJUSTED GROSS APPROPRIATION.....	\$ 498,479,200
8	Federal revenues:	
9	Federal funds.....	150,911,400
10	Total federal revenues.....	150,911,400
11	Special revenue funds:	
12	Private funds.....	541,800
13	Total private revenues.....	541,800
14	Air emissions fees.....	10,594,000
15	Campground fund.....	362,100
16	Clean Michigan initiative - clean water fund.....	3,782,100
17	Cleanup and redevelopment fund.....	24,065,500
18	Community pollution prevention fund.....	250,000
19	Electronic waste recycling fund.....	326,300
20	Environmental education fund.....	162,900
21	Environmental pollution prevention fund.....	1,391,100
22	Environmental protection fund.....	2,814,700
23	Environmental response fund.....	6,243,400
24	Fees and collections.....	492,100
25	Financial instruments.....	5,000,000
26	Great Lakes protection fund.....	212,500
27	Groundwater discharge permit fees.....	1,680,800

1	Hazardous materials transportation permit fund.....	780,500
2	Infrastructure construction fund.....	100,000
3	Land and water permit fees.....	3,296,800
4	Landfill maintenance trust fund.....	30,100
5	Medical waste emergency response fund.....	344,000
6	Metallic mining surveillance fee revenue.....	162,500
7	Mineral well regulatory fee revenue.....	230,200
8	Nonferrous metallic mineral surveillance.....	102,100
9	NPDES fees.....	4,469,800
10	Oil and gas regulatory fund.....	11,177,400
11	Orphan well fund.....	2,356,800
12	Public swimming pool fund.....	738,800
13	Public utility assessments.....	282,800
14	Public water supply fees.....	5,082,900
15	Refined petroleum fund.....	50,447,600
16	Retired engineers technical assistance fund.....	1,014,400
17	Revitalization revolving loan fund.....	99,900
18	Revolving loan revenue bonds.....	11,400,000
19	Sand extraction fee revenue.....	102,800
20	Scrap tire regulatory fund.....	5,096,400
21	Septage waste contingency fund.....	17,800
22	Septage waste program fund.....	635,600
23	Settlement funds.....	641,600
24	Sewage sludge land application fee.....	1,147,500
25	Small business pollution prevention revolving loan	
26	fund	168,200
27	Soil erosion and sedimentation control training fund.	155,900

1	Solid waste management fund - staff account		5,422,700
2	Stormwater permit fees		3,302,600
3	Strategic water quality initiatives fund		140,766,500
4	Waste reduction fee revenue		6,281,400
5	Wastewater operator training fees		691,100
6	Water analysis fees		2,558,800
7	Water pollution control revolving fund		3,757,300
8	Water quality protection fund		100,000
9	Water use reporting fees		285,800
10	Total other state restricted revenues		320,626,100
11	State general fund/general purpose	\$	26,399,900
12	Sec. 102. EXECUTIVE OPERATIONS		
13	Full-time equated unclassified positions.....	6.0	
14	Full-time equated classified positions.....	13.0	
15	Unclassified salaries--6.0 FTE positions	\$	695,100
16	Executive direction--13.0 FTE positions		<u>1,973,500</u>
17	GROSS APPROPRIATION	\$	2,668,600
18	Appropriated from:		
19	Federal revenues:		
20	Federal funds		38,900
21	Special revenue funds:		
22	Environmental response fund		214,200
23	Oil and gas regulatory fund		391,900
24	Refined petroleum fund		580,900
25	Settlement funds		67,600
26	State general fund/general purpose	\$	1,375,100
27	Sec. 103. OFFICE OF THE GREAT LAKES		

1	Full-time equated classified positions.....	12.0		
2	Office of the Great Lakes--12.0 FTE positions.....		\$	2,351,800
3	Coastal management grants.....			<u>1,750,000</u>
4	GROSS APPROPRIATION.....		\$	4,101,800
5	Appropriated from:			
6	Federal revenues:			
7	Federal funds.....			3,415,700
8	Special revenue funds:			
9	Great Lakes protection fund.....			212,500
10	Settlement funds.....			111,300
11	State general fund/general purpose.....		\$	362,300
12	Sec. 104. GREAT LAKES RESTORATION INITIATIVE			
13	Full-time equated classified positions.....	6.0		
14	Great Lakes restoration initiative--6.0 FTE positions.....		\$	<u>15,020,600</u>
15	GROSS APPROPRIATION.....		\$	15,020,600
16	Appropriated from:			
17	Special revenue funds:			
18	Federal funds.....			15,020,600
19	State general fund/general purpose.....		\$	0
20	Sec. 105. DEPARTMENT SUPPORT SERVICES			
21	Full-time equated classified positions.....	34.0		
22	Central support services--34.0 FTE positions.....		\$	4,013,700
23	Accounting service center.....			1,246,000
24	Administrative hearings.....			581,900
25	Automated data processing.....			2,053,400
26	Building occupancy charges.....			6,388,100
27	Environmental support projects.....			5,000,000

1	Rent - privately owned property.....	<u>2,152,100</u>
2	GROSS APPROPRIATION.....	\$ 21,435,200
3	Appropriated from:	
4	Interdepartmental grant revenues:	
5	IDG, MDSP.....	164,800
6	IDT, interdivisional charges.....	2,053,400
7	IDT, laboratory services.....	459,100
8	Federal revenues:	
9	Federal funds.....	5,400
10	Special revenue funds:	
11	Air emissions fees.....	1,386,700
12	Campground fund.....	46,600
13	Cleanup and redevelopment fund.....	2,065,500
14	Electronic waste recycling fund.....	21,300
15	Environmental pollution prevention fund.....	358,800
16	Environmental response fund.....	634,600
17	Fees and collections.....	41,000
18	Financial instruments.....	5,000,000
19	Groundwater discharge permit fees.....	166,200
20	Hazardous materials transportation permit fund.....	40,700
21	Land and water permit fees.....	460,400
22	Medical waste emergency response fund.....	33,500
23	Metallic mining surveillance fee revenue.....	15,200
24	Mineral well regulatory fee revenue.....	19,000
25	NPDES fees.....	297,300
26	Oil and gas regulatory fund.....	821,400
27	Orphan well fund.....	56,600

1	Public swimming pool fund.....	48,800
2	Public utility assessments.....	40,200
3	Public water supply fees.....	369,600
4	Refined petroleum fund.....	1,579,600
5	Sand extraction fee revenue.....	13,100
6	Scrap tire regulatory fund.....	182,900
7	Septage waste program fund.....	82,500
8	Settlement funds.....	205,300
9	Sewage sludge land application fee.....	147,600
10	Small business pollution prevention revolving loan	
11	fund	24,800
12	Soil erosion and sedimentation control training fund.	13,200
13	Solid waste management fund - staff account.....	654,900
14	Stormwater permit fees.....	160,000
15	Waste reduction fee revenue.....	787,400
16	Wastewater operator training fees.....	73,700
17	Water analysis fees.....	232,500
18	Water use reporting fees.....	32,000
19	State general fund/general purpose.....	\$ 2,639,600
20	Sec. 106. OFFICE OF ENVIRONMENTAL ASSISTANCE	
21	Full-time equated classified positions.....	44.0
22	Office of environmental assistance--44.0 FTE positions	\$ 5,187,200
23	Pollution prevention local grants.....	<u>250,000</u>
24	GROSS APPROPRIATION.....	\$ 5,437,200
25	Appropriated from:	
26	Federal revenues:	
27	Federal funds.....	923,200

1	Special revenue funds:		
2	Private funds.....		356,600
3	Air emissions fees.....		133,600
4	Community pollution prevention fund.....		250,000
5	Environmental education fund.....		162,900
6	Fees and collections.....		117,600
7	Retired engineers technical assistance fund.....		1,014,400
8	Settlement funds.....		257,400
9	Small business pollution prevention revolving loan		
10	fund		131,600
11	Waste reduction fee revenue.....		2,089,900
12	State general fund/general purpose.....	\$	0
13	Sec. 107. WATER RESOURCES DIVISION		
14	Full-time equated classified positions.....	325.0	
15	Land and water interface permit programs--86.0 FTE		
16	positions		\$ 12,569,400
17	Program direction and project assistance--30.0 FTE		
18	positions		2,921,100
19	Water withdrawal assessment program--4.0 FTE positions		583,700
20	Expedited water/wastewater permits--3.0 FTE positions		100,000
21	Fish contaminant monitoring.....		316,100
22	NPDES nonstormwater program--89.0 FTE positions		12,648,800
23	Surface water--91.0 FTE positions.....		16,621,800
24	Groundwater discharge--22.0 FTE positions.....		2,931,600
25	Federal - Great Lakes remedial action plan grants		700,000
26	Federal - nonpoint source water pollution grants		6,500,000
27	Water quality protection grants.....		100,000

1	Wetland mitigation banking grants and loans	<u>3,000,000</u>
2	GROSS APPROPRIATION.....	\$ 58,992,500
3	Appropriated from:	
4	Interdepartmental grant revenues:	
5	IDG, MDOT - Michigan transportation fund.....	1,209,200
6	Federal revenues:	
7	Federal funds.....	23,211,600
8	Special revenue funds:	
9	Clean Michigan initiative fund - clean water fund....	3,782,100
10	Environmental protection fund.....	668,100
11	Environmental response fund.....	199,900
12	Groundwater discharge permit fees.....	1,430,700
13	Infrastructure construction fund.....	100,000
14	Land and water permit fees.....	2,546,700
15	NPDES fees.....	4,029,100
16	Refined petroleum fund.....	439,500
17	Soil erosion and sedimentation control training fund.	136,400
18	Stormwater permit fees.....	3,062,600
19	Strategic quality initiatives fund.....	3,000,000
20	Wastewater operator training fees.....	334,200
21	Water pollution control revolving fund.....	802,400
22	Water quality protection fund.....	100,000
23	Water use reporting fees.....	237,900
24	State general fund/general purpose.....	\$ 13,702,100
25	Sec. 108. LAW ENFORCEMENT DIVISION	
26	Full-time equated classified positions.....	14.0
27	Environmental investigations--14.0 FTE positions.....	<u>\$ 2,457,700</u>

1	GROSS APPROPRIATION.....	\$	2,457,700
2	Appropriated from:		
3	Federal revenues:		
4	Federal funds.....		818,500
5	Special revenue funds:		
6	Air emissions fees.....		55,700
7	Campground fund.....		5,300
8	Cleanup and redevelopment fund.....		231,900
9	Electronic waste recycling fund.....		2,400
10	Environmental pollution prevention fund.....		39,700
11	Environmental response fund.....		95,900
12	Fees and collections.....		5,100
13	Groundwater discharge permit fees.....		19,300
14	Hazardous materials transportation permit fund.....		4,200
15	Land and water permit fees.....		37,400
16	Medical waste emergency response fund.....		3,400
17	Metallic mining surveillance fee revenue.....		1,700
18	Mineral well regulatory fee revenue.....		2,100
19	NPDES fees.....		28,400
20	Oil and gas regulatory fund.....		147,200
21	Orphan well fund.....		6,400
22	Public swimming pool fund.....		5,400
23	Public utility assessments.....		4,300
24	Public water supply fees.....		41,100
25	Refined petroleum fund.....		377,600
26	Sand extraction fee revenue.....		1,000
27	Scrap tire regulatory fund.....		37,900

1	Septage waste program fund.....		9,400
2	Sewage sludge land application fee.....		16,400
3	Small business pollution prevention revolving loan		
4	fund		2,900
5	Soil erosion and sedimentation control training fund.		1,200
6	Solid waste management fund - staff account.....		74,500
7	Stormwater permit fees.....		18,900
8	Waste reduction fee revenue.....		98,800
9	Wastewater operator training fees.....		8,100
10	Water analysis fees.....		26,200
11	Water use reporting fees.....		3,600
12	State general fund/general purpose.....	\$	225,800
13	Sec. 109. AIR QUALITY DIVISION		
14	Full-time equated classified positions.....	203.0	
15	Air quality programs--203.0 FTE positions.....	\$	<u>25,501,600</u>
16	GROSS APPROPRIATION.....	\$	25,501,600
17	Appropriated from:		
18	Federal revenues:		
19	Federal funds.....		7,470,700
20	Special revenue funds:		
21	Air emissions fees.....		8,480,000
22	Fees and collections.....		279,200
23	Oil and gas regulatory fund.....		133,200
24	Refined petroleum fund.....		3,551,500
25	Waste reduction fee revenue.....		1,320,300
26	State general fund/general purpose.....	\$	4,266,700
27	Sec. 110. RESOURCE MANAGEMENT DIVISION		

1	Full-time equated classified positions.....	322.5	
2	Drinking water and environmental health--106.5 FTE		
3	positions		\$ 15,919,100
4	Sewage sludge land application program--6.0 FTE		
5	positions		928,000
6	Hazardous waste management program--51.0 FTE positions		6,331,600
7	Low-level radioactive waste authority--2.0 FTE		
8	positions		225,000
9	Medical waste program--2.0 FTE positions		294,300
10	Municipal assistance--34.0 FTE positions		6,481,400
11	Radiological protection program--12.0 FTE positions ..		1,584,800
12	Scrap tire regulatory program--11.0 FTE positions		1,307,700
13	Oil, gas and mineral services--61.0 FTE positions		11,916,700
14	Solid waste management program--37.0 FTE positions ...		4,872,000
15	Drinking water program grants		1,330,000
16	Noncommunity water grants		2,000,000
17	Septage waste compliance grants		275,000
18	Strategic water quality initiative loans		9,600,000
19	Strategic water quality initiative grants and loans ..		97,000,000
20	Water pollution control and drinking water revolving		
21	fund		85,296,800
22	Radon grants		90,000
23	Scrap tire grants		<u>3,500,000</u>
24	GROSS APPROPRIATION		\$ 248,952,400
25	Appropriated from:		
26	Interdepartmental grant revenues:		
27	IDG, MDSP		1,257,800

1	Federal revenues:	
2	Federal funds.....	89,348,900
3	Special revenue funds:	
4	Campground fund.....	292,500
5	Electronic waste recycling fund.....	294,600
6	Environmental pollution prevention fund.....	856,500
7	Fees and collections.....	33,800
8	Hazardous materials transportation permit fund.....	720,100
9	Medical waste emergency response fund.....	294,300
10	Metallic mining surveillance fee revenue.....	139,800
11	Mineral well regulatory fee revenue.....	201,800
12	Nonferrous metallic mineral surveillance.....	102,100
13	Oil and gas regulatory fund.....	9,117,300
14	Orphan well fund.....	2,272,000
15	Public swimming pool fund.....	665,800
16	Public utility assessments.....	225,000
17	Public water supply fees.....	4,198,100
18	Refined petroleum fund.....	664,500
19	Revolving loan revenue bonds.....	11,400,000
20	Sand extraction fee revenue.....	83,700
21	Scrap tire regulatory fund.....	4,807,700
22	Septage waste contingency fund.....	17,800
23	Septage waste program fund.....	512,300
24	Sewage sludge land application fee.....	928,000
25	Solid waste management fund - staff account.....	4,399,900
26	Strategic water quality initiatives fund.....	107,766,500
27	Waste reduction fee revenue.....	1,677,500

1	Wastewater operator training fees.....		247,000
2	Water pollution control revolving fund.....		2,798,300
3	State general fund/general purpose.....	\$	3,628,800
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	Emergency cleanup actions.....		4,000,000
11	Environmental cleanup support.....		1,840,000
12	Environmental cleanup and redevelopment program.....		30,000,000
13	Refined petroleum product cleanup program.....		32,500,000
14	Superfund cleanup.....		<u>3,000,000</u>
15	GROSS APPROPRIATION.....	\$	115,170,500
16	Appropriated from:		
17	Interdepartmental grant revenues:		
18	IDT, laboratory services.....		4,017,900
19	Federal revenues:		
20	Federal funds.....		8,965,100
21	Special revenue funds:		
22	Private funds.....		185,200
23	Cleanup and redevelopment fund.....		20,915,200
24	Environmental protection fund.....		2,142,000
25	Environmental response fund.....		4,728,700
26	Landfill maintenance trust fund.....		30,100
27	Public water supply fees.....		300,200

1	Refined petroleum fund.....	41,575,400
2	Revitalization revolving loan fund.....	99,900
3	Strategic water quality initiatives fund.....	30,000,000
4	Water analysis fees.....	2,210,800
5	State general fund/general purpose.....	\$ 0
6	Sec. 112. INFORMATION TECHNOLOGY	
7	Information technology services and projects.....	\$ <u>8,140,400</u>
8	GROSS APPROPRIATION.....	\$ 8,140,400
9	Appropriated from:	
10	Interdepartmental grant revenues:	
11	IDG, MDSP.....	61,500
12	IDG, MDOT - Michigan transportation fund.....	75,700
13	IDT, laboratory services.....	99,900
14	Federal revenues:	
15	Federal funds.....	1,692,800
16	Special revenue funds:	
17	Air emission fees.....	538,000
18	Campground fund.....	17,700
19	Cleanup and redevelopment fund.....	852,900
20	Electronic waste recycling fund.....	8,000
21	Environmental pollution prevention fund.....	136,100
22	Environmental protection fund.....	4,600
23	Environmental response fund.....	370,100
24	Fees and collections.....	15,400
25	Groundwater discharge permit fees.....	64,600
26	Hazardous materials transportation permit fund.....	15,500
27	Land and water permit fees.....	252,300

1	Medical waste emergency response fund.....	12,800
2	Metallic mining surveillance fee revenue.....	5,800
3	Mineral well regulatory fee revenue.....	7,300
4	NPDES fees.....	115,000
5	Oil and gas regulatory fund.....	566,400
6	Orphan well fund.....	21,800
7	Public swimming pool fund.....	18,800
8	Public utility assessments.....	13,300
9	Public water supply fees.....	173,900
10	Refined petroleum fund.....	1,678,600
11	Sand extraction fee revenue.....	5,000
12	Scrap tire regulatory fund.....	67,900
13	Septage waste program fund.....	31,400
14	Sewage sludge land application fee.....	55,500
15	Small business pollution prevention revolving loan	
16	fund	8,900
17	Soil erosion and sedimentation control training fund.	5,100
18	Solid waste management fund - staff account.....	293,400
19	Stormwater permit fees.....	61,100
20	Waste reduction fee revenue.....	307,500
21	Wastewater operator training fees.....	28,100
22	Water analysis fees.....	89,300
23	Water pollution control revolving fund.....	156,600
24	Water use reporting fees.....	12,300
25	State general fund/general purpose.....	\$ 199,500

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 \$347,026,000.00 and state spending from state resources to be paid to local units of government for fiscal year 2013-2014 is \$2,775,000.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

GRANTS

Noncommunity water grants.....	\$	2,000,000
Scrap tire grants.....		500,000
Septage waste compliance program.....		<u>275,000</u>
TOTAL.....	\$	2,775,000

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:

- (a) "Department" means the department of environmental quality.
- (b) "Director" means the director of the department.
- (c) "FTE" means full-time equated.
- (d) "IDG" means interdepartmental grant.
- (e) "IDT" means intradepartmental transfer.
- (f) "MDOT" means the state transportation department.

1 (g) "MDSP" means the department of state police.

2 (h) "NPDES" means national pollution discharge elimination
3 system.

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

9 Sec. 205. Unless otherwise specified, the department shall use
10 the Internet to fulfill the reporting requirements of part 1. This
11 requirement may include transmission of reports via electronic mail
12 to the recipients identified for each reporting requirement, or it
13 may include placement of reports on an Internet or Intranet site.

14 Sec. 206. Amounts appropriated in part 1 for information
15 technology may be designated as work projects and carried forward
16 to support technology projects under the direction of the
17 department of technology, management, and budget. Funds designated
18 in this manner are not available for expenditure until approved as
19 work projects under section 451a of the management and budget act,
20 1984 PA 431, MCL 18.1451a.

21 Sec. 207. The department and agencies receiving appropriations
22 in part 1 shall receive and retain copies of all reports funded
23 from appropriations in part 1. Federal and state guidelines for
24 short-term and long-term retention of records shall be followed.
25 The department may electronically retain copies of reports unless
26 otherwise required by federal and state guidelines.

27 Sec. 208. From the funds appropriated in part 1 for

1 information technology, departments and agencies shall pay user
2 fees to the department of technology, management, and budget for
3 technology-related services and projects. The user fees shall be
4 subject to provisions of an interagency agreement between the
5 department and agencies and the department of technology,
6 management, and budget.

7 Sec. 209. The departments and agencies receiving
8 appropriations in part 1 shall prepare a report on out-of-state
9 travel expenses not later than January 1 of each year. The travel
10 report shall be a listing of all travel by classified and
11 unclassified employees outside this state in the immediately
12 preceding fiscal year that was funded in whole or in part with
13 funds appropriated in the department's budget. The report shall be
14 submitted to the house and senate standing committees on
15 appropriations, the house and senate fiscal agencies, and the state
16 budget director. The report shall include the following
17 information:

18 (a) The dates of each travel occurrence.

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

24 Sec. 210. Funds appropriated in part 1 shall not be used for
25 the purchase of foreign goods or services, or both, if
26 competitively priced and of comparable quality American goods or
27 services, or both, are available. Preference shall be given to

1 goods or services, or both, manufactured or provided by Michigan
2 businesses and associated subcontractors if they are competitively
3 priced and of comparable quality. In addition, preference shall be
4 given to goods or services, or both, that are manufactured or
5 provided by Michigan businesses owned and operated by veterans, if
6 they are competitively priced and of comparable quality.

7 Sec. 211. The director shall take all reasonable steps to
8 ensure businesses in deprived and depressed communities compete for
9 and perform contracts to provide services or supplies, or both. The
10 director shall strongly encourage firms with which the department
11 contracts to subcontract with certified businesses in depressed and
12 deprived communities for services, supplies, or both.

13 Sec. 212. 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. 213. (1) Funds appropriated in part 1 shall not be used
17 by the department to promulgate a rule that will apply to a small
18 business and that will have a disproportionate economic impact on
19 small businesses because of the size of those businesses if the
20 department fails to reduce the disproportionate economic impact of
21 the rule on small businesses as provided under section 40 of the
22 administrative procedures act of 1969, 1969 PA 306, MCL 24.240.

23 (2) As used in this section:

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

26 (b) "Small business" means that term as defined under section
27 7a of the administrative procedures act of 1969, 1969 PA 306, MCL

1 24.207a.

2 Sec. 214. Funds appropriated in part 1 shall not be used by a
3 principal executive department, state agency, or authority to hire
4 a person to provide legal services that are the responsibility of
5 the attorney general. This prohibition does not apply to legal
6 services for bonding activities and for those activities that the
7 attorney general authorizes.

8 Sec. 215. (1) In addition to the funds appropriated in part 1,
9 there is appropriated an amount not to exceed \$30,000,000.00 for
10 federal contingency funds. These funds are not available for
11 expenditure until they have been transferred to another line item
12 in part 1 under section 393(2) of the management and budget act,
13 1984 PA 431, MCL 18.1393.

14 (2) In addition to the funds appropriated in part 1, there is
15 appropriated an amount not to exceed \$5,000,000.00 for state
16 restricted contingency funds. These funds are not available for
17 expenditure until they have been transferred to another line item
18 in part 1 under section 393(2) of the management and budget act,
19 1984 PA 431, MCL 18.1393.

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

26 (4) In addition to the funds appropriated in part 1, there is
27 appropriated an amount not to exceed \$500,000.00 for private

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

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

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

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

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

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

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

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

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

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

5 (a) The status of all state-owned facilities that are on the
6 list compiled under part 201 of the natural resources and
7 environmental protection act, 1994 PA 451, MCL 324.20101 to
8 324.20142.

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

12 (c) The total amount of bonds issued for the environmental
13 protection bond program pursuant to part 193 of the natural
14 resources and environmental protection act, 1994 PA 451, MCL
15 324.19301 to 324.19306, and bonds issued pursuant to the clean
16 Michigan initiative act, 1998 PA 284, MCL 324.95101 to 324.95108.

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

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

25 (2) Unexpended and unencumbered amounts remaining from
26 appropriations from the environmental protection bond fund
27 contained in 1991 PA 160, 2003 PA 173, 2005 PA 109, 2006 PA 343,

1 2011 PA 63, and 2012 PA 236 are appropriated for expenditure for
2 any site listed in this part and any site listed in the public acts
3 referenced in this section.

4 (3) Unexpended and unencumbered amounts remaining from
5 appropriations from the clean Michigan initiative fund - response
6 activities contained in 2000 PA 52, 2001 PA 120, 2004 PA 309, 2005
7 PA 11, 2006 PA 343, 2007 PA 121, and 2011 PA 63 are appropriated
8 for expenditure for any site listed in this part and any site
9 listed in the public acts referenced in this section.

10 (4) Unexpended and unencumbered amounts remaining from
11 appropriations from the refined petroleum fund activities contained
12 in 2007 PA 121, 2008 PA 247, 2009 PA 118, 2010 PA 189, 2011 PA 63,
13 and 2012 PA 200 are appropriated for expenditure for any site
14 listed in this part and any site listed in the public acts
15 referenced in this section.

16 (5) Unexpended and unencumbered amounts remaining from the
17 appropriations from the strategic water quality initiatives fund
18 contained in 2011 PA 50, 2011 PA 63, and 2012 PA 200 are
19 appropriated for expenditure for any site listed in this part and
20 any site listed in the public acts referenced in this section.

21 Sec. 218. It is the intent of the legislature that all
22 principal executive departments and agencies cooperate with the
23 development and implementation of the department of technology,
24 management, and budget statewide office space consolidation plan.

25 Sec. 219. Unexpended settlement revenues at the end of the
26 fiscal year may be carried forward into the settlement fund in the
27 succeeding fiscal year up to a maximum carryforward of

1 \$2,500,000.00.

2 Sec. 221. Not later than November 15, the state budget office
3 shall prepare and transmit a report that provides for estimates of
4 the total general fund/general purpose appropriation lapses at the
5 close of the previous fiscal year. This report shall summarize the
6 projected year-end general fund/general purpose appropriation
7 lapses by major departmental program or program areas. The report
8 shall be transmitted to the chairpersons of the senate and house of
9 representatives standing committees on appropriations and the
10 senate and house fiscal agencies.

11 Sec. 222. Within 14 days after the release of the executive
12 budget recommendation, the department shall cooperate with the
13 state budget office to provide the state budget director, the
14 senate and house appropriations chairs, the senate and house
15 appropriations subcommittees on environmental quality,
16 respectively, and the senate and house fiscal agencies with an
17 annual report on estimated state restricted fund balances, state
18 restricted fund projected revenues, and state restricted fund
19 expenditures for the fiscal years ending September 30, 2013 and
20 September 30, 2014.

21 Sec. 223. Part 1 provides authorizations to fund 1,285.5 FTE
22 classified positions during the fiscal year ending September 30,
23 2014. Line-item appropriations include limitations on the number of
24 payroll hours to be funded, on the basis of 2,088 hours per each
25 FTE position. The department shall report the number of funded FTE
26 positions within 15 days after the effective date of this act. The
27 number of classified employees compensated through each line item

1 is limited by the authorized FTE positions indicated in part 1, as
2 adjusted for the number of reported funded FTE positions. The
3 report shall be provided to the house and senate appropriations
4 subcommittees on environmental quality and the house and senate
5 fiscal agencies.

6 Sec. 224. On a quarterly basis, the department shall report on
7 the number of FTEs in pay status by civil service classification to
8 the senate and house appropriations subcommittees on environmental
9 quality and the senate and house fiscal agencies.

10 Sec. 225. The department shall cooperate with the department
11 of technology, management, and budget to maintain a searchable
12 website accessible by the public at no cost that includes, but is
13 not limited to, all of the following:

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

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

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

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

21 (e) Job specifications and wage rates.

22 Sec. 227. The department shall provide a report on the
23 implementation of a permit application status tracking tool on the
24 department's public Internet website to the house and senate
25 appropriations subcommittees on environmental quality, the standing
26 committees of the house and senate with primary responsibility for
27 environmental quality issues, and the house and senate fiscal

1 agencies by December 31, 2013. This permit application status
2 tracking tool shall allow permit applicants and the general public
3 to track and review pending permit applications. Searchable
4 parameters shall include, but are not limited to, applicant name
5 and address, county of request, date of application, most recent
6 activity, and status of the permit application. The report shall
7 include a list of all actions and program changes taken to
8 implement the tracking tool and the date the tool became available
9 for public use on the Internet.

10 Sec. 228. The department shall provide a report on the
11 customer satisfaction evaluation program and the feedback received
12 to the house and senate appropriations subcommittees on
13 environmental quality and the house and senate fiscal agencies by
14 July 1, 2014.

15 Sec. 229. The department shall provide a report on the
16 expedited permitting program to the house and senate appropriations
17 subcommittees on environmental quality and the house and senate
18 fiscal agencies by July 1, 2014. The report shall include a list of
19 all actions and program changes taken to implement the expedited
20 permitting program and which programs have implemented the
21 expedited permitting program.

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

26 Sec. 232. Effective October 1, 2013, surplus funds not to
27 exceed \$72,600.00 in the publication revenue fund are appropriated

1 to the oil and gas regulatory fund created in section 61525b of the
2 natural resources and environmental protection act, 1994 PA 451,
3 MCL 324.61525b.

4 **REMEDICATION DIVISION**

5 Sec. 301. Revenues remaining in the interdepartmental
6 transfers, laboratory services at the end of the fiscal year shall
7 carry forward into the succeeding fiscal year.

8 Sec. 302. The unexpended funds appropriated in part 1 for
9 emergency cleanup actions, the environmental cleanup and
10 redevelopment program, and the refined petroleum product cleanup
11 program are considered work project appropriations and any
12 unencumbered or unallotted funds are carried forward into the
13 succeeding fiscal year. The following is in compliance with section
14 451a(1) of the management and budget act, 1984 PA 431, MCL
15 18.1451a:

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

18 (b) The projects will be accomplished by contract.

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

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

22 Sec. 303. Effective October 1, 2013, surplus funds not to
23 exceed \$1,000,000.00 in the cleanup and redevelopment trust fund
24 are appropriated to the environmental protection fund created in
25 section 503a of the natural resources and environmental protection
26 act, 1994 PA 451, MCL 324.503a.

1 Sec. 304. Effective October 1, 2013, surplus funds not to
2 exceed \$1,000,000.00 in the community pollution prevention fund
3 created in section 3f of 1976 IL 1, MCL 445.573f, are appropriated
4 to the environmental protection fund created in section 503a of the
5 natural resources and environmental protection act, 1994 PA 451,
6 MCL 324.503a.

7 Sec. 305. It is the intent of the legislature to repay the
8 refined petroleum fund for the \$70,000,000.00 that was transferred
9 to the environmental protection fund created in section 503a of the
10 natural resources and environmental protection act, 1994 PA 451,
11 MCL 324.503a, as part of the resolution for the fiscal year 2006-
12 2007 budget.

13 Sec. 306. (1) The funds appropriated in part 1 for the refined
14 petroleum product cleanup program shall be used to fund cleanup
15 activities on the following sites:

16 Site Name	County
17 Midway Resort Inc.	Alger
18 Country Party Store	Alpena
19 Hubbard Lake General Store	Alpena
20 Don's Auto	Antrim
21 Res. Wells Torch Lake Twp.	Antrim
22 Bud's in Honor	Benzie
23 Frankfort Station	Benzie
24 Randy's Amoco	Berrien
25 Baker Oil (E. Michigan)	Calhoun
26 Clark #767 (Marshall)	Calhoun
27 Clark #768 (Albion)	Calhoun

1	Clark Service Station #500	Calhoun
2	Pioneer Auto Truck Stop	Calhoun
3	Te-Khi Truck Auto Plaza Inc.	Calhoun
4	Dave's Repair	Cass
5	Herb's Auto Care	Cass
6	Unocal 76, Edwardsburg (Energy Oil)	Cass
7	Arnold's Bait and Tackle	Charlevoix
8	Clare's Country Corners	Charlevoix
9	Cook Corporation Site	Cheboygan
10	Corner Store	Cheboygan
11	Donald Johnson	Cheboygan
12	The Depot	Clare
13	State Road Service	Clinton
14	Bay Petroleum Corp.	Eaton
15	South End Mobil	Eaton
16	Farmers Petroleum Coop - Petoskey	Emmet
17	Odyssey House, Flint	Genesee
18	Spartan Express (truck terminal)	Genesee
19	Taber's Oil Co., Inc.	Genesee
20	Watkins & Himelhoch Inc.	Genesee
21	Estey Service Station	Gladwin
22	Three Rivers Store	Gladwin
23	Wilson's Grocery	Gratiot
24	Action Auto Store #30	Ingham
25	Bay Gas Station, 3306 N. East St.	Ingham
26	Clark Station #1995	Ingham
27	Former Clark #531	Ingham

1	Fresh-Up Car Wash	Ingham
2	Miller Oil Company	Ingham
3	Washington, 114 N.	Iosco
4	Beach Products	Kalamazoo
5	Davis Country Corners	Kalkaska
6	1200 Monroe Avenue NW	Kent
7	1558 28th Street SW	Kent
8	Lakeside Resort and Party Store	Leelanau
9	Ralph Herman Farms	Leelanau
10	Blissfield Marathon	Lenawee
11	Clark 1457 Adrian	Lenawee
12	Lakeland Montessori School	Livingston
13	Leon Bonner Prop	Livingston
14	Millies Market (dba Toms)	Livingston
15	The Clark Station #2128	Livingston
16	The Oasis Truck Stop	Livingston
17	White Star Tavern	Manistee
18	Travis Thurow Property	Mason
19	Morley General Store	Mecosta
20	Cole's Garage (Allen J Cole)	Midland
21	Dutch Hutch	Missaukee
22	A-1 Party Mart	Montmorency
23	Sports Center, Inc.	Montmorency
24	Ravenna Sunoco	Muskegon
25	Star Mini-Mart #2	Muskegon
26	Village of Ravenna	Muskegon
27	Clear Lake (2 - 213 sites combined)	Ogemaw

1	Hersey Party Store	Osceola
2	Onaway Tax Service	Presque Isle
3	Clark #1072	Saginaw
4	H+Z Oil (Imperial #43)	Saginaw
5	M+K Investments (Imperial #41)	Saginaw
6	Norge Village	Saginaw
7	AMCO Group	Sanilac
8	Sangster property	Sanilac
9	Raymond Ayotte	Shiawassee
10	Duff's Shell	St. Joseph
11	State-Wide 213 Triage	Statewide
12	Clark Service Station #1586, Former	Tuscola
13	Elm Street, 3474	Tuscola
14	Broekhutzen Produce	Van Buren
15	Anmas Inc.	Wayne

16 (2) The department shall provide a report to the legislature
17 on the amount actually spent at each site listed in subsection (1)
18 and give a detailed account of the work actually performed at each
19 site.

20 Sec. 307. The department shall provide a report on the results
21 of the Wickes Manufacturing TCE plume site engineering study which
22 was funded by 2012 PA 200. The report shall be prepared and
23 transmitted to the house and senate appropriations subcommittees on
24 environmental quality and the house and senate fiscal agencies not
25 later than November 15, 2013.

26 Sec. 310. (1) Upon approval by the state budget director, the
27 department may expend from the general fund of the state an amount

1 to meet the cash-flow requirements of projects funded under any of
2 the following that are financed from bond proceeds and for which
3 bonds have been authorized but not yet issued:

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

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

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

10 (2) Upon the sale of bonds for projects described in
11 subsection (1), the department shall credit the general fund of the
12 state an amount equal to that expended from the general fund.

13 WATER RESOURCES DIVISION

14 Sec. 401. From the funds appropriated in part 1 for surface
15 water, not less than \$700,000.00 and 5.0 FTEs shall be allocated to
16 support the permit review program within the aquatic nuisance
17 control program. The department shall report to the house and
18 senate appropriations subcommittees on environmental quality and
19 the house and senate fiscal agencies by September 30, 2013 on the
20 use of this funding and the number of permit applications processed
21 by the program in 2013.

22 Sec. 405. If a certified health department does not exist in a
23 city, county, or district or does not fulfill its responsibilities
24 under part 117 of the natural resources and environmental
25 protection act, 1994 PA 451, MCL 324.11701 to 324.11720, then the
26 department may spend funds appropriated in part 1 under the septage

1 waste compliance program in accordance with section 11716 of the
2 natural resources and environmental protection act, 1994 PA 451,
3 MCL 324.11716.

4 Sec. 406. From the funds appropriated in part 1 for surface
5 water, not less than \$100,000 and 1.0 FTE shall be allocated to
6 support the wetlands ombudsman position. The ombudsman shall
7 address the impact of wetland regulations on agricultural expansion
8 in this state and assist the agricultural specialty crop industry
9 with development of cost-effective options for mitigating wetland
10 impacts.

11 **RESOURCE MANAGEMENT DIVISION**

12 Sec. 602. (1) The department is encouraged to use available
13 pollution prevention funds and work with local public health
14 departments, the department of agriculture and rural development,
15 and the United States department of agriculture to maintain and
16 expand programs for the safe disposal of hazardous household
17 chemicals and prescription drugs.

18 (2) The department shall report to the house and senate
19 appropriations subcommittees on environmental quality and the house
20 and senate fiscal agencies by March 1, 2014 on clean sweep
21 locations in this state and on factors affecting program success
22 and expansion including funding requirements.

23

PART 2A

24

PROVISIONS CONCERNING ANTICIPATED APPROPRIATIONS

FOR FISCAL YEAR 2014-2015

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GENERAL SECTIONS

Sec. 1201. It is the intent of the legislature to provide appropriations for the fiscal year ending on September 30, 2015 for the line items listed in part 1. The fiscal year 2014-2015 appropriations are anticipated to be the same as those for fiscal year 2013-2014, except that the line items will be adjusted for changes in caseload and related costs, federal fund match rates, economic factors, and available revenue. These adjustments will be determined after the January 2014 consensus revenue estimating conference.

ARTICLE VIII

GENERAL GOVERNMENT

PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. There is appropriated for the legislature, the executive, the department of attorney general, the department of state, the department of treasury, the department of technology, management, and budget, the department of civil rights, and certain state purposes related thereto, for the fiscal year ending September 30, 2014, from the following funds:

TOTAL GENERAL GOVERNMENT

APPROPRIATION SUMMARY

Full-time equated unclassified positions	44.0
Full-time equated classified positions	7,596.7

House Bill No. 4328 (H-1) as amended April 23, 2013

1	GROSS APPROPRIATION.....	[\$4,290,796,400]
2	Interdepartmental grant revenues:	
3	Total interdepartmental grants and intradepartmental	
4	transfers	738,837,400
5	ADJUSTED GROSS APPROPRIATION.....	[\$3,551,959,000]
6	Federal revenues:	
7	Total federal revenues.....	700,910,000
8	Special revenue funds:	
9	Total local revenues.....	7,713,800
10	Total private revenues.....	6,086,100
11	Total other state restricted revenues.....	1,931,095,300
12	State general fund/general purpose.....	[\$ 906,153,800]

13 **Sec. 102. DEPARTMENT OF ATTORNEY GENERAL**

14 **(1) APPROPRIATION SUMMARY**

15	Full-time equated unclassified positions.....	6.0
16	Full-time equated classified positions.....	511.0
17	GROSS APPROPRIATION.....	\$ 89,013,100
18	Interdepartmental grant revenues:	
19	Total interdepartmental grants and intradepartmental	
20	transfers	27,355,500
21	ADJUSTED GROSS APPROPRIATION.....	\$ 61,657,600
22	Federal revenues:	
23	Total federal revenues.....	9,838,200
24	Special revenue funds:	
25	Total local revenues.....	0
26	Total private revenues.....	0

1	Total other state restricted revenues	17,631,900
2	State general fund/general purpose	\$ 34,187,500
3	(2) ATTORNEY GENERAL OPERATIONS	
4	Full-time equated unclassified positions..... 6.0	
5	Full-time equated classified positions..... 511.0	
6	Attorney general.....	\$ 112,500
7	Unclassified positions--5.0 FTE positions	707,000
8	Attorney general operations--473.0 FTE positions	80,410,300
9	Child support enforcement--25.0 FTE positions	3,427,800
10	Prosecuting attorneys coordinating council--12.0 FTE	
11	positions	2,063,800
12	Public safety initiative--1.0 FTE position	<u>896,000</u>
13	GROSS APPROPRIATION.....	\$ 87,617,400
14	Appropriated from:	
15	Interdepartmental grant revenues:	
16	IDG from MDCH, WIC.....	91,800
17	IDG from MDCH, health policy.....	196,800
18	IDG from MDCH, medical services administration.....	506,500
19	IDG from department of corrections.....	629,100
20	IDG from MDE.....	377,800
21	IDG from MDEQ.....	2,174,000
22	IDG from MDHS.....	5,816,600
23	IDG from Michigan state housing development authority	644,200
24	IDG from MDLARA, children's protection registry.....	44,300
25	IDG from MDLARA, financial and insurance regulation..	1,377,000
26	IDG from MDLARA, fireworks safety fund.....	79,000
27	IDG from MDLARA, licensing and regulation fees.....	235,900

1	IDG from MDLARA, Michigan occupational safety and	
2	health administration	106,000
3	IDG from MDLARA, remonumentation fees	101,200
4	IDG from MDLARA, health professions	2,892,500
5	IDG from MDLARA, unlicensed builders	176,000
6	IDG from MDMVA	156,800
7	IDG from MDOT, comprehensive transportation fund	200,900
8	IDG from MDOT, state aeronautics fund	174,400
9	IDG from MDOT, state trunkline fund	2,387,000
10	IDG from MDSP	352,700
11	IDG from MDSP, Michigan justice training fund	157,100
12	IDG from MDTMB	247,900
13	IDG from MDTMB, civil service commission	300,600
14	IDG from MDTMB, risk management revolving fund	1,442,900
15	IDG from MSF, workforce development agency	85,400
16	IDG from treasury	6,230,900
17	IDG from treasury, Michigan strategic fund	170,200
18	Federal revenues:	
19	DAG, state administrative match grant/food stamps	434,500
20	Federal funds	3,021,100
21	HHS, medical assistance, medigrant	678,200
22	HHS-OS, state Medicaid fraud control units	5,590,000
23	National criminal history improvement program	114,400
24	Special revenue funds:	
25	Antitrust enforcement collections	726,100
26	Assigned claims assessments	158,600
27	Attorney general's operations fund	1,175,400

1	Auto repair facilities fees.....	311,800
2	Franchise fees.....	375,900
3	Game and fish protection fund.....	838,000
4	Liquor purchase revolving fund.....	1,390,100
5	Manufactured housing fees.....	246,200
6	Merit award trust fund.....	487,300
7	Michigan employment security act - administrative fund	2,134,600
8	Prisoner reimbursement.....	614,400
9	Prosecuting attorneys training fees.....	405,300
10	Public utility assessments.....	2,141,300
11	Real estate enforcement fund.....	499,000
12	Reinstatement fees.....	208,800
13	Retirement funds.....	992,600
14	Second injury fund.....	807,500
15	Self-insurers security fund.....	561,400
16	Silicosis and dust disease fund.....	221,700
17	State building authority revenue.....	115,100
18	State casino gaming fund.....	1,663,000
19	State lottery fund.....	328,700
20	Utility consumers fund.....	743,900
21	Waterways fund.....	133,200
22	Worker's compensation administrative revolving fund..	352,000
23	State general fund/general purpose.....	\$ 32,791,800
24	(3) INFORMATION TECHNOLOGY	
25	Information technology services and projects.....	\$ <u>1,395,700</u>
26	GROSS APPROPRIATION.....	\$ 1,395,700
27	Appropriated from:	

1	State general fund/general purpose	\$	1,395,700
2	Sec. 103. DEPARTMENT OF CIVIL RIGHTS		
3	(1) APPROPRIATION SUMMARY		
4	Full-time equated unclassified positions.....	6.0	
5	Full-time equated classified positions.....	107.0	
6	GROSS APPROPRIATION.....	\$	14,632,300
7	Interdepartmental grant revenues:		
8	Total interdepartmental grants and intradepartmental		
9	transfers		0
10	ADJUSTED GROSS APPROPRIATION.....	\$	14,632,300
11	Federal revenues:		
12	Total federal revenues.....		2,690,200
13	Special revenue funds:		
14	Total local revenues.....		0
15	Total private revenues.....		18,700
16	Total other state restricted revenues.....		151,900
17	State general fund/general purpose	\$	11,771,500
18	(2) CIVIL RIGHTS OPERATIONS		
19	Full-time equated unclassified positions.....	6.0	
20	Full-time equated classified positions.....	107.0	
21	Unclassified positions--6.0 FTE positions	\$	707,000
22	Civil rights operations--99.0 FTE positions		[11,876,700]
23	[Michigan women's commission.....		250,000]
24	Division on deaf and hard of hearing--6.0 FTE		
25	positions		771,300
26	Hispanic/Latino commission of Michigan--1.0 FTE		
27	position		255,600

1	Asian Pacific American affairs commission--1.0 FTE		
2	position		<u>103,800</u>
3	GROSS APPROPRIATION.....	\$	13,964,400
4	Appropriated from:		
5	Federal revenues:		
6	EEOC, state and local antidiscrimination agency		
7	contracts		1,177,600
8	HUD, grant.....		1,497,600
9	Special revenue funds:		
10	Private revenues.....		18,700
11	Division on deafness fund.....		93,400
12	State restricted indirect funds.....		58,500
13	State general fund/general purpose.....	\$	11,118,600
14	(3) INFORMATION TECHNOLOGY		
15	Information technology services and projects.....	\$	<u>667,900</u>
16	GROSS APPROPRIATION.....	\$	667,900
17	Appropriated from:		
18	Federal revenues:		
19	EEOC, state and local antidiscrimination agency		
20	contracts		15,000
21	State general fund/general purpose.....	\$	652,900
22	Sec. 104. EXECUTIVE OFFICE		
23	(1) APPROPRIATION SUMMARY		
24	Full-time equated unclassified positions.....	10.0	
25	Full-time equated classified positions.....	74.2	
26	GROSS APPROPRIATION.....	\$	4,970,000

1	Interdepartmental grant revenues:		
2	Total interdepartmental grants and intradepartmental		
3	transfers		0
4	ADJUSTED GROSS APPROPRIATION.....	\$	4,970,000
5	Federal revenues:		
6	Total federal revenues.....		0
7	Special revenue funds:		
8	Total local revenues.....		0
9	Total private revenues.....		0
10	Total other state restricted revenues.....		0
11	State general fund/general purpose.....	\$	4,970,000
12	(2) EXECUTIVE OFFICE OPERATIONS		
13	Full-time equated unclassified positions.....	10.0	
14	Full-time equated classified positions.....	74.2	
15	Governor.....		\$ 159,300
16	Lieutenant governor.....		111,600
17	Executive office--74.2 FTE positions.....		3,841,800
18	Unclassified positions--8.0 FTE positions.....		<u>857,300</u>
19	GROSS APPROPRIATION.....	\$	4,970,000
20	Appropriated from:		
21	State general fund/general purpose.....	\$	4,970,000
22	Sec. 105. LEGISLATURE		
23	(1) APPROPRIATION SUMMARY		
24	GROSS APPROPRIATION.....	\$	141,326,800
25	Interdepartmental grant revenues:		
26	Total interdepartmental grants and intradepartmental		

1	transfers		5,192,100
2	ADJUSTED GROSS APPROPRIATION.....	\$	136,134,700
3	Federal revenues:		
4	Total federal revenues.....		0
5	Special revenue funds:		
6	Total local revenues.....		0
7	Total private revenues.....		400,000
8	Total other state restricted revenues.....		3,060,800
9	State general fund/general purpose.....	\$	132,673,900
10	(2) LEGISLATURE		
11	Senate.....	\$	29,595,300
12	Senate automated data processing.....		2,432,200
13	Senate fiscal agency.....		3,426,000
14	House of representatives.....		45,641,200
15	House automated data processing.....		1,930,900
16	House fiscal agency.....		<u>3,426,000</u>
17	GROSS APPROPRIATION.....	\$	86,451,600
18	Appropriated from:		
19	State general fund/general purpose.....	\$	86,451,600
20	(3) LEGISLATIVE COUNCIL		
21	Legislative council.....	\$	10,424,900
22	Legislative service bureau automated data processing .		1,312,200
23	Worker's compensation.....		139,200
24	National association dues.....		425,000
25	Legislative corrections ombudsman.....		670,700
26	Legislative veterans' facility ombudsman.....		<u>100,000</u>
27	GROSS APPROPRIATION.....	\$	13,072,000

1	Appropriated from:	
2	Interdepartmental grant revenues:	
3	IDG from MDMVA.....	100,000
4	Special revenue funds:	
5	Private - gifts and bequests revenues.....	400,000
6	State general fund/general purpose.....	\$ 12,572,000
7	(4) LEGISLATIVE RETIREMENT SYSTEM	
8	General nonretirement expenses.....	\$ <u>4,561,700</u>
9	GROSS APPROPRIATION.....	\$ 4,561,700
10	Appropriated from:	
11	Special revenue funds:	
12	Court fees.....	1,109,800
13	State general fund/general purpose.....	\$ 3,451,900
14	(5) PROPERTY MANAGEMENT	
15	Capitol building.....	\$ 3,078,700
16	Cora Anderson building.....	10,207,700
17	Farnum building and other properties.....	<u>2,547,600</u>
18	GROSS APPROPRIATION.....	\$ 15,834,000
19	Appropriated from:	
20	State general fund/general purpose.....	\$ 15,834,000
21	(6) OFFICE OF THE AUDITOR GENERAL	
22	Unclassified positions.....	\$ 316,600
23	Field operations.....	<u>21,090,900</u>
24	GROSS APPROPRIATION.....	\$ 21,407,500
25	Appropriated from:	
26	Interdepartmental grant revenues:	
27	IDG from MDOT, comprehensive transportation fund.....	36,400

1	IDG from MDOT, Michigan transportation fund.....	296,000
2	IDG from MDOT, state aeronautics fund.....	28,300
3	IDG from MDOT, state trunkline fund.....	687,600
4	IDG, single audit act.....	2,730,400
5	IDG, commercial mobile radio system emergency	
6	telephone fund	34,400
7	IDG, contract audit administration fees.....	38,900
8	IDG, deferred compensation funds.....	50,900
9	IDG, Michigan finance authority.....	310,000
10	IDG, Michigan economic development corporation.....	90,200
11	IDG, Michigan education trust fund.....	66,300
12	IDG, Michigan strategic fund.....	158,500
13	IDG, office of retirement services.....	204,700
14	IDG, other restricted funding sources.....	359,500
15	Special revenue funds:	
16	21st century jobs trust fund.....	90,200
17	Brownfield development fund.....	26,400
18	Clean Michigan initiative implementation bond fund...	51,000
19	Fee adequacy, air quality delegated authority.....	13,000
20	Game and fish protection fund.....	29,300
21	Legislative retirement system.....	27,300
22	MDTMB, civil service commission.....	155,700
23	MDLARA, liquor purchase revolving fund.....	26,800
24	Michigan justice training commission fund.....	38,400
25	Michigan state housing development authority fees....	106,500
26	Michigan veterans' trust fund.....	33,200
27	Motor transport revolving fund.....	7,000

1	Office services revolving fund.....		9,200
2	State disbursement unit, office of child support		53,900
3	State services fee fund.....		1,272,600
4	Waterways fund.....		10,500
5	State general fund/general purpose.....	\$	14,364,400
6	Sec. 106. DEPARTMENT OF STATE		
7	(1) APPROPRIATION SUMMARY		
8	Full-time equated unclassified positions.....	6.0	
9	Full-time equated classified positions.....	1,562.0	
10	GROSS APPROPRIATION.....	\$	218,954,700
11	Interdepartmental grant revenues:		
12	Total interdepartmental grants and intradepartmental		
13	transfers		20,000,000
14	ADJUSTED GROSS APPROPRIATION.....	\$	198,954,700
15	Federal revenues:		
16	Total federal revenues.....		1,810,000
17	Special revenue funds:		
18	Total local revenues.....		0
19	Total private revenues.....		100
20	Total other state restricted revenues.....		182,485,400
21	State general fund/general purpose.....	\$	14,659,200
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.....		701,700

1	Operations--30.0 FTE positions		<u>4,036,500</u>
2	GROSS APPROPRIATION.....	\$	4,850,700
3	Appropriated from:		
4	Special revenue funds:		
5	Auto repair facility fees.....		69,200
6	Driver fees.....		277,900
7	Expedient service fees.....		66,800
8	Parking ticket court fines.....		9,300
9	Personal identification card fees.....		32,300
10	Reinstatement fees - operation licenses.....		250,700
11	Transportation administration collection fund.....		2,506,500
12	Vehicle theft prevention fees.....		40,700
13	State general fund/general purpose.....	\$	1,597,300
14	(3) DEPARTMENT SERVICES		
15	Full-time equated classified positions..... 157.0		
16	Operations--157.0 FTE positions.....	\$	<u>29,209,000</u>
17	GROSS APPROPRIATION.....	\$	29,209,000
18	Appropriated from:		
19	Special revenue funds:		
20	Abandoned vehicle fees.....		481,900
21	Auto repair facilities fees.....		1,608,700
22	Child support clearance fees.....		35,200
23	Driver education provider and instructor fund.....		20,800
24	Driver fees.....		1,578,700
25	Driver improvement course fund.....		309,200
26	Expedient service fees.....		274,100
27	Marine safety fund.....		83,400

1	Off-road vehicle title fees.....		8,300
2	Parking ticket court fines.....		71,600
3	Personal identification card fees.....		189,500
4	Reinstatement fees - operator licenses.....		1,290,000
5	Scrap tire fund.....		76,500
6	Snowmobile registration fee revenue.....		18,600
7	Transportation administration collection fund.....		22,379,900
8	Vehicle theft prevention fees.....		629,900
9	State general fund/general purpose.....	\$	152,700
10	(4) LEGAL SERVICES		
11	Full-time equated classified positions.....	32.0	
12	Operations--32.0 FTE positions.....	\$	<u>6,891,200</u>
13	GROSS APPROPRIATION.....	\$	6,891,200
14	Appropriated from:		
15	Special revenue funds:		
16	Auto repair facilities fees.....		1,449,100
17	Driver education provider and instructor fund.....		25,500
18	Driver fees.....		934,900
19	Expedient service fees.....		12,300
20	Parking ticket court fines.....		7,400
21	Personal identification card fees.....		60,200
22	Reinstatement fees - operator licenses.....		716,300
23	Transportation administration collection fund.....		3,208,300
24	Vehicle theft prevention fees.....		465,300
25	State general fund/general purpose.....	\$	11,900
26	(5) CUSTOMER DELIVERY SERVICES		
27	Full-time equated classified positions.....	1,298.0	

1	Branch operations--910.5 FTE positions	\$	82,233,600
2	Central operations--368.5 FTE positions		47,398,800
3	Motorcycle safety education administration--2.0 FTE		
4	positions		327,400
5	Motorcycle safety education grants		1,500,000
6	Commemorative license plates--14.0 FTE positions		1,897,300
7	Specialty license plates--3.0 FTE positions		750,000
8	Organ donor program		128,500
9	Credit and debit assessment service fees		<u>5,000,000</u>
10	GROSS APPROPRIATION	\$	139,235,600
11	Appropriated from:		
12	Interdepartmental grant revenues:		
13	IDG from MDOT, Michigan transportation fund		20,000,000
14	Federal revenues:		
15	Federal funds		1,460,000
16	Special revenue funds:		
17	Private funds		100
18	Abandoned vehicle fees		204,800
19	Auto repair facilities fees		1,734,600
20	Child support clearance fees		311,700
21	Credit and debit assessment service fees		5,000,000
22	Driver education provider and instructor fund		28,800
23	Driver fees		25,852,100
24	Driver improvement course fund		1,248,400
25	Enhanced driver license and enhanced official state		
26	personal identification card fund		6,559,400
27	Expedient service fees		2,569,700

1	Marine safety fund.....		1,394,600
2	Michigan state police auto theft fund.....		123,700
3	Mobile home commission fees.....		508,200
4	Motorcycle safety fund.....		1,827,400
5	Off-road vehicle title fees.....		156,500
6	Parking ticket court fines.....		1,553,600
7	Personal identification card fees.....		2,246,400
8	Recreation passport fee.....		1,000,000
9	Reinstatement fees - operator licenses.....		2,362,100
10	Snowmobile registration fee revenue.....		372,000
11	Thomas Daley gift of life fund.....		50,000
12	Transportation administration collection fund.....		59,534,900
13	Vehicle theft prevention fees.....		743,600
14	State general fund/general purpose.....	\$	2,393,000
15	(6) ELECTION REGULATION		
16	Full-time equated classified positions.....	45.0	
17	Election administration and services--45.0 FTE		
18	positions		\$ 6,477,400
19	Fees to local units.....		109,000
20	Help America vote act.....		350,000
21	County clerk education and training fund.....		<u>100,000</u>
22	GROSS APPROPRIATION.....		\$ 7,036,400
23	Appropriated from:		
24	Federal revenues:		
25	Federal funds - HAVA HHS.....		350,000
26	Special revenue funds:		
27	Notary education and training fund.....		100,000

1	Notary fee fund.....		344,100
2	State general fund/general purpose.....	\$	6,242,300
3	(7) DEPARTMENTWIDE APPROPRIATION		
4	Building occupancy charges/rent.....	\$	9,671,900
5	Worker's compensation.....		<u>313,000</u>
6	GROSS APPROPRIATION.....	\$	9,984,900
7	Appropriated from:		
8	Special revenue funds:		
9	Auto repair facilities fees.....		136,000
10	Driver fees.....		728,600
11	Expedient service fees.....		26,200
12	Parking ticket court fines.....		449,700
13	Transportation administration collection fund.....		5,936,000
14	State general fund/general purpose.....	\$	2,708,400
15	(8) INFORMATION TECHNOLOGY		
16	Information technology services and projects.....	\$	<u>21,746,900</u>
17	GROSS APPROPRIATION.....	\$	21,746,900
18	Appropriated from:		
19	Special revenue funds:		
20	Administrative order processing fee.....		11,800
21	Auto repair facilities fees.....		190,600
22	Child support clearance fees.....		17,200
23	Driver fees.....		790,000
24	Expedient service fees.....		1,088,700
25	Parking ticket court fines.....		87,800
26	Personal identification card fees.....		170,200
27	Reinstatement fees - operator licenses.....		594,300

1	Transportation administration collection fund.....	17,061,100
2	Vehicle theft prevention fees.....	181,600
3	State general fund/general purpose.....	\$ 1,553,600

4 **Sec. 107. DEPARTMENT OF TECHNOLOGY, MANAGEMENT, AND BUDGET**

5 **(1) APPROPRIATION SUMMARY**

6	Full-time equated unclassified positions.....	6.0
7	Full-time equated classified positions.....	2,804.0
8	GROSS APPROPRIATION.....	\$ 1,163,982,900

9 Interdepartmental grant revenues:

10	Total interdepartmental grants and intradepartmental	
11	transfers	677,159,800

12	ADJUSTED GROSS APPROPRIATION.....	\$ 486,823,100
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13 Federal revenues:

14	Total federal revenues.....	8,790,900
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15 Special revenue funds:

16	Total local revenues.....	1,320,800
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17	Total private revenues.....	190,400
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18	Total other state restricted revenues.....	92,625,900
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19	State general fund/general purpose.....	\$ 383,895,100
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20 **(2) EXECUTIVE DIRECTION**

21	Full-time equated unclassified positions.....	6.0
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22	Full-time equated classified positions.....	12.0
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23	Unclassified positions--6.0 FTE positions.....	\$ 801,800
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24	Executive operations--12.0 FTE positions.....	<u>2,230,300</u>
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25	GROSS APPROPRIATION.....	\$ 3,032,100
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26 Appropriated from:

1	Interdepartmental grant revenues:		
2	IDG from building occupancy and parking charges		193,200
3	IDG from technology user fees		1,875,200
4	Special revenue funds:		
5	Special revenue, internal service, and pension trust		
6	funds		289,700
7	State general fund/general purpose	\$	674,000
8	(3) DEPARTMENT SERVICES		
9	Full-time equated classified positions.....	714.5	
10	Administrative services--134.5 FTE positions	\$	17,036,900
11	Budget and financial management--135.0 FTE positions .		17,181,900
12	Office of the state employer--23.0 FTE positions		3,309,500
13	Design and construction services--40.0 FTE positions .		6,302,800
14	Business support services--95.0 FTE positions		10,361,800
15	Building operation services--210.0 FTE positions		90,199,300
16	Building occupancy charges, rent, and utilities		5,127,500
17	Motor vehicle fleet--35.0 FTE positions		59,221,400
18	Information technology services and projects		28,799,500
19	Bureau of labor market information and strategies--		
20	42.0 FTE positions		<u>5,709,000</u>
21	GROSS APPROPRIATION.....	\$	243,249,600
22	Appropriated from:		
23	Interdepartmental grant revenues:		
24	IDG from accounting service center user charges		2,694,200
25	IDG from building occupancy and parking charges		92,619,900
26	IDG from MDCH.....		477,900
27	IDG from MDHS.....		209,200

1	IDG from MDLARA.....		100,000
2	IDG from motor transport fund.....		59,221,400
3	IDG from technology user fees.....		7,747,500
4	IDG from user fees.....		6,669,500
5	Federal revenues:		
6	Federal funds.....		5,826,500
7	Special revenue funds:		
8	Deferred compensation.....		2,600
9	Health management funds.....		2,158,200
10	MAIN user charges.....		4,648,300
11	Pension trust funds.....		7,322,700
12	Special revenue, internal service, and pension trust		
13	funds		17,089,200
14	State building authority revenue.....		699,100
15	State restricted indirect funds.....		2,874,500
16	State general fund/general purpose.....	\$	32,888,900
17	(4) TECHNOLOGY SERVICES		
18	Full-time equated classified positions.....	1,459.5	
19	Education services--29.0 FTE positions.....		\$ 4,044,900
20	Health and human services--617.5 FTE positions.....		266,662,400
21	Public protection--254.5 FTE positions.....		65,175,300
22	Resources services--146.5 FTE positions.....		19,590,700
23	Transportation services--89.5 FTE positions.....		30,500,500
24	General services--322.5 FTE positions.....		91,180,000
25	Enterprisewide information technology investments....		<u>46,648,300</u>
26	GROSS APPROPRIATION.....	\$	523,802,100
27	Appropriated from:		

1	Interdepartmental grant revenues:	
2	IDG from technology user fees.....	477,153,800
3	State general fund/general purpose.....	\$ 46,648,300
4	(5) STATEWIDE APPROPRIATIONS	
5	Professional development fund - MPE, SEIU, scientific	
6	and engineering unit	\$ 125,000
7	Professional development fund - AFSCME.....	50,000
8	Professional development fund - NERE.....	<u>200,000</u>
9	GROSS APPROPRIATION.....	\$ 375,000
10	Appropriated from:	
11	Interdepartmental grant revenues:	
12	IDG from employer contributions.....	375,000
13	State general fund/general purpose.....	\$ 0
14	(6) SPECIAL PROGRAMS	
15	Full-time equated classified positions.....	172.0
16	Building occupancy charges - property management	
17	services for executive/legislative building	
18	occupancy	\$ 1,208,200
19	Retirement services--162.0 FTE positions.....	25,221,200
20	Office of children's ombudsman--10.0 FTE positions ...	<u>1,225,900</u>
21	GROSS APPROPRIATION.....	\$ 27,655,300
22	Appropriated from:	
23	Special revenue funds:	
24	Deferred compensation.....	1,542,400
25	Pension trust funds.....	18,907,000
26	State general fund/general purpose.....	\$ 7,205,900
27	(7) STATE BUILDING AUTHORITY RENT	

1	State building authority rent - state agencies	\$	68,305,800
2	State building authority rent - department of		
3	corrections		47,379,900
4	State building authority rent - universities		117,225,300
5	State building authority rent - community colleges ...		<u>23,959,600</u>
6	GROSS APPROPRIATION.....	\$	256,870,600
7	Appropriated from:		
8	State general fund/general purpose.....	\$	256,870,600
9	(8) CIVIL SERVICE COMMISSION		
10	Full-time equated classified positions.....		446.0
11	Agency services--81.5 FTE positions.....	\$	12,418,700
12	Executive direction--32.5 FTE positions.....		9,269,000
13	Employee benefits--16.0 FTE positions.....		5,636,600
14	Training.....		1,300,000
15	Human resources operations--316.0 FTE positions.....		34,882,100
16	Information technology services.....		<u>4,326,500</u>
17	GROSS APPROPRIATION.....	\$	67,832,900
18	Appropriated from:		
19	Interdepartmental grant revenues:		
20	IDG, 1% special funds.....		3,223,000
21	IDG, training charges.....		1,300,000
22	Federal revenues:		
23	Federal funds 1%.....		2,964,400
24	Special revenue funds:		
25	Local funds 1%.....		1,320,800
26	Private funds 1%.....		190,400
27	State restricted funds 1%.....		21,232,900

House Bill No. 4328 (H-1) as amended April 23, 2013

1	State restricted indirect funds.....	7,327,300
2	State sponsored group insurance.....	2,743,100
3	State sponsored group insurance, flexible spending	
4	accounts and COBRA	5,788,900
5	State general fund/general purpose.....	\$ 21,742,100
6	(9) CAPITAL OUTLAY	
7	Major special maintenance, remodeling, and additions	
8	for state agencies	\$ 2,000,000
9	Enterprisewide special maintenance for state	
10	facilities	<u>[16,365,300]</u>
11	GROSS APPROPRIATION.....	[\$ 18,365,300]
12	Appropriated from:	
13	Interdepartmental grant revenues:	
14	IDG from building occupancy and parking charges	2,000,000
15	State general fund/general purpose.....	[\$ 16,365,300]
16	(10) ONE-TIME BASIS ONLY APPROPRIATIONS	
17	One-time technology investments.....	\$ 21,300,000
18	[Delta County bridge.....	<u>1,500,000]</u>
18	GROSS APPROPRIATION.....	[\$ 22,800,000]
19	Appropriated from:	
20	Interdepartmental grant revenues:	
21	Interdepartmental grant revenues.....	21,300,000
22	State general fund/general purpose.....	[\$ 1,500,000]
23	Sec. 108. DEPARTMENT OF TREASURY	
24	(1) APPROPRIATION SUMMARY	
25	Full-time equated unclassified positions.....	10.0
26	Full-time equated classified positions.....	2,538.5

House Bill No. 4328 (H-1) as amended April 23, 2013

1	GROSS APPROPRIATION.....		[\$2,657,916,600]
2	Interdepartmental grant revenues:		
3	Total interdepartmental grants and intradepartmental		
4	transfers		9,130,000
5	ADJUSTED GROSS APPROPRIATION.....		[\$2,648,786,600]
6	Federal revenues:		
7	Total federal revenues.....		677,780,700
8	Special revenue funds:		
9	Total local revenues.....		6,393,000
10	Total private revenues.....		5,476,900
11	Total other state restricted revenues.....		1,635,139,400
12	State general fund/general purpose.....		[\$ 323,996,600]
13	(2) EXECUTIVE DIRECTION		
14	Full-time equated unclassified positions..... 10.0		
15	Full-time equated classified positions..... 5.0		
16	Unclassified positions--10.0 FTE positions.....	\$	1,025,200
17	Office of the director--5.0 FTE positions.....		<u>1,619,700</u>
18	GROSS APPROPRIATION.....	\$	2,644,900
19	Appropriated from:		
20	Federal revenues:		
21	DED-OPSE, federal lenders allowance.....		20,000
22	DED-OPSE, higher education act of 1965 insured loans .		45,000
23	Special revenue funds:		
24	Michigan state housing development authority fees and		
25	charges		238,900
26	State lottery fund.....		268,000
27	State services fee fund.....		304,500

1	State general fund/general purpose	\$	1,768,500
2	(3) DEPARTMENTWIDE APPROPRIATIONS		
3	Rent and building occupancy charges - property		
4	management services	\$	5,773,300
5	Worker's compensation insurance premium.....		<u>135,000</u>
6	GROSS APPROPRIATION.....	\$	5,908,300
7	Appropriated from:		
8	Special revenue funds:		
9	Delinquent tax collection revenue.....		2,883,100
10	State general fund/general purpose.....	\$	3,025,200
11	(4) LOCAL GOVERNMENT PROGRAMS		
12	Full-time equated classified positions.....		100.0
13	Supervision of the general property tax law--75.0 FTE		
14	positions	\$	20,089,500
15	Property tax assessor training--4.0 FTE positions		1,024,300
16	Local finance--21.0 FTE positions.....		<u>2,513,500</u>
17	GROSS APPROPRIATION.....	\$	23,627,300
18	Appropriated from:		
19	Special revenue funds:		
20	Local - assessor training fees.....		1,024,300
21	Local - audit charges.....		795,200
22	Local - equalization study charge-backs.....		40,000
23	Local - revenue from local government.....		100,000
24	Land reutilization fund.....		5,256,000
25	Municipal finance fees.....		524,700
26	Public-private partnership investment fund.....		1,513,700
27	Delinquent tax collection revenue.....		1,477,600

1	State general fund/general purpose	\$	12,895,800
2	(5) TAX PROGRAMS		
3	Full-time equated classified positions..... 805.0		
4	Customer contact--127.0 FTE positions	\$	12,237,700
5	Tax compliance--337.0 FTE positions		43,823,200
6	Tax and economic policy--137.0 FTE positions		20,731,300
7	Tax processing--176.0 FTE positions		18,263,700
8	Health insurance claims fund program--15.0 FTE		
9	positions		1,997,700
10	Home heating assistance		2,967,800
11	Bottle act implementation.....		250,000
12	Tobacco tax enforcement--13.0 FTE positions		<u>1,539,100</u>
13	GROSS APPROPRIATION.....	\$	101,810,500
14	Appropriated from:		
15	Interdepartmental grant revenues:		
16	IDG from MDOT, Michigan transportation fund.....		2,100,000
17	IDG from MDOT, state aeronautics fund.....		69,400
18	Federal revenues:		
19	HHS-SSA, low-income energy assistance		2,967,800
20	Special revenue funds:		
21	Bottle deposit fund.....		250,000
22	Delinquent tax collection revenue		72,691,100
23	Emergency 911 fund.....		152,900
24	Health insurance claims fund.....		1,997,700
25	Tobacco tax revenue.....		4,005,100
26	Waterways fund.....		102,700
27	State general fund/general purpose	\$	17,473,800

1 **(6) BANKING AND MANAGEMENT SERVICES**

2 Full-time equated classified positions..... 353.0

3 Departmental and budget services--58.0 FTE positions . \$ 5,414,500

4 Unclaimed property--29.0 FTE positions 4,709,400

5 Collections--203.0 FTE positions 26,774,000

6 Finance and accounting--24.0 FTE positions 2,388,100

7 Receipts processing--39.0 FTE positions 4,311,800

8 GROSS APPROPRIATION..... \$ 43,597,800

9 Appropriated from:

10 Interdepartmental grant revenues:

11 IDG, levy/warrant cost assessment fees 2,000,000

12 IDG, state agency collection fees 2,842,500

13 IDG from MDHS, title IV-D..... 752,900

14 IDG data/collection service fees 289,600

15 IDG from accounting service center user charges 473,600

16 Special revenue funds:

17 Delinquent tax collection revenue 24,260,000

18 Escheats revenue..... 4,709,400

19 Justice system fund..... 469,700

20 Garnishment fees..... 2,445,500

21 State restricted indirect funds 267,700

22 Treasury fees..... 45,400

23 State general fund/general purpose \$ 5,041,500

24 **(7) FINANCIAL PROGRAMS**

25 Full-time equated classified positions..... 202.5

26 Investments--82.0 FTE positions \$ 19,657,900

27 Common cash and debt management--22.5 FTE positions .. 1,596,700

1	Student financial assistance programs--25.5 FTE	
2	positions	2,638,300
3	Michigan finance authority - bond finance--72.5 FTE	
4	positions	38,477,000
5	John R. Justice grant program.....	287,300
6	Dual enrollment.....	<u>995,700</u>
7	GROSS APPROPRIATION.....	\$ 63,652,900
8	Appropriated from:	
9	Interdepartmental grant revenues:	
10	IDG, fiscal agent service fees.....	202,000
11	Federal revenues:	
12	DED-OPSE, federal lenders allowance.....	10,557,900
13	DED-OPSE, higher education act of 1965, insured loans	24,920,100
14	Federal - John R. Justice grant.....	287,300
15	Special revenue funds:	
16	Defined contribution administrative fee revenue.....	100,000
17	Michigan finance authority bond and loan program	
18	revenue	2,999,000
19	Michigan merit award trust fund.....	1,123,700
20	Retirement funds.....	18,174,200
21	School bond fees.....	820,100
22	Treasury fees.....	1,591,500
23	State general fund/general purpose.....	\$ 2,877,100
24	(8) DEBT SERVICE	
25	Water pollution control bond and interest redemption.	\$ 1,132,700
26	Quality of life bond.....	79,902,700
27	Clean Michigan initiative.....	57,118,200

1	Great Lakes water quality bond.....	<u>8,048,900</u>
2	GROSS APPROPRIATION.....	\$ 146,202,500
3	Appropriated from:	
4	Special revenue funds:	
5	Refined petroleum fund.....	5,514,500
6	State general fund/general purpose.....	\$ 140,688,000
7	(9) GRANTS	
8	Convention facility development distribution.....	\$ 74,850,000
9	Senior citizen cooperative housing tax exemption	
10	program	12,020,000
11	Emergency 911 payments.....	27,000,000
12	Health and safety fund grants.....	<u>9,000,000</u>
13	GROSS APPROPRIATION.....	\$ 122,870,000
14	Appropriated from:	
15	Special revenue funds:	
16	Emergency 911 fund.....	27,000,000
17	Convention facility development fund.....	74,850,000
18	Health and safety fund.....	9,000,000
19	State general fund/general purpose.....	\$ 12,020,000
20	(10) BUREAU OF STATE LOTTERY	
21	Full-time equated classified positions..... 193.0	
22	Lottery operations--193.0 FTE positions.....	\$ 25,240,300
23	Promotion and advertising.....	20,622,000
24	Lottery information technology services and projects .	<u>5,162,900</u>
25	GROSS APPROPRIATION.....	\$ 51,025,200
26	Appropriated from:	
27	Special revenue funds:	

1	State lottery fund.....		51,025,200
2	State general fund/general purpose.....	\$	0
3	(11) CASINO GAMING		
4	Full-time equated classified positions.....	126.0	
5	Michigan gaming control board.....	\$	50,000
6	Casino gaming control operations--116.0 FTE positions		24,721,600
7	Casino gaming information technology services and		
8	projects		1,820,700
9	Racing commission--10.0 FTE positions		<u>2,312,500</u>
10	GROSS APPROPRIATION.....	\$	28,904,800
11	Appropriated from:		
12	Special revenue funds:		
13	Casino gambling agreements.....		719,300
14	Equine development fund.....		2,435,500
15	Laboratory fees.....		700,000
16	State services fee fund.....		25,050,000
17	State general fund/general purpose.....	\$	0
18	(12) PAYMENTS IN LIEU OF TAXES		
19	Commercial forest reserve.....	\$	3,054,900
20	Purchased lands.....		6,512,400
21	Swamp and tax reverted lands.....		<u>7,779,800</u>
22	GROSS APPROPRIATION.....	\$	17,347,100
23	Appropriated from:		
24	Special revenue funds:		
25	Private funds.....		22,000
26	Game and fish protection fund.....		2,333,600
27	Michigan natural resources trust fund.....		1,434,000

House Bill No. 4328 (H-1) as amended April 23, 2013

1	Michigan state waterways fund.....		194,600
2	State general fund/general purpose.....	\$	13,362,900
3	(13) MICHIGAN STRATEGIC FUND		
4	Full-time equated classified positions.....	407.0	
5	Administration--22.0 FTE positions.....	\$	3,035,800
6	Job creation services--137.0 FTE positions.....		18,361,800
7	Facility for rare isotope beams debt service.....		[7,300,000]
8	Pure Michigan.....		29,000,000
9	Innovation and entrepreneurship.....		28,500,000
10	Business attraction and community revitalization.....		[66,983,000]
11	Community ventures--7.0 FTE positions.....		9,726,700
12	Community development block grants.....		47,000,000
13	Arts and cultural program.....		7,150,000
14	Michigan film office--6.0 FTE positions.....		882,300
15	GEAR-UP program grants.....		4,730,700
16	Carl D. Perkins grants.....		19,000,000
17	Adult basic education.....		20,000,000
18	Adult education--16.0 FTE positions.....		2,736,700
19	Bureau of energy systems.....		4,610,900
20	Postsecondary education--9.0 FTE positions.....		2,045,300
21	Employment services--125.0 FTE positions.....		35,166,900
22	Workforce development agency administrative services--		
23	22.0 FTE positions		1,740,100
24	Workforce program administration--57.0 FTE positions .		13,404,400
25	Workforce training programs.....		250,819,100
26	Welfare-to-work programs.....		89,243,300
27	Workforce development agency rent and property		

House Bill No. 4328 (H-1) as amended April 23, 2013

1	management	870,500
2	Land bank fast track authority - bond finance--6.0 FTE	
3	positions	2,993,900
4	Information technology services and projects	<u>1,082,500</u>
5	GROSS APPROPRIATION.....	[\$ 666,383,900]
6	Appropriated from:	
7	Federal revenues:	
8	DAG, employment and training.....	3,500,000
9	DED-OESE, GEAR-UP.....	4,730,700
10	DED-OVAE, adult education.....	20,000,000
11	DED-OVAE, basic grants to states.....	19,000,000
12	DOE-OEERE, multiple grants.....	4,796,800
13	DOL, federal funds.....	112,800,000
14	DOL-ETA, workforce investment act.....	184,003,300
15	Federal funds.....	5,950,000
16	HUD-CPD, community development block grants	49,780,700
17	US-EPA, revolving loan fund.....	1,000,000
18	NFAH-NEA, promotion of the arts, partnership	
19	agreements	1,050,000
20	Social security act, temporary assistance for needy	
21	families	64,898,800
22	Special revenue funds:	
23	Local revenues.....	4,433,500
24	Private - special project advances.....	250,000
25	Private - Michigan council for the arts fund.....	100,000
26	Private funds.....	5,074,900
27	Private - oil overcharge.....	30,000

House Bill No. 4328 (H-1) as amended April 23, 2013

1	Defaulted loan collection fees.....		150,000
2	Industry support fees.....		5,500
3	Land bank fast track fund.....		2,151,400
4	21st century jobs trust fund.....		75,000,000
5	Michigan film promotion fund.....		648,800
6	Public utility assessments.....		869,300
7	State general fund/general purpose.....	[\$	106,160,200]
8	(14) REVENUE SHARING		
9	Constitutional state general revenue sharing grants ..	\$	742,550,200
10	County revenue sharing payments.....		112,480,000
11	County incentive program.....		23,620,000
12	Economic vitality incentive program.....		217,500,000
13	Competitive grant assistance program.....		<u>5,000,000</u>
14	GROSS APPROPRIATION.....	\$	1,101,150,200
15	Appropriated from:		
16	Special revenue funds:		
17	Sales tax.....		1,101,150,200
18	State general fund/general purpose.....	\$	0
19	(15) MICHIGAN STRATEGIC FUND - MICHIGAN STATE		
20	HOUSING DEVELOPMENT AUTHORITY		
21	Full-time equated classified positions.....	347.0	
22	Payments on behalf of tenants.....	\$	166,860,000
23	Housing and rental assistance--347.0 FTE positions ...		57,191,300
24	Lighthouse preservation program.....		307,500
25	Rent and administrative support.....		3,845,800
26	Michigan state housing development authority		
27	technology services and projects.....		<u>3,533,100</u>

House Bill No. 4328 (H-1) as amended April 23, 2013

1	GROSS APPROPRIATION.....	\$	231,737,700
2	Appropriated from:		
3	Federal revenues:		
4	HUD, lower income housing assistance.....		166,860,000
5	Special revenue funds:		
6	Michigan state housing development authority fees and		
7	charges		64,570,200
8	Michigan lighthouse preservation fund.....		307,500
9	State general fund/general purpose.....	\$	0
10	(16) INFORMATION TECHNOLOGY		
11	Treasury operations information technology services		
12	and projects	\$	<u>24,290,200</u>
13	GROSS APPROPRIATION.....	\$	24,290,200
14	Appropriated from:		
15	Interdepartmental grant revenues:		
16	IDG from MDOT, Michigan transportation fund.....		400,000
17	Federal revenues:		
18	DED-OPSE, federal lender allowance.....		612,300
19	Special revenue funds:		
20	Delinquent tax collection revenue.....		15,481,800
21	Retirement funds.....		750,200
22	Tobacco tax revenue.....		125,600
23	State general fund/general purpose.....	\$	6,920,300
24	(17) ONE-TIME APPROPRIATIONS		
25	[]
26	Competitive grant assistance program.....		10,000,000
27	County incentive program.....		4,500,000

House Bill No. 4328 (H-1) as amended April 23, 2013

1	Economic vitality incentive program.....	7,500,000
2	Sales, use, and withholding system replacement	1,763,300
3	Michigan gaming casino board system replacement	<u>3,000,000</u>
4	GROSS APPROPRIATION.....	[\$ 26,763,300]
5	Appropriated from:	
6	Special revenue funds:	
7	Casino gaming fund.....	2,300,000
8	Sales tax.....	22,000,000
9	State services fee fund.....	700,000
10	State general fund/general purpose.....	[\$ 1,763,300]

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FOR FISCAL YEAR 2013-2014

GENERAL SECTIONS

15 Sec. 201. (1) Pursuant to section 30 of article IX of the
16 state constitution of 1963, total state spending from state
17 resources under part 1 for fiscal year 2013-2014 is
18 [\$2,837,249,100.00] and state spending from state resources to be
19 paid to local units of government for fiscal year 2013-2014 is
20 \$1,295,304,400.00. The itemized statement below identifies
21 appropriations from which spending to local units of government
22 will occur:

DEPARTMENT OF STATE

24	Fees to local units.....	\$ 109,000
25	Motorcycle safety grants.....	<u>1,251,000</u>

1	Subtotal.....	\$	1,360,000
2	DEPARTMENT OF TREASURY		
3	Senior citizen cooperative housing tax exemption.....	\$	12,020,000
4	Health and safety fund grants.....		9,000,000
5	Constitutional state general revenue sharing grants ..		742,550,200
6	Economic vitality incentive program.....		225,000,000
7	Convention facility development fund distribution....		74,850,000
8	Emergency 9-1-1 payments.....		27,000,000
9	Competitive grant assistance program.....		15,000,000
10	County incentive program.....		28,120,000
11	County revenue sharing payments.....		112,480,000
12	Airport parking distribution pursuant to section 909 .		15,466,200
13	Payments in lieu of taxes.....		17,347,100
14	Welfare-to-work programs.....		<u>15,110,900</u>
15	Subtotal.....	\$	<u>1,293,944,400</u>
16	TOTAL GENERAL GOVERNMENT.....	\$	1,295,304,400

17 (2) Pursuant to section 30 of article IX of the state
18 constitution of 1963, total state spending from state sources for
19 fiscal year 2013-2014 is estimated at \$29,470,730,300.00 in the
20 2013-2014 appropriations acts and total state spending from state
21 sources paid to local units of government for fiscal year 2013-2014
22 is estimated at \$15,790,923,500.00. The state-local proportion is
23 estimated at 53.6% of total state spending from state resources.

24 (3) If payments to local units of government and state
25 spending from state sources for fiscal year 2013-2014 are different
26 than the amounts estimated in subsection (2), the state budget
27 director shall report the payments to local units of government and

1 state spending from state sources that were made for fiscal year
2 2013-2014 to the senate and house of representatives standing
3 committees on appropriations within 30 days after the final book-
4 closing for fiscal year 2013-2014.

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) "AFSCME" means American federation of state, county, and
10 municipal employees.

11 (b) "ATM" means automated teller machine.

12 (c) "COBRA" means the consolidated omnibus budget
13 reconciliation act of 1985, Public Law 99-272, 100 Stat. 82.

14 (d) "CPI" means consumer price index.

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

16 (f) "DED" means the United States department of education.

17 (g) "DED-OESE" means the DED office of elementary and
18 secondary education.

19 (h) "DED-OPSE" means the DED office of postsecondary
20 education.

21 (i) "DED-OSERS" means the DED office of special education
22 rehabilitation services.

23 (j) "DED-OVAE" means the DED office of vocational and adult
24 education.

25 (k) "DOE-OEERE" means the United States department of energy,
26 office of energy efficiency and renewable energy.

27 (l) "DOL-ETA" means the United States department of labor,

1 employment and training administration.

2 (m) "EEOC" means the United States equal employment
3 opportunity commission.

4 (n) "EPA" means the United States environmental protection
5 agency.

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

7 (p) "Fund" means the Michigan strategic fund.

8 (q) "GEAR-UP" means gaining early awareness and readiness for
9 undergraduate programs.

10 (r) "GF/GP" means general fund/general purpose.

11 (s) "HAVA" means help America vote act.

12 (t) "HHS" means the United States department of health and
13 human services.

14 (u) "HHS-OS" means the HHS office of the secretary.

15 (v) "HHS-SSA" means the HHS social security administration.

16 (w) "HUD" means the United States department of housing and
17 urban development.

18 (x) "HUD-CPD" means the United States department of housing
19 and urban development - community planning and development.

20 (y) "IDG" means interdepartmental grant.

21 (z) "IDT" means intradepartmental transfer.

22 (aa) "JCOS" means the joint capital outlay subcommittee.

23 (bb) "MAIN" means the Michigan administrative information
24 network.

25 (cc) "MCL" means the Michigan Compiled Laws.

26 (dd) "MDCH" means the Michigan department of community health.

27 (ee) "MDE" means the Michigan department of education.

1 (ff) "MDLARA" means the Michigan department of licensing and
2 regulatory affairs.

3 (gg) "MDEQ" means the Michigan department of environmental
4 quality.

5 (hh) "MDHS" means the Michigan department of human services.

6 (ii) "MDMVA" means the Michigan department of military and
7 veterans affairs.

8 (jj) "MDOT" means the Michigan department of transportation.

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

10 (ll) "MDTMB" means the Michigan department of technology,
11 management, and budget.

12 (mm) "MEDC" means the Michigan economic development
13 corporation, which is the public body corporate created under
14 section 28 of article VII of the state constitution of 1963 and the
15 urban cooperation act of 1967, 1967 (Ex Sess) PA 7, MCL 124.501 to
16 124.512, by contractual interlocal agreement effective April 5,
17 1999, between local participating economic development corporations
18 formed under the economic development corporations act, 1974 PA
19 338, MCL 125.1601 to 125.1636, and the Michigan strategic fund.

20 (nn) "MFA" means the Michigan finance authority.

21 (oo) "MPE" means the Michigan public employees.

22 (pp) "MSF" means the Michigan strategic fund.

23 (qq) "MSHDA" means Michigan state housing development
24 authority.

25 (rr) "NFAH-NEA" means the national foundation of the arts and
26 the humanities - national endowment for the arts.

27 (ss) "PA" means public act.

1 (tt) "SEIU" means service employees international union.

2 (uu) "WIC" means women, infants, and children.

3 Sec. 206. The department of technology, management, and budget
4 shall maintain a searchable website that is updated at least
5 quarterly and that is accessible by the public at no cost that
6 includes, but is not limited to, all of the following for each
7 department or agency:

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

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

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

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

15 (e) Job specifications and wage rates.

16 Sec. 207. Amounts appropriated in part 1 for information
17 technology may be designated as work project accounts and carried
18 forward to support technology projects under the direction of the
19 department of technology, management, and budget. Funds designated
20 in this manner are not available for expenditure until approved as
21 work projects under section 451a of the management and budget act,
22 1984 PA 431, MCL 18.1451a.

23 Sec. 208. The departments and agencies receiving
24 appropriations in part 1 shall use the Internet to fulfill the
25 reporting requirements of this part. This requirement may include
26 transmission of reports via electronic mail to the recipients
27 identified for each reporting requirement, or it may include

1 placement of reports on an Internet or Intranet site.

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

12 Sec. 210. The director of each department receiving
13 appropriations in part 1 shall take all reasonable steps to ensure
14 businesses in deprived and depressed communities compete for and
15 perform contracts to provide services or supplies, or both. Each
16 director shall strongly encourage firms with which the department
17 contracts to subcontract with certified businesses in depressed and
18 deprived communities for services, supplies, or both.

19 Sec. 211. Pursuant to section 352 of the management and budget
20 act, 1984 PA 431, MCL 18.1352, which provides for a transfer of
21 state general funds into or out of the countercyclical budget and
22 economic stabilization fund, there is appropriated for the fiscal
23 year ending September 30, 2014, from general fund/general purpose
24 revenue for deposit into the countercyclical budget and economic
25 stabilization fund the sum of \$50,000,000.00. The calculation
26 required by section 352 of the management and budget act, 1984 PA
27 431, MCL 18.1352, is determined as follows:

	2013	2014
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17 Sec. 212. The departments and agencies receiving
 18 appropriations in part 1 shall receive and retain copies of all
 19 reports funded from appropriations in part 1. Federal and state
 20 guidelines for short-term and long-term retention of records shall
 21 be followed. The department may electronically retain copies of
 22 reports unless otherwise required by federal and state guidelines.
 23 Sec. 213. Funds appropriated in part 1 shall not be used by
 24 this state, a department, an agency, or an authority of this state
 25 to purchase an ownership interest in a casino enterprise or a
 26 gambling operation as those terms are defined in the Michigan
 27 gaming control and revenue act, 1996 IL 1, MCL 432.201 to 432.226.

1 Sec. 214. From the funds appropriated in part 1 for
2 information technology, departments and agencies shall pay user
3 fees to the department of technology, management, and budget for
4 technology-related services and projects. Such user fees shall be
5 subject to provisions of an interagency agreement between the
6 departments and agencies and the department of technology,
7 management, and budget.

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

11 Sec. 216. 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 standing committees on
19 appropriations, the house and senate fiscal agencies, and the state
20 budget director. The report shall include the following
21 information:

22 (a) The dates of each travel occurrence.

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

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

4 Sec. 220. Funds appropriated in part 1 shall not be used to
5 administer a committee or to solicit or obtain contributions for a
6 committee. As used in this section, "committee" means that term as
7 defined in section 3 of the Michigan campaign finance act, 1976 PA
8 388, MCL 169.203.

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

16 Sec. 226. Funds appropriated in part 1 shall not be used by a
17 principal executive department, state agency, or authority to hire
18 a person to provide legal services that are the responsibility of
19 the attorney general. This prohibition does not apply to legal
20 services for bonding activities and for those activities that the
21 attorney general authorizes.

22 Sec. 227. Within 14 days after the release of the executive
23 budget recommendation, the departments and agencies receiving
24 appropriations in part 1 shall provide the state budget director,
25 the chairs of the senate and house of representatives standing
26 committees on appropriations, the senate and house of
27 representatives standing committees on appropriations subcommittees

1 on general government, and the senate and house fiscal agencies
2 with an annual report on estimated state restricted fund balances,
3 state restricted fund projected revenues, and state restricted fund
4 expenditures for the fiscal years ending September 30, 2013 and
5 September 30, 2014.

6 Sec. 228. Not later than November 15, the state budget office
7 shall prepare and transmit a report that provides for estimates of
8 the total general fund/general purpose appropriation lapses at the
9 close of the prior fiscal year. This report shall summarize the
10 projected year-end general fund/general purpose appropriation
11 lapses by major departmental program or program areas. The report
12 shall be transmitted to the office of the state budget, the
13 chairpersons of the senate and house of representatives standing
14 committees on appropriations, and the senate and house fiscal
15 agencies.

16 Sec. 229. If the office of the auditor general has identified
17 an initiative or made a recommendation that is related to savings
18 and efficiencies in an audit report for an executive branch
19 department or agency, the department or agency shall report within
20 6 months of the release of the audit on their efforts and progress
21 made toward achieving the savings and efficiencies identified in
22 the audit report. The report shall be submitted to the chairs of
23 the senate and house of representatives standing committees on
24 appropriations, the chairs of the senate and house of
25 representatives standing committees with jurisdiction over matters
26 relating to the department that is audited, and the senate and
27 house fiscal agencies.

1 Sec. 231. (1) It is the intent of the legislature that
2 departments and agencies receiving appropriations in part 1
3 properly account for their spending and do not use FTE positions as
4 placeholders for spending in other parts of their budgets.

5 (2) The departments and agencies receiving appropriations
6 under part 1 shall provide a report to the legislature specifying
7 the number of filled, FTE positions in pay status in the
8 immediately preceding fiscal year by February 1. When reporting on
9 the number of filled, FTE positions in pay status, the department
10 or agency shall provide the maximum number of filled, FTE positions
11 in pay status by appropriation line item in the last pay period of
12 each quarter of the immediately preceding fiscal year. The report
13 shall also include a listing of all funded, FTE positions by
14 position title.

15 Sec. 233. In addition to the general fund/general purpose
16 appropriations for special maintenance, remodeling, and addition -
17 state facilities in part 1, there is also appropriated related
18 federal and state restricted funds up to the amounts that will be
19 earned based upon the initiatives undertaken with the funds in part
20 1. The state budget director shall determine and authorize the
21 appropriate manner for implementing this section.

22 Sec. 234. In addition to the general fund/general purpose
23 appropriations for enterprisewide information technology
24 investments in part 1, there is also appropriated related federal
25 and state restricted funds up to the amounts that will be earned
26 based upon the initiatives undertaken with the funds in part 1. The
27 state budget director shall determine and authorize the appropriate

1 manner for implementing this section.

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 or settlements, attorney fees, and litigation expenses
12 not including salaries and support costs, assessed against the
13 office of the governor, the department of the attorney general, the
14 governor, or the attorney general when acting in an official
15 capacity as the named party in litigation against the state. The
16 funds may also be expended for the payment of state costs incurred
17 under section 16 of chapter X of the code of criminal procedure,
18 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 part 1 under section 393(2) of the management and budget act,
4 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 part 1
9 under section 393(2) of the management and budget act, 1984 PA 431,
10 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.

27 Sec. 609. (1) The office of the Michigan veterans' facility

1 ombudsman is created within the legislative council. The ombudsman
2 shall be appointed by and serve at the pleasure of the legislative
3 council.

4 (2) The legislative council shall establish procedures for
5 approving the budget of the office, for expending funds of the
6 office, and for the employment of personnel for the office.

7 (3) The purpose of the ombudsman is to conduct investigations,
8 when deemed necessary, upon his or her own initiative or upon
9 receipt of a complaint from a resident veteran, family member of a
10 resident veteran, or legislator who files a complaint concerning an
11 action, omission, decision, recommendation, practice, or other
12 procedure of the department of military and veterans affairs or a
13 condition existing at a Michigan veterans' facility that is alleged
14 to be contrary to law or departmental policy or that poses a
15 significant health or safety issue for which there is no effective
16 administrative remedy.

17 (4) Subject to approval of the legislative council, the
18 ombudsman shall establish procedures for receiving and processing
19 complaints, conducting investigations, holding hearings, and
20 reporting the findings resulting from the investigations.

21 (5) Upon request and without the requirement of any release,
22 the ombudsman shall be given access to all information, records,
23 and documents in the possession of the department of military and
24 veterans affairs or a Michigan veterans' facility that the
25 ombudsman deems necessary in an investigation.

26 (6) Upon request and without notice, the ombudsman shall be
27 granted entrance to inspect at any time any Michigan veterans'

1 facility.

2 (7) The ombudsman may hold informal hearings and may request
3 that any person appear before the ombudsman or at a hearing and
4 give testimony or produce documentary or other evidence that the
5 ombudsman deems relevant to an investigation.

6 (8) The ombudsman shall advise a complainant to pursue all
7 administrative remedies open to the complainant. The ombudsman may
8 request and shall receive from the department of military and
9 veterans affairs or from a Michigan veterans' facility a progress
10 report concerning the administrative processing of a complaint.
11 After administrative action on a complaint, the ombudsman may
12 conduct further investigation on the request of a complainant or on
13 his or her own initiative.

14 (9) The ombudsman is not required to conduct an investigation
15 on a complaint brought before the ombudsman. A complainant is not
16 entitled as a right to be heard by the ombudsman.

17 (10) Upon receiving a complaint and deciding to investigate
18 the complaint, the ombudsman shall notify the complainant, the
19 resident veteran or resident veterans affected, and the department
20 of military and veterans affairs. If the ombudsman declines to
21 investigate, the ombudsman shall notify the complainant, in
22 writing, and inform the resident veteran or veterans affected of
23 the reasons for the ombudsman's decision.

24 (11) Correspondence between the ombudsman and a complainant is
25 confidential and is privileged communication. A report prepared and
26 recommendations made by the ombudsman and submitted to the
27 legislative council are exempt from disclosure under the freedom of

1 information act, 1976 PA 442, MCL 15.231 to 15.246.

2 (12) The ombudsman shall prepare and submit a report of the
3 findings of an investigation and make recommendations to the
4 legislative council within 30 days after completing the
5 investigation if the ombudsman finds any of the following:

6 (a) A matter that should be considered by the department of
7 military and veterans affairs.

8 (b) An act that should be modified or canceled.

9 (c) A statute or rule that should be altered.

10 (d) Acts for which justification is necessary.

11 (e) Significant resident veteran health and safety issues as
12 determined by the council.

13 (f) Any other significant concerns as determined by the
14 council.

15 (13) Before announcing a conclusion or recommendation that
16 expressly or by implication criticizes a person or Michigan
17 veterans' facility or the department of military and veterans
18 affairs, the ombudsman shall consult with that person or facility
19 or the department of military and veterans affairs.

20 (14) The ombudsman may request to be notified by a person or
21 Michigan veterans' facility or the department of military and
22 veterans affairs, within a specified time, of any action taken on
23 any recommendation presented. The ombudsman shall notify the
24 complainant of the actions taken by the person, the facility, or
25 the department of military and veterans affairs.

26 (15) The ombudsman shall submit to the legislative council and
27 the legislature an annual report on the conduct of the office.

1 (16) A resident veteran shall not be penalized in any way by a
2 person or Michigan veterans' facility or the department of military
3 and veterans affairs as a result of filing a complaint, complaining
4 to a legislator, or cooperating with the ombudsman in investigating
5 a complaint. A person or facility or the department shall not
6 hinder the lawful actions of the ombudsman or employees of the
7 office or willfully refuse to comply with any lawful demand of the
8 office.

9 **LEGISLATIVE AUDITOR GENERAL**

10 Sec. 620. Pursuant to section 53 of article IV of the state
11 constitution of 1963, the auditor general shall conduct audits of
12 the judicial branch. The audits may include the supreme court and
13 its administrative units, the court of appeals, and trial courts.

14 Sec. 621. (1) The auditor general shall take all reasonable
15 steps to ensure that certified minority- and women-owned and
16 operated accounting firms, and accounting firms owned and operated
17 by persons with disabilities participate in the audits of the
18 books, accounts, and financial affairs of each principal executive
19 department, branch, institution, agency, and office of this state.

20 (2) The auditor general shall strongly encourage firms with
21 which the auditor general contracts to perform audits of the
22 principal executive departments and state agencies to subcontract
23 with certified minority- and women-owned and operated accounting
24 firms, and accounting firms owned and operated by persons with
25 disabilities.

26 (3) The auditor general shall compile an annual report

1 regarding the number of contracts entered into with certified
2 minority- and women-owned and operated accounting firms, and
3 accounting firms owned and operated by persons with disabilities.
4 The auditor general shall deliver the report to the state budget
5 director and the senate and house of representatives standing
6 committees on appropriations subcommittees on general government by
7 November 1 of each year.

8 Sec. 622. From the funds appropriated in part 1 to the
9 legislative auditor general, the auditor general's salary and the
10 salaries of the remaining 2.0 FTE unclassified positions shall be
11 set by the speaker of the house of representatives, the senate
12 majority leader, the house of representatives minority leader, and
13 the senate minority leader.

14 Sec. 623. Any audits, reviews, or investigations requested of
15 the auditor general by the legislature or by legislative
16 leadership, legislative committees, or individual legislators shall
17 include an estimate of the additional costs involved and, when
18 those costs exceed \$50,000.00, should provide supplemental funding.
19 The auditor general shall determine whether to perform those
20 activities in keeping with Audit Directive No. 29, which describes
21 the office of the auditor general's policy on responding to
22 legislative requests.

23 Sec. 624. The auditor general shall take all reasonable steps
24 to lower printing and distribution costs for audit reports.

25 **DEPARTMENT OF STATE**

26 Sec. 701. (1) In addition to the funds appropriated in part 1,

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

6 (2) In addition to the funds appropriated in part 1, there is
7 appropriated an amount not to exceed \$7,500,000.00 for state
8 restricted contingency funds. These funds are not available for
9 expenditure until they have been transferred to another line item
10 in part 1 under section 393(2) of the management and budget act,
11 1984 PA 431, MCL 18.1393.

12 (3) In addition to the funds appropriated in part 1, there is
13 appropriated an amount not to exceed \$50,000.00 for local
14 contingency funds. These funds are not available for expenditure
15 until they have been transferred to another line item in part 1
16 under section 393(2) of the management and budget act, 1984 PA 431,
17 MCL 18.1393.

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

24 Sec. 703. From the funds appropriated in part 1, the
25 department of state shall sell copies of records including, but not
26 limited to, records of motor vehicles, off-road vehicles,
27 snowmobiles, watercraft, mobile homes, personal identification

1 cardholders, drivers, and boat operators and shall charge \$8.00 per
2 record sold only as authorized in section 208b of the Michigan
3 vehicle code, 1949 PA 300, MCL 257.208b, section 7 of 1972 PA 222,
4 MCL 28.297, and sections 80130, 80315, 81114, and 82156 of the
5 natural resources and environmental protection act, 1994 PA 451,
6 MCL 324.80130, 324.80315, 324.81114, and 324.82156. The revenue
7 received from the sale of records shall be credited to the
8 transportation administration collection fund created under section
9 810b of the Michigan vehicle code, 1949 PA 300, MCL 257.810b.

10 Sec. 704. From the funds appropriated in part 1, the secretary
11 of state may enter into agreements with the department of
12 corrections for the manufacture of vehicle registration plates 15
13 months before the registration year in which the registration
14 plates will be used.

15 Sec. 705. (1) The department of state may accept gifts,
16 donations, contributions, and grants of money and other property
17 from any private or public source to underwrite, in whole or in
18 part, the cost of a departmental publication that is prepared and
19 disseminated under the Michigan vehicle code, 1949 PA 300, MCL
20 257.1 to 257.923. A private or public funding source may receive
21 written recognition in the publication and may furnish a traffic
22 safety message, subject to departmental approval, for inclusion in
23 the publication. The department may reject a gift, donation,
24 contribution, or grant. The department may furnish copies of a
25 publication underwritten, in whole or in part, by a private source
26 to the underwriter at no charge.

27 (2) The department of state may sell and accept paid

1 advertising for placement in a departmental publication that is
2 prepared and disseminated under the Michigan vehicle code, 1949 PA
3 300, MCL 257.1 to 257.923. The department may charge and receive a
4 fee for any advertisement appearing in a departmental publication
5 and shall review and approve the content of each advertisement. The
6 department may refuse to accept advertising from any person or
7 organization. The department may furnish a reasonable number of
8 copies of a publication to an advertiser at no charge.

9 (3) Pending expenditure, the funds received under this section
10 shall be deposited in the Michigan department of state publications
11 fund created by section 211 of the Michigan vehicle code, 1949 PA
12 300, MCL 257.211. Funds given, donated, or contributed to the
13 department from a private source are appropriated and allocated for
14 the purpose for which the revenue is furnished. Funds granted to
15 the department from a public source are allocated and may be
16 expended upon receipt. The department shall not accept a gift,
17 donation, contribution, or grant if receipt is conditioned upon a
18 commitment of state funding at a future date. Revenue received from
19 the sale of advertising is appropriated and may be expended upon
20 receipt.

21 (4) Any unexpended revenues received under this section shall
22 be carried over into subsequent fiscal years and shall be available
23 for appropriation for the purposes described in this section.

24 (5) On March 1 of each year, the department of state shall
25 file a report with the senate and house of representatives standing
26 committees on appropriations, the senate and house fiscal agencies,
27 and the state budget director. The report shall include all of the

1 following information:

2 (a) The amount of gifts, contributions, donations, and grants
3 of money received by the department under this section for the
4 prior fiscal year.

5 (b) A listing of the expenditures made from the amounts
6 received by the department as reported in subdivision (a).

7 (c) A listing of any gift, donation, contribution, or grant of
8 property other than funding received by the department under this
9 section for the prior year.

10 (d) The total revenue received from the sale of paid
11 advertising accepted under this section and a statement of the
12 total number of advertising transactions.

13 (6) In addition to copies delivered without charge as the
14 secretary of state considers necessary, the department of state may
15 sell copies of manuals and other publications regarding the sale,
16 ownership, or operation or regulation of motor vehicles, with
17 amendments, at prices to be established by the secretary of state.
18 As used in this subsection, the term "manuals and other
19 publications" includes videos and proprietary electronic
20 publications. All funds received from sales of these manuals and
21 other publications shall be credited to the Michigan department of
22 state publications fund.

23 Sec. 707. Funds collected by the department of state under
24 section 211 of the Michigan vehicle code, 1949 PA 300, MCL 257.211,
25 are appropriated for all expenses necessary to provide for the
26 costs of the publication. Funds are allotted for expenditure when
27 they are received by the department of treasury and shall not lapse

1 to the general fund at the end of the fiscal year.

2 Sec. 708. From the funds appropriated in part 1, the
3 department of state shall use available balances at the end of the
4 state fiscal year to provide payment to the department of state
5 police in the amount of \$332,000.00 for the services provided by
6 the traffic accident records program as first appropriated in 1990
7 PA 196 and 1990 PA 208.

8 Sec. 709. From the funds appropriated in part 1, the
9 department of state may restrict funds from miscellaneous revenue
10 to cover cash shortages created from normal branch office
11 operations. This amount shall not exceed \$50,000.00 of the total
12 funds available in miscellaneous revenue.

13 Sec. 710. (1) Commemorative and specialty license plate fee
14 revenue collected by the department of state and deposited into the
15 transportation administration collection fund created by section
16 810b of the Michigan vehicle code, 1949 PA 300, MCL 257.810b, is
17 authorized for expenditure up to the amount of revenue collected
18 but not to exceed the amount appropriated to the department of
19 state in part 1 to administer commemorative and specialty license
20 plate programs.

21 (2) Commemorative and specialty license plate fee revenue
22 collected by the department of state and deposited in the
23 transportation administration collection fund created by section
24 810b of the Michigan vehicle code, 1949 PA 300, MCL 257.810b, in
25 addition to the amount appropriated in part 1 to the department of
26 state, shall remain in the transportation administration collection
27 fund created by section 810b of the Michigan vehicle code, 1949 PA

1 300, MCL 257.810b, and be available for future appropriation.

2 Sec. 711. Collector plate and fund-raising registration plate
3 revenues collected by the department of state are appropriated and
4 allotted for distribution to the recipient university or public or
5 private agency overseeing a state-sponsored goal when received.
6 Distributions shall occur on a quarterly basis or as otherwise
7 authorized by law. Any revenues remaining at the end of the fiscal
8 year shall not lapse to the general fund but shall remain available
9 for distribution to the university or agency in the next fiscal
10 year.

11 Sec. 712. The department of state may produce and sell copies
12 of a training video designed to inform registered automotive repair
13 facilities of their obligations under Michigan law. The price shall
14 not exceed the cost of production and distribution. The money
15 received from the sale of training videos shall revert to the
16 department of state and be placed in the auto repair facility
17 account.

18 Sec. 713. (1) The department of state, in collaboration with
19 the gift of life transplantation society or its successor federally
20 designated organ procurement organization, may develop and
21 administer a public information campaign concerning the Michigan
22 organ donor program.

23 (2) The department may solicit funds from any private or
24 public source to underwrite, in whole or in part, the public
25 information campaign authorized by this section. The department may
26 accept gifts, donations, contributions, and grants of money and
27 other property from private and public sources for this purpose. A

1 private or public funding source underwriting the public
2 information campaign, in whole or in substantial part, shall
3 receive sponsorship credit for its financial backing.

4 (3) Funds received under this section, including grants from
5 state and federal agencies, shall not lapse to the general fund at
6 the end of the fiscal year but shall remain available for
7 expenditure for the purposes described in this section.

8 (4) Funding appropriated in part 1 for the organ donor program
9 shall be used for producing a pamphlet to be distributed with
10 driver licenses and personal identification cards regarding organ
11 donations. The funds shall be used to update and print a pamphlet
12 that will explain the organ donor program and encourage people to
13 become donors by marking a checkoff on driver license and personal
14 identification card applications.

15 (5) The pamphlet shall include a return reply form addressed
16 to the gift of life organization. Funding appropriated in part 1
17 for the organ donor program shall be used to pay for return postage
18 costs.

19 (6) In addition to the appropriations in part 1, the
20 department of state may receive and expend funds from the organ and
21 tissue donation education fund for administrative expenses.

22 Sec. 714. At least 180 days before closing or consolidating a
23 branch office and at least 60 days before relocating a branch
24 office, the department of state shall inform members of the senate
25 and house of representatives standing committees on appropriations
26 and legislators who represent affected areas regarding the details
27 of the proposal. The information provided shall be in written form

1 and include all analyses done regarding criteria for changes in the
2 location of branch offices, including, but not limited to, branch
3 transactions, revenue, and the impact on citizens of the affected
4 area. The impact on citizens shall include information regarding
5 additional distance to branch office locations resulting from the
6 plan. The written notice provided by the department of state shall
7 also include detailed estimates of costs and savings that will
8 result from the overall changes made to the branch office structure
9 and the same level of detail regarding costs for new leased
10 facilities and expansions of current leased space.

11 Sec. 715. (1) Any service assessment collected by the
12 department of state from the user of a credit or debit card under
13 section 3 of 1995 PA 144, MCL 11.23, may be used by the department
14 for necessary expenses related to that service and may be remitted
15 to a credit or debit card company, bank, or other financial
16 institution.

17 (2) The service assessment imposed by the department of state
18 for credit and debit card services may be based either on a
19 percentage of each individual credit or debit card transaction, or
20 on a flat rate per transaction, or both, scaled to the amount of
21 the transaction. However, the department shall not charge any
22 amount for a service assessment which exceeds the costs billable to
23 the department for service assessments.

24 (3) If there is a balance of service assessments received from
25 credit and debit card services remaining on September 30, the
26 balance may be carried forward to the following fiscal year and
27 appropriated for the same purpose.

1 (4) As used in this section, "service assessment" means and
2 includes costs associated with service fees imposed by credit and
3 debit card companies and processing fees imposed by banks and other
4 financial institutions.

5 Sec. 716. The department of state shall provide a report that
6 calculates the total amount of funds expended for the business
7 application modernization project to date from the inception of the
8 program. The report shall contain information on the original start
9 and completion dates for the project, the original cost to complete
10 the project, and a listing of all revisions to project completion
11 dates and costs. The report shall include the total amount of funds
12 paid to the state by the contract provider for penalties. The
13 report shall be submitted to the senate and house of
14 representatives standing committees on appropriations, the senate
15 and house fiscal agencies, and the state budget director by January
16 1.

17 Sec. 717. (1) The department of state may accept nonmonetary
18 gifts, donations, or contributions of property from any private or
19 public source to support, in whole or in part, the operation of a
20 departmental function relating to licensing, regulation, or safety.
21 The department may recognize a private or public contributor for
22 making the contribution. The department may reject a gift,
23 donation, or contribution.

24 (2) The department of state shall not accept a gift, donation,
25 or contribution under subsection (1) if receipt of the gift,
26 donation, or contribution is conditioned upon a commitment of
27 future state funding.

1 (3) On March 1 of each year, the department of state shall
2 file a report with the senate and house of representatives standing
3 committees on appropriations, the senate and house fiscal agencies,
4 and the state budget director. The report shall list any gift,
5 donation, or contribution received by the department under
6 subsection (1) for the prior calendar year.

7 Sec. 718. From the funds appropriated in part 1 to the
8 department of state, branch operations, the department shall
9 maintain a full service secretary of state branch office in Buena
10 Vista Township.

11 Sec. 719. From the funds appropriated in part 1 for the
12 department of state, the department shall first use restricted
13 funding for expenditures, when available for that purpose, before
14 using general fund dollars.

15 Sec. 721. From the funds appropriated in part 1, the
16 department of state may collect ATM commission fees from companies
17 that have ATMs located in secretary of state branch offices. The
18 commission received from the use of these ATMs shall be credited to
19 the transportation administration collection fund created under
20 section 810b of the Michigan vehicle code, 1949 PA 300, MCL
21 257.810b.

22 **DEPARTMENT OF TECHNOLOGY, MANAGEMENT, AND BUDGET**

23 Sec. 801. (1) In addition to the funds appropriated in part 1,
24 there is appropriated an amount not to exceed \$4,000,000.00 for
25 federal contingency funds. These funds are not available for
26 expenditure until they have been transferred to another line item

1 in part 1 under section 393(2) of the management and budget act,
2 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 \$8,000,000.00 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 part 1 under section 393(2) of the management and budget act,
8 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 \$150,000.00 for local
11 contingency funds. These funds are not available for expenditure
12 until they have been transferred to another line item in part 1
13 under section 393(2) of the management and budget act, 1984 PA 431,
14 MCL 18.1393.

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

21 Sec. 802. Proceeds in excess of necessary costs incurred in
22 the conduct of transfers or auctions of state surplus, salvage, or
23 scrap property made pursuant to section 267 of the management and
24 budget act, 1984 PA 431, MCL 18.1267, are appropriated to the
25 department of technology, management, and budget to offset costs
26 incurred in the acquisition and distribution of federal surplus
27 property. The department of technology, management, and budget

1 shall provide consolidated Internet auction services through the
2 state's contractors for all local units of government.

3 Sec. 803. (1) The department of technology, management, and
4 budget may receive and expend funds in addition to those authorized
5 by part 1 for maintenance and operation services provided
6 specifically to other principal executive departments or state
7 agencies, the legislative branch, the judicial branch, or private
8 tenants, or provided in connection with facilities transferred to
9 the operational jurisdiction of the department of technology,
10 management, and budget.

11 (2) The department of technology, management, and budget may
12 receive and expend funds in addition to those authorized by part 1
13 for real estate, architectural, design, and engineering services
14 provided specifically to other principal executive departments or
15 state agencies, the legislative branch, or the judicial branch.

16 (3) The department of technology, management, and budget may
17 receive and expend funds in addition to those authorized in part 1
18 for mail pickup and delivery services provided specifically to
19 other principal executive departments and state agencies, the
20 legislative branch, or the judicial branch.

21 (4) The department of technology, management, and budget may
22 receive and expend funds in addition to those authorized in part 1
23 for purchasing services provided specifically to other principal
24 executive departments and state agencies, the legislative branch,
25 or the judicial branch.

26 (5) The department of technology, management, and budget shall
27 develop a plan regarding a statewide state-owned inventory

1 management system. The plan shall be distributed to the senate and
2 house of representatives standing committees on appropriations
3 subcommittees on general government, as well as the senate and
4 house fiscal agencies, by February 1. The plan shall include, but
5 not be limited to, all of the following:

6 (a) A listing of all current state-owned inventory management
7 systems.

8 (b) A listing of the necessary steps the department must take
9 in order to implement a statewide state-owned inventory management
10 system that will provide for an accurate accounting of all state-
11 owned inventory.

12 (c) A cost estimate for implementing a statewide state-owned
13 inventory management system.

14 Sec. 804. (1) The source of financing in part 1 for statewide
15 appropriations shall be funded by assessments against longevity and
16 insurance appropriations throughout state government in a manner
17 prescribed by the department of technology, management, and budget.
18 Funds shall be used as specified in joint labor/management
19 agreements or through the coordinated compensation hearings
20 process. Any deposits made under this subsection and any
21 unencumbered funds are restricted revenues, may be carried over
22 into the succeeding fiscal years, and are appropriated.

23 (2) In addition to the funds appropriated in part 1 for
24 statewide appropriations, the department of technology, management,
25 and budget may receive and expend funds in such additional amounts
26 as may be specified in joint labor/management agreements or through
27 the coordinated compensation hearings process in the same manner

1 and subject to the same conditions as prescribed in subsection (1).

2 Sec. 805. To the extent a specific appropriation is required
3 for a detailed source of financing included in part 1 for the
4 department of technology, management, and budget appropriations
5 financed from special revenue and internal service and pension
6 trust funds, or MAIN user charges, the specific amounts are
7 appropriated within the special revenue internal service and
8 pension trust funds in portions not to exceed the aggregate amount
9 appropriated in part 1.

10 Sec. 806. In addition to the funds appropriated in part 1 to
11 the department of technology, management, and budget, the
12 department may receive and expend funds from other principal
13 executive departments and state agencies to implement
14 administrative leave bank transfer provisions as may be specified
15 in joint labor/management agreements. The amounts may also be
16 transferred to other principal executive departments and state
17 agencies under the joint agreement and any amounts transferred
18 under the joint agreement are authorized for receipt and
19 expenditure by the receiving principal executive department or
20 state agency. Any amounts received by the department of technology,
21 management, and budget under this section and intended, under the
22 joint labor/management agreements, to be available for use beyond
23 the close of the fiscal year and any unencumbered funds may be
24 carried over into the succeeding fiscal year.

25 Sec. 807. The source of financing in part 1 for the Michigan
26 administrative information network shall be funded by proportionate
27 charges assessed against the respective state funds benefiting from

1 this project in the amounts determined by the department.

2 Sec. 808. (1) Deposits against the interdepartmental grant
3 from building occupancy and parking charges appropriated in part 1
4 shall be collected, in part, from state agencies, the legislative
5 branch, and the judicial branch based on estimated costs associated
6 with maintenance and operation of buildings managed by the
7 department of technology, management, and budget. To the extent
8 excess revenues are collected due to estimates of building
9 occupancy charges exceeding actual costs, the excess revenues may
10 be carried forward into succeeding fiscal years for the purpose of
11 returning funds to state agencies.

12 (2) Appropriations in part 1 to the department of technology,
13 management, and budget, for management and budget services from
14 building occupancy charges and parking charges, may be increased to
15 return excess revenue collected to state agencies.

16 Sec. 809. The department of technology, management, and budget
17 shall notify the chairpersons of the senate and house of
18 representatives standing committees on appropriations and the
19 chairpersons of the senate and house of representatives standing
20 committees on appropriations subcommittees on general government on
21 any revisions that increase or decrease current contracts by more
22 than \$500,000.00 for computer software development, hardware
23 acquisition, or quality assurance at least 14 days before the
24 department of technology, management, and budget finalizes the
25 revisions.

26 Sec. 810. The department of technology, management, and budget
27 shall maintain an Internet website that contains notice of all

1 invitations for bids and requests for proposals over \$50,000.00
2 issued by the department or by any state agency operating under
3 delegated authority. The department shall not accept an invitation
4 for bid or request for proposal in less than 14 days after the
5 notice is made available on the Internet website, except in
6 situations where it would be in the best interest of the state and
7 documented by the department. In addition to the requirements of
8 this section, the department may advertise the invitations for bids
9 and requests for proposals in any manner the department determines
10 appropriate, in order to give the greatest number of individuals
11 and businesses the opportunity to make bids or requests for
12 proposals.

13 Sec. 811. The department of technology, management, and budget
14 may receive and expend funds from the Vietnam veterans memorial
15 monument fund as provided in the Michigan Vietnam veterans memorial
16 act, 1988 PA 234, MCL 35.1051 to 35.1057. Funds are appropriated
17 and allocated when received and may be expended upon receipt.

18 Sec. 812. The Michigan veterans' memorial park commission may
19 receive and expend money from any source, public or private,
20 including, but not limited to, gifts, grants, donations of money,
21 and government appropriations, for the purposes described in
22 Executive Order No. 2001-10. Funds are appropriated and allocated
23 when received and may be expended upon receipt. Any deposits made
24 under this section and unencumbered funds are restricted revenues
25 and may be carried over into succeeding fiscal years.

26 Sec. 813. (1) Funds in part 1 for motor vehicle fleet are
27 appropriated to the department of technology, management, and

1 budget for administration and for the acquisition, lease,
2 operation, maintenance, repair, replacement, and disposal of state
3 motor vehicles.

4 (2) The appropriation in part 1 for motor vehicle fleet shall
5 be funded by revenue from rates charged to principal executive
6 departments and agencies for utilizing vehicle travel services
7 provided by the department. Revenue in excess of the amount
8 appropriated in part 1 from the motor transport fund and any
9 unencumbered funds are restricted revenues and may be carried over
10 into the succeeding fiscal year.

11 (3) Pursuant to the department of technology, management, and
12 budget's authority under sections 213 and 215 of the management and
13 budget act, 1984 PA 431, MCL 18.1213 and 18.1215, the department
14 shall maintain a plan regarding the operation of the motor vehicle
15 fleet. The plan shall include the number of vehicles assigned to,
16 or authorized for use by, state departments and agencies, efforts
17 to reduce travel expenditures, the number of cars in the motor
18 vehicle fleet, the number of miles driven by fleet vehicles, and
19 the number of gallons of fuel consumed by fleet vehicles. The plan
20 shall include a calculation of the amount of state motor vehicle
21 fuel taxes that would have been incurred by fleet vehicles if fleet
22 vehicles were required by law to pay motor fuel taxes. The plan
23 shall include a description of fleet garage operations, the goods
24 sold and services provided by the fleet garage, the cost to operate
25 the fleet garage, the number of fleet garage locations, and the
26 number of employees assigned to each fleet garage. The plan may be
27 adjusted during the fiscal year based on needs and cost savings to

1 achieve the maximum value and efficiency from the state motor
2 fleet. Within 60 days after the close of the fiscal year, the
3 department shall provide a report to the senate and house of
4 representatives standing committees on appropriations and the
5 senate and house fiscal agencies detailing the current plan and
6 changes made to the plan during the fiscal year.

7 (4) The department of technology, management, and budget may
8 charge state agencies for fuel cost increases that exceed \$3.04 per
9 gallon of unleaded gasoline. The department shall notify state
10 agencies, in writing or by electronic mail, at least 30 days before
11 implementing additional charges for fuel cost increases. Revenues
12 received from these charges are appropriated upon receipt.

13 (5) In order to reduce costs and maintain quality, it is the
14 intent of the legislature that, excluding the fleet of motor
15 vehicles for the department of state police, when economically
16 feasible, the department of technology, management, and budget will
17 prioritize the utilization of remanufactured parts as the primary
18 means of maintenance and repair for the state of Michigan's fleet
19 of motor vehicles.

20 Sec. 814. The department of technology, management, and budget
21 shall develop a plan regarding the use of the funds appropriated in
22 part 1 for the enterprisewide information technology investments.
23 The plan shall include, but not be limited to, a description of
24 proposed information technology investments, the time frame for
25 completion of the information technology investments, the proposed
26 cost of the information technology investments, the number of
27 employees assigned to implement each information technology

1 investment, the contracts entered into for each information
2 technology investment, and any other information the department
3 deems necessary. The plan shall be distributed to the senate and
4 house of representatives standing committees on appropriations
5 subcommittees on general government, as well as the senate and
6 house fiscal agencies, by February 1.

7 Sec. 815. (1) The department of technology, management, and
8 budget shall review all construction, renovation, addition, and
9 special maintenance projects for state facilities which exceed
10 \$100,000.00 for inclusion in an energy savings performance contract
11 pursuant to the cost-effective governmental energy use act, 2012 PA
12 625, MCL 18.1711 to 18.1725.

13 (2) No later than February 15, the department of technology,
14 management, and budget shall submit a report to the senate and
15 house appropriations subcommittees on general government and the
16 senate and house fiscal agencies providing the following
17 information:

18 (a) A list of each construction, renovation, addition, and
19 special maintenance project for state facilities which was included
20 in an energy savings performance contract and the qualified energy
21 service provider with which each energy savings performance
22 contract was entered into.

23 (b) The estimated cost savings resultant from the inclusion of
24 construction, renovation, addition, and special maintenance
25 projects for state facilities included in energy savings
26 performance contracts.

27 (c) the contract costs of including construction, renovation,

1 addition, and special maintenance projects for state facilities
2 included in energy savings performance contracts.

3 Sec. 816. A request for proposal (RFP) issued for the purpose
4 of privatization shall include all factors used in evaluating and
5 determining price.

6 Sec. 817. It is the intent of the legislature that the
7 department of technology, management, and budget, to the extent
8 that such services are required, shall utilize call or contact
9 center services provided by Michigan-based businesses, if they are
10 competitively priced and of comparable quality, and that the
11 department of technology, management, and budget shall require that
12 any vendor or subcontractor providing call or contact center
13 services to the state of Michigan disclose to inbound callers the
14 state from which the call or contact center services are being
15 provided.

16 Sec. 818. In addition to the funds appropriated in part 1, the
17 department of technology, management, and budget may receive and
18 expend money from the Michigan law enforcement officers memorial
19 monument fund as provided in the Michigan law enforcement officers
20 memorial act, 2004 PA 177, MCL 28.781 to 28.787.

21 Sec. 819. 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 Ronald Wilson Reagan memorial monument fund
24 as provided in the Ronald Wilson Reagan memorial monument fund
25 commission act, 2004 PA 489, MCL 399.261 to 399.266.

26 Sec. 820. The department shall make available to the public a
27 list of all parcels of real property owned by the state that are

House Bill No. 4328 (H-1) as amended April 23, 2013

1 available for purchase. The list shall be posted on the Internet
2 through the department's website.

3 Sec. 821. The department of technology, management, and budget
4 shall develop a plan regarding the office space consolidation
5 project, including the use of the funds appropriated pursuant to
6 2012 PA 200 for the space consolidation fund. The plan shall
7 include, but not be limited to, the description of the proposed
8 office space to be consolidated, the time frame for completion of
9 the office space consolidation, the proposed itemized cost of the
10 office space consolidation, the number of employees assigned to
11 implement the office space consolidation, the contracts entered
12 into for the office space consolidation, and any other information
13 the department deems necessary. The plan shall be updated and
14 distributed quarterly to the senate and house of representatives
15 standing committees on appropriations subcommittees on general
16 government, as well as the senate and house fiscal agencies.

17 Sec. 822. The department of technology, management, and budget
18 shall compile a report by January 1 pertaining to the salaries of
19 unclassified employees, as well as gubernatorial appointees, within
20 all state departments and agencies. The report shall enumerate each
21 unclassified employee and gubernatorial appointee and his or her
22 annual salary individually. The report shall be distributed to the
23 chairs of the senate and house of representatives standing
24 committees on appropriations subcommittees on general government,
25 as well as the senate and house fiscal agencies.

[Sec. 822a. (1) Prior to the commencement of the Delta County
bridge removal project appropriated for in part 1, the department of
technology, management, and budget shall submit a report to the house and
senate appropriations subcommittees and the house and senate fiscal
agencies including a detailed plan of work and anticipated expenditures
pertaining to the Delta County bridge removal project appropriated for in
part 1.

(2) Within 30 days subsequent to the completion of the Delta County
bridge removal project appropriated for in part 1, the department of
technology, management, and budget shall submit a report to the house and
senate appropriations subcommittees and the house and senate fiscal
agencies including a summary of the work completed, total funds expended,
and remaining funds unexpended, if any.]

26 **INFORMATION TECHNOLOGY**

1 Sec. 823. (1) The department of technology, management, and
2 budget may sell and accept paid advertising for placement on any
3 state website under its jurisdiction. The department shall review
4 and approve the content of each advertisement. The department may
5 refuse to accept advertising from any person or organization or
6 require modification to advertisements based upon criteria
7 determined by the department. Revenue received under this
8 subsection shall be used for operating costs of the department and
9 for future technology enhancements to state of Michigan e-
10 government initiatives. Funds received under this subsection shall
11 be limited to \$250,000.00. Any funds in excess of \$250,000.00 shall
12 be deposited in the state general fund.

13 (2) The department of technology, management, and budget may
14 accept gifts, donations, contributions, bequests, and grants of
15 money from any public or private source to assist with the
16 underwriting or sponsorship of state webpages or services offered
17 on those webpages. A private or public funding source may receive
18 recognition in the webpage. The department of technology,
19 management, and budget may reject any gift, donation, contribution,
20 bequest, or grant.

21 (3) Funds accepted by the department of technology,
22 management, and budget under subsection (1) are appropriated and
23 allotted when received and may be expended upon approval of the
24 state budget director. The state budget office shall notify the
25 senate and house of representatives standing committees on
26 appropriations subcommittees on general government and the senate
27 and house fiscal agencies within 10 days after the approval is

1 given.

2 (4) By April 1, the department of technology, management, and
3 budget shall report to the senate and house of representatives
4 standing committees on appropriations and the senate and house
5 fiscal agencies that a statement of the total revenue received from
6 the sale of paid advertising accepted under this section and a
7 statement of the total number of advertising transactions are
8 available on the department's website.

9 Sec. 824. The department of technology, management, and budget
10 may enter into agreements to supply spatial information and
11 technical services to other principal executive departments, state
12 agencies, local units of government, and other organizations. The
13 department of technology, management, and budget may receive and
14 expend funds in addition to those authorized in part 1 for
15 providing information and technical services, publications, maps,
16 and other products. The department of technology, management, and
17 budget may expend amounts received for salaries, supplies, and
18 equipment necessary to provide informational products and technical
19 services. Prior to December 1 of each year, the department shall
20 provide a report to the senate and house of representatives
21 standing committees on appropriations subcommittees on general
22 government, detailing the sources of funding and expenditures made
23 under this section.

24 Sec. 825. The legislature shall have access to all historical
25 and current data contained within MAIN pertaining to state
26 departments. State departments shall have access to all historical
27 and current data contained within MAIN.

1 Sec. 826. When used in this article, "information technology
2 services" means services involving all aspects of managing and
3 processing information, including, but not limited to, all of the
4 following:

5 (a) Application development and maintenance.

6 (b) Desktop computer support and management.

7 (c) Cyber security.

8 (d) Social media.

9 (e) Mainframe computer support and management.

10 (f) Server support and management.

11 (g) Local area network support and management, including, but
12 not limited to, wired and wireless network buildout, support, and
13 management.

14 (h) Information technology project management.

15 (i) Information technology planning and budget management.

16 (j) Telecommunication services, infrastructure, and support.

17 Sec. 827. (1) Funds appropriated in part 1 for the Michigan
18 public safety communications system shall be expended upon approval
19 of an expenditure plan by the state budget director.

20 (2) The department of technology, management, and budget shall
21 assess all subscribers of the Michigan public safety communications
22 system reasonable access and maintenance fees.

23 (3) All money received by the department of technology,
24 management, and budget under this section shall be expended for the
25 support and maintenance of the Michigan public safety
26 communications system.

27 (4) The department of technology, management, and budget shall

1 provide a report to the senate and house of representatives
2 standing committees on appropriations, the senate and house fiscal
3 agencies, and the state budget director on April 15 and on October
4 15, indicating the amount of revenue collected under this section
5 and expended for support and maintenance of the Michigan public
6 safety communications system for the immediately preceding 6-month
7 period. Any deposits made under this section and unencumbered funds
8 are restricted revenues and shall be carried forward into
9 succeeding fiscal years.

10 Sec. 828. The department of technology, management, and budget
11 shall submit a report for the immediately preceding fiscal year
12 ending September 30 to the senate and house of representatives
13 standing committees on appropriations subcommittees on general
14 government and the senate and house fiscal agencies by March 1. The
15 report shall include the following:

16 (a) The total amount of funding appropriated for information
17 technology services and projects, by funding source, for all
18 principal executive departments and agencies.

19 (b) A listing of the expenditures made from the amounts
20 received by the department of technology, management, and budget as
21 reported in subdivision (a).

22 Sec. 829. The department of technology, management, and budget
23 shall provide a report that analyzes and makes recommendations on
24 the life-cycle of information technology hardware and software. The
25 report shall be submitted to the senate and house of
26 representatives standing committees on appropriations subcommittees
27 on general government and the senate and house fiscal agencies by

1 March 1.

2 Sec. 830. By December 31, the department shall provide a
3 report that lists all information technology-related change orders
4 and follow-on contracts, greater than \$50,000.00, whether they are
5 bid, exercise options, or no-bid, and the amount of each change
6 order or contract extension contract entered into by the department
7 to the senate and house of representatives standing committees on
8 appropriations subcommittees on general government, the senate and
9 house fiscal agencies, and the state budget director.

10 Sec. 831. (1) The information, communications, and technology
11 innovation fund, established pursuant to 2011 PA 63 and 2012 PA
12 200, shall be administered by the department of technology,
13 management, and budget for the purpose of providing a revolving,
14 self-sustaining resource for financing information, communications,
15 and technology innovation projects. From the funds appropriated to
16 the information, communications, and technology innovation fund by
17 2011 PA 63 and 2012 PA 200, or received by the information,
18 communications, and technology innovation fund under subsections
19 (2) and (3), the department of technology, management, and budget
20 may issue loans to state agencies, local units of government,
21 colleges and universities in this state, school districts, other
22 public entities that provide public sector services, and nonprofit
23 organizations that provide public sector services, as determined by
24 the department of technology, management, and budget in support of
25 information, communications, and technology innovation projects.

26 (2) In addition to funds appropriated by 2011 PA 63 and 2012
27 PA 200, the information, communications, and technology innovation

1 fund may accept contributions, gifts, bequests, devises, grants,
2 and donations.

3 (3) In addition to the funds appropriated by 2011 PA 63 and
4 2012 PA 200, money received by the department of technology,
5 management, and budget as repayment of information, communications,
6 and technology innovation project loans, or other reimbursement or
7 revenue received by the department of technology, management, and
8 budget as a result of information, communications, and technology
9 innovation project loans, interest earned on that money, or
10 subsection (2) revenue, shall be deposited in the information,
11 communications, and technology innovation fund and is appropriated
12 for information, communications, and technology innovation fund
13 projects described in subsection (1). At the close of the fiscal
14 year, any unencumbered funds remaining in the information,
15 communications, and technology innovation fund shall remain in the
16 fund and be carried forward into the succeeding fiscal year.

17 Sec. 832. (1) The department of technology, management, and
18 budget shall inform the senate and house appropriations
19 subcommittees on general government and the senate and house fiscal
20 agencies within 30 days of any potential or actual penalties
21 assessed by the federal government for failure of the Michigan
22 child support enforcement system to achieve certification by the
23 federal government.

24 (2) If potential penalties are assessed by the federal
25 government, the department of technology, management, and budget
26 shall submit a report to the senate and house appropriations
27 subcommittees on general government and the senate and house fiscal

1 agencies within 90 days specifying the department's plans to avoid
2 actual penalties and ensure federal certification of the Michigan
3 child support enforcement system.

4 Sec. 833. (1) The state budget director, upon notification to
5 the senate and house of representatives standing committees on
6 appropriations, may adjust spending authorization and user fees in
7 the department of technology, management, and budget budget in
8 order to ensure that the appropriations for information technology
9 in the department budget equal the appropriations for information
10 technology in the budgets for all executive branch agencies.

11 (2) If during the course of the fiscal year a transfer or
12 supplemental to or from the information technology line item within
13 an agency budget is made under section 393 of the management and
14 budget act, 1984 PA 431, MCL 18.1393, there is appropriated an
15 equal amount of user fees in the department of technology,
16 management, and budget budget to accommodate an increase or
17 decrease in spending authorization.

18 Sec. 834. (1) Revenue collected from licenses issued under the
19 antenna site management project shall be deposited into the antenna
20 site management revolving fund created for this purpose in the
21 department of technology, management, and budget. The department
22 may receive and expend money from the fund for costs associated
23 with the antenna site management project, including the cost of a
24 third-party site manager. Any excess revenue remaining in the fund
25 at the close of the fiscal year shall be proportionately
26 transferred to the appropriate state restricted funds as designated
27 in statute or by constitution.

1 (2) An antenna shall not be placed on any site pursuant to
2 this section without complying with the respective local zoning
3 codes and local unit of government processes.

4 Sec. 835. In addition to the funds appropriated in part 1, the
5 funds collected by the department for supplying census-related
6 information and technical services, publications, statistical
7 studies, population projections and estimates, and other
8 demographic products are appropriated for all expenses necessary to
9 provide the required services. These funds are available for
10 expenditure when they are received and may be carried forward into
11 the next succeeding fiscal year.

12 STATE BUILDING AUTHORITY

13 Sec. 840. (1) Subject to section 242 of the management and
14 budget act, 1984 PA 431, MCL 18.1242, and upon the approval of the
15 state building authority, the department may expend from the
16 general fund of the state during the fiscal year an amount to meet
17 the cash flow requirements of those state building authority
18 projects solely for lease to a state agency identified in both part
19 1 and this section, and for which state building authority bonds or
20 notes have not been issued, and for the sole acquisition by the
21 state building authority of equipment and furnishings for lease to
22 a state agency as permitted by 1964 PA 183, MCL 830.411 to 830.425,
23 for which the issuance of bonds or notes is authorized by a
24 legislative appropriation that is effective for the fiscal year
25 ending September 30, 2013. Any general fund advances for which
26 state building authority bonds have not been issued shall bear an

1 interest cost to the state building authority at a rate not to
2 exceed that earned by the state treasurer's common cash fund during
3 the period in which the advances are outstanding and are repaid to
4 the general fund of the state.

5 (2) Upon sale of bonds or notes for the projects identified in
6 part 1 or for equipment as authorized by a legislative
7 appropriation and in this section, the state building authority
8 shall credit the general fund of the state an amount equal to that
9 expended from the general fund plus interest, if any, as defined in
10 this section.

11 (3) For state building authority projects for which bonds or
12 notes have been issued and upon the request of the state building
13 authority, the state treasurer shall make advances without interest
14 from the general fund as necessary to meet cash flow requirements
15 for the projects, which advances shall be reimbursed by the state
16 building authority when the investments earmarked for the financing
17 of the projects mature.

18 (4) In the event that a project identified in part 1 is
19 terminated after final design is complete, advances made on behalf
20 of the state building authority for the costs of final design shall
21 be repaid to the general fund in a manner recommended by the
22 director.

23 Sec. 841. (1) State building authority funding to finance
24 construction or renovation of a facility that collects revenue in
25 excess of money required for the operation of that facility shall
26 not be released to a university or community college unless the
27 institution agrees to reimburse that excess revenue to the state

1 building authority. The excess revenue shall be credited to the
2 general fund to offset rent obligations associated with the
3 retirement of bonds issued for that facility. The auditor general
4 shall annually identify and present an audit of those facilities
5 that are subject to this section. Costs associated with the
6 administration of the audit shall be charged against money
7 recovered pursuant to this section.

8 (2) As used in this section, "revenue" includes state
9 appropriations, facility opening money, other state aid, indirect
10 cost reimbursement, and other revenue generated by the activities
11 of the facility.

12 Sec. 842. (1) The state building authority rent appropriations
13 in part 1 may also be expended for the payment of required premiums
14 for insurance on facilities owned by the state building authority
15 or payment of costs that may be incurred as the result of any
16 deductible provisions in such insurance policies.

17 (2) If the amount appropriated in part 1 for state building
18 authority rent is not sufficient to pay the rent obligations and
19 insurance premiums and deductibles identified in subsection (1) for
20 state building authority projects, there is appropriated from the
21 general fund of the state the amount necessary to pay such
22 obligations.

23 Sec. 843. The state building authority shall provide to the
24 JCOS, state budget director, and senate and house fiscal agencies a
25 report relative to the status of construction projects associated
26 with state building authority bonds as of September 30 of each
27 year, on or before October 15, or not more than 30 days after a

1 refinancing or restructuring bond issue is sold. The report shall
2 include, but is not limited to, the following:

3 (a) A list of all completed construction projects for which
4 state building authority bonds have been sold, and which bonds are
5 currently active.

6 (b) A list of all projects under construction for which sale
7 of state building authority bonds is pending.

8 (c) A list of all projects authorized for construction or
9 identified in an appropriations act for which approval of
10 schematic/preliminary plans or total authorized cost is pending
11 that have state building authority bonds identified as a source of
12 financing.

13 CIVIL SERVICE

14 Sec. 850. (1) In accordance with section 5 of article XI of
15 the state constitution of 1963, all restricted funds shall be
16 assessed a sum not less than 1% of the total aggregate payroll paid
17 from those funds for financing the civil service commission on the
18 basis of actual 1% restricted sources total aggregate payroll of
19 the classified service for the preceding fiscal year. This
20 includes, but is not limited to, restricted funds appropriated in
21 part 1 of any appropriations act. Unexpended 1% appropriated funds
22 shall be returned to each 1% fund source at the end of the fiscal
23 year.

24 (2) The appropriations in part 1 are estimates of actual
25 charges based on payroll appropriations. With the approval of the
26 state budget director, the commission is authorized to adjust

1 financing sources for civil service charges based on actual payroll
2 expenditures, provided that such adjustments do not increase the
3 total appropriation for the civil service commission.

4 (3) The financing from restricted sources shall be credited to
5 the civil service commission by the end of the second fiscal
6 quarter.

7 Sec. 851. Except where specifically appropriated for this
8 purpose, financing from restricted sources shall be credited to the
9 civil service commission. For restricted sources of funding within
10 the general fund that have the legislative authority for carryover,
11 if current spending authorization or revenues are insufficient to
12 accept the charge, the shortage shall be taken from carryforward
13 balances of that funding source. Restricted revenue sources that do
14 not have carryforward authority shall be utilized to satisfy
15 commission operating deducts first and civil service obligations
16 second. General fund dollars are appropriated for any shortfall,
17 pursuant to approval by the state budget director.

18 Sec. 852. The appropriation in part 1 to the civil service
19 commission, for state-sponsored group insurance, flexible spending
20 accounts, and COBRA, represents amounts, in part, included within
21 the various appropriations throughout state government for the
22 current fiscal year to fund the flexible spending account program
23 included within the civil service commission. Deposits against
24 state-sponsored group insurance, flexible spending accounts, and
25 COBRA for the flexible spending account program shall be made from
26 assessments levied during the current fiscal year in a manner
27 prescribed by the civil service commission. Unspent employee

1 contributions to the flexible spending accounts may be used to
2 offset administrative costs for the flexible spending account
3 program, with any remaining balance of unspent employee
4 contributions to be lapsed to the general fund.

5 **CAPITAL OUTLAY**

6 Sec. 860. As used in sections 861 through 865:

7 (a) "Board" means the state administrative board.

8 (b) "Community college" does not include a state agency or
9 university.

10 (c) "Department" means the department of technology,
11 management, and budget.

12 (d) "Director" means the director of the department of
13 technology, management, and budget.

14 (e) "Fiscal agencies" means the senate fiscal agency and the
15 house fiscal agency.

16 (f) "State agency" means an agency of state government. State
17 agency does not include a community college or university.

18 (g) "State building authority" means the authority created
19 under 1964 PA 183, MCL 830.411 to 830.425.

20 (h) "University" means a 4-year university supported by the
21 state. University does not include a community college or a state
22 agency.

23 Sec. 861. Each capital outlay project authorized in this
24 article or any previous capital outlay act shall comply with the
25 procedures required by the management and budget act, 1984 PA 431,
26 MCL 18.1101 to 18.1594.

1 Sec. 864. The appropriations in part 1 for capital outlay
2 shall be carried forward at the end of the fiscal year consistent
3 with the provisions of section 248 of the management and budget
4 act, 1984 PA 431, MCL 18.1248.

5 Sec. 865. (1) A site preparation economic development fund is
6 created in the department. As used in this section, "economic
7 development sites" means those state-owned sites declared as
8 surplus property pursuant to section 251 of the management and
9 budget act, 1984 PA 431, MCL 18.1251, that would provide economic
10 benefit to the area or to the state. The Michigan economic
11 development corporation board and the state budget director shall
12 determine whether or not a specific state-owned site qualifies for
13 inclusion in the fund created under this subsection.

14 (2) Proceeds from the sale of any sites designated in
15 subsection (1) shall be deposited into the fund created in
16 subsection (1) and shall be available for site preparation
17 expenditures, unless otherwise provided by law. The economic
18 development sites authorized in subsection (1) are authorized for
19 sale consistent with state law. Expenditures from the fund are
20 authorized for site preparation activities that enhance the
21 marketable sale value of the sites. Site preparation activities
22 include, but are not limited to, demolition, environmental studies
23 and abatement, utility enhancement, and site excavation.

24 (3) A cash advance in an amount of not more than
25 \$25,000,000.00 is authorized from the general fund to the site
26 preparation economic development fund.

27 (4) An annual report shall be transmitted to the senate and

1 house of representatives standing committees on appropriations not
2 later than December 31 of each year. This report shall detail both
3 of the following:

4 (a) The revenue and expenditure activity in the fund for the
5 preceding fiscal year.

6 (b) The sites identified as economic development sites under
7 subsection (1).

8 **CAPITAL OUTLAY - UNIVERSITIES AND COMMUNITY COLLEGES**

9 Sec. 873. (1) This section applies only to projects for
10 community colleges.

11 (2) State support is directed towards the remodeling and
12 additions, special maintenance, or construction of certain
13 community college buildings. The community college shall obtain or
14 provide for site acquisition and initial main utility installation
15 to operate the facility. Funding shall be composed of local and
16 state shares and not more than 50% of a capital outlay project, not
17 including a lump-sum special maintenance project or remodeling and
18 addition project, for a community college shall be appropriated
19 from state and federal funds, unless otherwise appropriated by the
20 legislature.

21 (3) An expenditure under this article is authorized when the
22 release of the appropriation is approved by the board upon the
23 recommendation of the director. The director may recommend to the
24 board the release of any appropriation in part 1 only after the
25 director is assured that the legal entity operating the community
26 college to which the appropriation is made has complied with this

1 article and has matched the amounts appropriated as required by
2 this article. A release of funds in part 1 shall not exceed 50% of
3 the total cost of planning and construction of any project, not
4 including lump-sum remodeling and additions and special
5 maintenance, unless otherwise appropriated by the legislature.
6 Further planning and construction of a project authorized by this
7 article or applicable sections of the management and budget act,
8 1984 PA 431, MCL 18.1101 to 18.1594, shall be in accordance with
9 the purpose and scope as defined and delineated in the approved
10 program statements and planning documents. This article is
11 applicable to all projects for which planning appropriations were
12 made in previous acts.

13 (4) The community college shall take the steps necessary to
14 secure available federal construction and equipment money for
15 projects funded for construction in this article if an application
16 was not previously made. If there is a reasonable expectation that
17 a prior year unfunded application may receive federal money in a
18 subsequent year, the college shall take whatever action necessary
19 to keep the application active.

20 Sec. 874. If university and community college matching
21 revenues are received in an amount less than the appropriations for
22 capital projects contained in this article, the state funds shall
23 be reduced in proportion to the amount of matching revenue
24 received.

25 Sec. 875. (1) The director may require that community colleges
26 and universities that have an authorized project listed in part 1
27 submit documentation regarding the project match and governing

1 board approval of the authorized project not more than 60 days
2 after the beginning of the fiscal year.

3 (2) If the documentation required by the director under
4 subsection (1) is not submitted, or does not adequately
5 authenticate the availability of the project match or board
6 approval of the authorized project, the authorization may
7 terminate. The authorization terminates 30 days after the director
8 notifies the JCOS of the intent to terminate the project unless the
9 JCOS convenes to extend the authorization.

10 **DEPARTMENT OF TREASURY**

11 **OPERATIONS**

12 Sec. 901. (1) In addition to the funds appropriated in part 1,
13 there is appropriated an amount not to exceed \$1,000,000.00 for
14 federal contingency funds. These funds are not available for
15 expenditure until they have been transferred to another line item
16 in part 1 under section 393(2) of the management and budget act,
17 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 \$10,000,000.00 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 part 1 under section 393(2) of the management and budget act,
23 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 \$200,000.00 for local
26 contingency funds. These funds are not available for expenditure

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

4 (4) In addition to the funds appropriated in part 1, there is
5 appropriated an amount not to exceed \$40,000.00 for private
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 Sec. 902. (1) Amounts needed to pay for interest, fees,
11 principal, mandatory and optional redemptions, arbitrage rebates as
12 required by federal law, and costs associated with the payment,
13 registration, trustee services, credit enhancements, and issuing
14 costs in excess of the amount appropriated to the department of
15 treasury in part 1 for debt service on notes and bonds that are
16 issued by the state under sections 14, 15, and 16 of article IX of
17 the state constitution of 1963 as implemented by 1967 PA 266, MCL
18 17.451 to 17.455, are appropriated.

19 (2) In addition to the amount appropriated to the department
20 of treasury for debt service in part 1, there is appropriated an
21 amount for fiscal year cash-flow borrowing costs to pay for
22 interest on interfund borrowing made under 1967 PA 55, MCL 12.51 to
23 12.53.

24 (3) In addition to the amount appropriated to the department
25 of treasury for debt service in part 1, there is appropriated all
26 repayments received by the state on loans made from the school bond
27 loan fund not required to be deposited in the school loan revolving

1 fund by or pursuant to section 4 of 1961 PA 112, MCL 388.984, to
2 the extent determined by the state treasurer, for the payment of
3 debt service, including, without limitation, optional and mandatory
4 redemptions, on bonds, notes or commercial paper issued by the
5 state pursuant to 1961 PA 112, MCL 388.981 to 388.985.

6 Sec. 902a. The department of treasury shall notify the senate
7 and house of representatives standing committees on appropriations,
8 the senate and house fiscal agencies, and the state budget office
9 not more than 30 days after a refunding or restructuring bond issue
10 is sold. The notification shall compare the annual debt service
11 prior to the refinancing or restructuring, the annual debt service
12 after the refinancing or restructuring, the change in the principal
13 and interest over the duration of the debt, and the projected
14 change in the present value of the debt service due to the
15 refinancing and restructuring.

16 Sec. 903. (1) From the funds appropriated in part 1, the
17 department of treasury may contract with private collection
18 agencies and law firms to collect taxes and other accounts due this
19 state. In addition to the amounts appropriated in part 1 to the
20 department of treasury, there are appropriated amounts necessary to
21 fund collection costs and fees not to exceed 25% of the collections
22 or 2.5% plus operating costs, whichever amount is prescribed by
23 each contract. The appropriation to fund collection costs and fees
24 for the collection of taxes or other accounts due this state are
25 from the fund or account to which the revenues being collected are
26 recorded or dedicated. However, if the taxes collected are
27 constitutionally dedicated for a specific purpose, the

1 appropriation of collection costs and fees are from the general
2 purpose account of the general fund.

3 (2) From the funds appropriated in part 1, the department of
4 treasury may contract with private collections agencies and law
5 firms to collect defaulted student loans and other accounts due the
6 Michigan guaranty agency. In addition to the amounts appropriated
7 in part 1 to the department of treasury, there are appropriated
8 amounts necessary to fund collection costs and fees not to exceed
9 24.34% of the collection or a lesser amount as prescribed by the
10 contract. The appropriation to fund collection costs and fees for
11 the auditing and collection of defaulted student loans due the
12 Michigan guaranty agency is from the fund or account to which the
13 revenues being collected are recorded or dedicated.

14 (3) The department of treasury shall submit a report for the
15 immediately preceding fiscal year ending September 30 to the state
16 budget director and the senate and house of representatives
17 standing committees on appropriations not later than November 30
18 stating the agencies or law firms employed, the amount of
19 collections for each, the costs of collection, and other pertinent
20 information relating to determining whether this authority should
21 be continued.

22 Sec. 904. (1) The department of treasury, through its bureau
23 of investments, may charge an investment service fee against the
24 applicable retirement funds. The fees may be expended for necessary
25 salaries, wages, contractual services, supplies, materials,
26 equipment, travel, worker's compensation insurance premiums, and
27 grants to the civil service commission and state employees'

1 retirement funds. Service fees shall not exceed the aggregate
2 amount appropriated in part 1. The department of treasury shall
3 maintain accounting records in sufficient detail to enable the
4 retirement funds to be reimbursed periodically for fee revenue that
5 is determined by the department of treasury to be surplus.

6 (2) In addition to the funds appropriated in part 1 from the
7 retirement funds to the department of treasury, there is
8 appropriated from retirement funds an amount sufficient to pay for
9 the services of money managers, investment advisors, investment
10 consultants, custodians, and other outside professionals, the state
11 treasurer considers necessary to prudently manage the retirement
12 funds' investment portfolios. The state treasurer shall report
13 annually to the senate and house of representatives standing
14 committees on appropriations and the state budget office concerning
15 the performance of each portfolio by investment advisor.

16 Sec. 904a. (1) There is appropriated an amount sufficient to
17 recognize and pay expenditures for financial services provided by
18 financial institutions as provided under section 1 of 1861 PA 111,
19 MCL 21.181.

20 (2) The appropriations under subsection (1) shall be funded by
21 restricting revenues from common cash interest earnings and
22 investment earnings in an amount sufficient to record these
23 expenditures.

24 Sec. 905. A revolving fund known as the municipal finance fee
25 fund is created in the department of treasury. Fees are established
26 under the revised municipal finance act, 2001 PA 34, MCL 141.2101
27 to 141.2821, and the fees collected shall be credited to the

1 municipal finance fee fund and may be carried forward for future
2 appropriation.

3 Sec. 906. (1) The department of treasury shall charge for
4 audits as permitted by state or federal law or under contractual
5 arrangements with local units of government, other principal
6 executive departments, or state agencies. A report detailing audits
7 performed and audit charges for the immediately preceding fiscal
8 year shall be submitted to the state budget director and the senate
9 and house fiscal agencies not later than November 30.

10 (2) A revolving fund known as the audit charges fund is
11 created in the department of treasury. The contractual charges
12 collected shall be credited to the audit charges fund and may be
13 carried forward for future appropriation.

14 Sec. 907. A revolving fund known as the assessor certification
15 and training fund is created in the department of treasury. The
16 assessor certification and training fund shall be used to organize
17 and operate a property assessor certification and training program.
18 Each participant certified and trained shall pay to the department
19 of treasury an examination fee of \$50.00, an initial certification
20 fee of \$50.00, an annual renewal fee of \$75.00 for levels 1 and 2,
21 and \$125.00 for levels 3 and 4 to offset the cost of administering
22 the certification and training program. Training courses shall be
23 offered in assessment administration. Each participant shall pay a
24 fee to cover the expenses incurred in offering the optional
25 programs to certified assessing personnel and other individuals
26 interested in an assessment career opportunity. The fees collected
27 shall be credited to the assessor certification and training fund.

1 Sec. 908. The amount appropriated in part 1 to the department
2 of treasury, home heating assistance program, is to cover the
3 costs, including data processing, of administering federal home
4 heating credits to eligible claimants and to administer the
5 supplemental fuel cost payment program for eligible tax credit and
6 welfare recipients.

7 Sec. 909. Revenue from the airport parking tax act, 1987 PA
8 248, MCL 207.371 to 207.383, is appropriated and shall be
9 distributed under section 7a of the airport parking tax act, 1987
10 PA 248, MCL 207.377a.

11 Sec. 910. The disbursement by the department of treasury from
12 the bottle deposit fund to dealers as required by section 3c(2) of
13 1976 IL 1, MCL 445.573c, is appropriated.

14 Sec. 911. (1) There is appropriated an amount sufficient to
15 recognize and pay refundable income tax credits as provided by the
16 management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

17 (2) The appropriations under subsection (1) shall be funded by
18 restricting income tax revenue in an amount sufficient to record
19 these expenditures.

20 Sec. 912. A plaintiff in a garnishment action involving this
21 state shall pay to the state treasurer 1 of the following:

22 (a) A fee of \$6.00 at the time a writ of garnishment of
23 periodic payments is served upon the state treasurer, as provided
24 in section 4012 of the revised judicature act of 1961, 1961 PA 236,
25 MCL 600.4012.

26 (b) A fee of \$6.00 at the time any other writ of garnishment
27 is served upon the state treasurer, except that the fee shall be

1 reduced to \$5.00 for each writ of garnishment for individual income
2 tax refunds or credits filed by magnetic media.

3 Sec. 913. (1) The department of treasury may contract with
4 private firms to appraise and, if necessary, appeal the assessments
5 of senior citizen cooperative housing units. Payment for this
6 service shall be from savings resulting from the appraisal or
7 appeal process.

8 (2) Of the funds appropriated in part 1 to the department of
9 treasury for the senior citizens' cooperative housing tax exemption
10 program, a portion may be utilized for a program audit of the
11 program. The department of treasury shall forward copies of any
12 audit report completed to the senate and house of representatives
13 standing committees on appropriations subcommittees on general
14 government and to the state budget office. The department of
15 treasury may utilize up to 1% of the funds for program
16 administration and auditing.

17 Sec. 914. The department of treasury may provide a \$200.00
18 annual prize from the Ehlers internship award account in the gifts,
19 bequests, and deposit fund to the runner-up of the Rosenthal prize
20 for interns. The Ehlers internship award account is interest
21 bearing.

22 Sec. 915. Pursuant to section 61 of the Michigan campaign
23 finance act, 1976 PA 388, MCL 169.261, there is appropriated from
24 the general fund to the state campaign fund an amount equal to the
25 amounts designated for tax year 2012. Except as otherwise provided
26 in this section, the amount appropriated shall not revert to the
27 general fund and shall remain in the state campaign fund. Any

1 amounts remaining in the state campaign fund in excess of
2 \$10,000,000.00 on December 31 shall revert to the general fund.

3 Sec. 916. The department of treasury may make available to
4 interested entities otherwise unavailable customized unclaimed
5 property listings of nonconfidential information in its possession.
6 The charge for this information is as follows: 1 to 100,000 records
7 at 2.5 cents per record and 100,001 or more records at .5 cents per
8 record. The revenue received from this service shall be deposited
9 to the appropriate revenue account or fund. The department shall
10 submit an annual report on or before June 1 to the state budget
11 director and the senate and house of representatives standing
12 committees on appropriations that states the amount of revenue
13 received from the sale of information.

14 Sec. 917. (1) There is appropriated for write-offs and
15 advances an amount equal to total write-offs and advances for
16 departmental programs, but not to exceed current year
17 authorizations that would otherwise lapse to the general fund.

18 (2) The department of treasury shall submit a report for the
19 immediately preceding fiscal year to the state budget director and
20 the senate and house fiscal agencies not later than November 30
21 stating the amounts appropriated for write-offs and advances under
22 subsection (1).

23 Sec. 918. In addition to funds appropriated in part 1, the
24 department of treasury may receive and expend funds for conducting
25 tax orientation workshops and seminars. Funds received may not
26 exceed costs incurred in conducting the workshops and seminars.

27 Sec. 924. (1) In addition to the funds appropriated in part 1,

1 the department of treasury may receive and expend principal
2 residence audit fund revenue for administration of principal
3 residence audits under the general property tax act, 1893 PA 206,
4 MCL 211.1 to 211.155.

5 (2) The department of treasury shall submit a report for the
6 immediately preceding fiscal year to the state budget director and
7 the senate and house fiscal agencies not later than December 31
8 stating the amount of exemptions denied and the revenue received
9 under the program.

10 Sec. 925. (1) A public-private partnership investment fund is
11 created in the department of treasury. Subject to subsections (2)
12 and (3), public-private partnership investments shall include, but
13 are not limited to, all of the following:

14 (a) Capital asset improvements including buildings, land, or
15 structures.

16 (b) Energy resource exploration, extraction, generation, and
17 sales.

18 (c) Financial and investment incentive opportunities.

19 (d) Infrastructure construction, maintenance, and operation.

20 (e) Public-private sector joint ventures that provide economic
21 benefit to an area or to the state.

22 (2) Public-private investments shall not include projects,
23 consultant expenses, staff effort, or any other activity related to
24 the development, financing, construction, operation, or
25 implementation of the Detroit River International Crossing or any
26 successor project unless the project is approved by the legislature
27 and signed into law.

1 (3) The state treasurer and the state budget director shall
2 determine whether or not a specific public-private partnership
3 investment opportunity qualifies for funding under subsection (1).

4 (4) Investment development revenue, including a portion of the
5 proceeds from the sale of any public-private partnership investment
6 designated in subsection (1), shall be deposited into the fund
7 created in subsection (1) and shall be available for
8 administration, development, financing, marketing, and operating
9 expenditures associated with public-private partnerships, unless
10 otherwise provided by law. Public-private partnership investments
11 authorized in subsection (1) are authorized for public or private
12 operation or sale consistent with state law. Expenditures from the
13 fund are authorized for investment purposes as designated in
14 subsection (1) to enhance the marketable value of each investment.
15 The unencumbered balance remaining in the fund at the end of the
16 fiscal year may be carried forward for appropriation in future
17 years.

18 (5) An annual report shall be transmitted to the senate and
19 house of representatives standing committees on appropriations, the
20 senate and house fiscal agencies, and the state budget office not
21 later than December 31 of each year. This report shall detail both
22 of the following:

23 (a) The revenue and expenditure activity in the fund for the
24 preceding fiscal year.

25 (b) Public-private partnership investments as identified under
26 subsection (1).

27 (6) The department of treasury shall monitor the revenue

1 deposited in the public-private partnership investment fund created
2 in subsection (1). If the revenue in the fund is insufficient to
3 pay the amount appropriated in part 1 for public-private
4 partnership investment, then treasury shall propose a legislative
5 transfer to fund the line from the appropriations in part 1.

6 Sec. 925a. The funds appropriated in part 1 shall not be used
7 to support any staff effort, projects, consultant expenses, or any
8 other activity related to the development, financing, construction,
9 operation, or implementation of the Detroit River International
10 Crossing or any successor project unless the project is approved by
11 the legislature and signed into law.

12 Sec. 926. Unexpended appropriations of the John R. Justice
13 grant program are designated as work project appropriations and
14 shall not lapse at the end of the fiscal year and shall continue to
15 be available for expenditure until the project has been completed.
16 The following is in compliance with section 451a of the management
17 and budget act, 1984 PA 431, MCL 18.1451a:

18 (a) The purpose of the project is to provide student loan
19 forgiveness to qualified public defenders and prosecutors.

20 (b) The project will be accomplished by utilizing state
21 employees or contracts with private vendors, or both.

22 (c) The total estimated cost of the project is \$287,300.00.

23 (d) The tentative completion date is September 30, 2015.

24 Sec. 927. The department of treasury shall submit annual
25 progress reports to the senate and house of representatives
26 standing committees on appropriations subcommittees on general
27 government and the senate and house fiscal agencies, regarding

1 personal property tax audits. The report shall include the number
2 of audits, revenue generated, and number of complaints received by
3 the department related to the audits.

4 Sec. 928. The department of treasury may provide receipt,
5 warrant and cash processing, data, collection, investment, fiscal
6 agent, levy and warrant cost assessment, writ of garnishment, and
7 other user services on a contractual basis for other principal
8 executive departments and state agencies. Funds for the services
9 provided are appropriated and shall be expended for salaries and
10 wages, fees, supplies, and equipment necessary to provide the
11 services. Any unobligated balance of the funds received shall
12 revert to the general fund of this state as of September 30.

13 Sec. 930. (1) The department of treasury shall provide
14 accounts receivable collections services to other principal
15 executive departments and state agencies under 1927 PA 375, MCL
16 14.131 to 14.134. The department of treasury shall deduct a fee
17 equal to the cost of collections from all receipts except
18 unrestricted general fund collections. Fees shall be credited to a
19 restricted revenue account and appropriated to the department of
20 treasury to pay for the cost of collections. The department of
21 treasury shall maintain accounting records in sufficient detail to
22 enable the respective accounts to be reimbursed periodically for
23 fees deducted that are determined by the department of treasury to
24 be surplus to the actual cost of collections.

25 (2) The department of treasury shall submit a report for the
26 immediately preceding fiscal year to the state budget director and
27 the senate and house fiscal agencies not later than November 30

1 stating the principal executive departments and state agencies
2 served, funds collected, and costs of collection under subsection
3 (1).

4 Sec. 931. (1) The appropriation in part 1 to the department of
5 treasury for treasury fees shall be assessed against all restricted
6 funds that receive common cash earnings or other investment income.
7 Treasury fees include all costs, including administrative overhead,
8 relating to the investment of each restricted fund. The fee
9 assessed against each restricted fund will be based on the size of
10 the restricted fund (the absolute value of the average daily cash
11 balance plus the market value of investments in the prior fiscal
12 year) and the level of effort necessary to maintain the restricted
13 fund as required by each department. The department of treasury
14 shall provide a report to the state budget director, the senate and
15 house of representatives standing committees on appropriations
16 subcommittees on general government, and the senate and house
17 fiscal agencies by November 30 of each year identifying the fees
18 assessed against each restricted fund and the methodology used for
19 assessment.

20 (2) In addition to the funds appropriated in part 1, the
21 department of treasury may receive and expend investment fees
22 relating to new restricted funding sources that participate in
23 common cash earnings or other investment income during the current
24 fiscal year. When a new restricted fund is created starting on or
25 after October 1, that restricted fund shall be assessed a fee using
26 the same criteria identified in subsection (1).

27 Sec. 932. Revenue received under the Michigan education trust

1 act, 1986 PA 316, MCL 390.1421 to 390.1442, may be expended by the
2 board of directors of the Michigan education trust for necessary
3 salaries, wages, supplies, contractual services, equipment,
4 worker's compensation insurance premiums, and grants to the civil
5 service commission and state employees' retirement fund.

6 Sec. 934. (1) The department of treasury may expend revenues
7 received under the hospital finance authority act, 1969 PA 38, MCL
8 331.31 to 331.84, the shared credit rating act, 1985 PA 227, MCL
9 141.1051 to 141.1076, the higher education facilities authority
10 act, 1969 PA 295, MCL 390.921 to 390.934, the Michigan public
11 educational facilities authority, Executive Reorganization Order
12 No. 2002-3, MCL 12.192, the Michigan tobacco settlement finance
13 authority act, 2005 PA 226, MCL 129.261 to 129.279, the land bank
14 fast track act, 2003 PA 258, MCL 124.751 to 124.774, part 505 of
15 the natural resources and environmental protection act, 1994 PA
16 451, MCL 324.50501 to 324.50522, the state housing development
17 authority act of 1966, 1966 PA 346, MCL 125.1401 to 125.1499c, and
18 the Michigan finance authority, Executive Reorganization Order No.
19 2010-2, MCL 12.194, for necessary salaries, wages, supplies,
20 contractual services, equipment, worker's compensation insurance
21 premiums, grants to the civil service commission and state
22 employees' retirement fund, and other expenses as allowed under
23 those acts.

24 (2) The department of treasury shall report by January 31 to
25 the senate and house appropriations subcommittees, the senate and
26 house fiscal agencies, and the state budget director on the amount
27 and purpose of expenditures made under subsection (1) from funds

1 received in addition to those appropriated in part 1. The report
2 also shall include a listing of reimbursement of revenue, if any.
3 The report shall cover the 2012-2013 fiscal year.

4 Sec. 935. The funds appropriated in part 1 for dual enrollment
5 payments for an eligible student enrolled in a state approved
6 nonpublic school shall be distributed as provided under the
7 postsecondary enrollment options act, 1996 PA 160, MCL 388.511 to
8 388.524, and the career and technical preparation act, 2000 PA 258,
9 MCL 388.1901 to 388.1913, in a form and manner as determined by the
10 department of treasury.

11 Sec. 944. If the department hires a pension plan consultant
12 using any of the funds appropriated in part 1, the department shall
13 annually forward any report provided to the department by that
14 consultant to the senate and house of representatives standing
15 committees on appropriations subcommittees on general government,
16 the senate and house fiscal agencies, and the state budget
17 director.

18 Sec. 945. The assessment and certification division of the
19 department of treasury shall conduct a review of local unit
20 assessment administration practices, procedures, and records, also
21 known as the 14-point review, in at least 1 assessment jurisdiction
22 per county.

23 **REVENUE SHARING**

24 Sec. 950. The funds appropriated in part 1 for constitutional
25 revenue sharing shall be distributed by the department to cities,
26 villages, and townships, as required under section 10 of article IX
27 of the state constitution of 1963. Revenue collected in accordance

1 with section 10 of article IX of the state constitution of 1963 in
2 excess of the amount appropriated in part 1 for constitutional
3 revenue sharing is appropriated for distribution to cities,
4 villages, and townships, on a population basis as required under
5 section 10 of article IX of the state constitution of 1963.

6 Sec. 951. (1) The funds appropriated in part 1 for the
7 competitive grant assistance program are to be used for assistance
8 grants to cities, villages, townships, counties, school districts,
9 intermediate school districts, community colleges, and universities
10 to offset the costs associated with mergers, interlocal agreements,
11 and cooperative efforts for those cities, villages, townships,
12 counties, school districts, intermediate school districts,
13 community colleges, and universities that elect to combine
14 government operations. For a school district, intermediate school
15 district, community college, or university to qualify for grant
16 funding under this section, the school district, intermediate
17 school district, community college, or university district must
18 combine operations with a city, village, township, or county.
19 However, a city, village, township, county, school district,
20 intermediate school district, community college, or university is
21 not eligible to receive funding under this section if the city,
22 village, township, county, school district, intermediate school
23 district, community college, or university receives a grant from
24 the competitive grant assistance program under the state school aid
25 act, 1979 PA 94, MCL 388.1601 to 388.1896. The department of
26 treasury shall develop an application process and method of grant
27 distribution.

1 (2) The unexpended funds appropriated in part 1 for the
2 competitive grant assistance program, economic vitality incentive
3 program, and the county incentive program are designated as work
4 project appropriations and any unencumbered or unallotted funds
5 shall not lapse at the end of the fiscal year and shall be
6 available for expenditure for projects under this section until the
7 projects have been completed. The following is in compliance with
8 section 451a of the management and budget act, 1984 PA 431, MCL
9 18.1451a:

10 (a) The purpose of the projects is to provide incentive-based
11 grants to recipients under this section.

12 (b) The projects will be accomplished by grants to qualified
13 governmental units.

14 (c) The total estimated cost of all projects is
15 \$268,120,000.00.

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

17 Sec. 952. (1) The funds appropriated in part 1 for the
18 economic vitality incentive program are to be used for grants to
19 cities, villages, and townships such that, subject to fulfilling
20 the requirements under subsection (3), (4), or (5), or any
21 combination of those subsections, each city, village, or township
22 that received a payment under section 950(2) of 2009 PA 128 greater
23 than \$4,500.00 is eligible to receive a maximum of 72.68289% of its
24 total payment received under section 950(2) of 2009 PA 128, rounded
25 to the nearest dollar. For the purposes of this subsection, any
26 city or village that according to the 2010 federal decennial census
27 is determined to have population in more than 1 county will be

1 treated as a single entity when determining the payment received
2 under section 950(2) of 2009 PA 128.

3 (2) The funds appropriated in part 1 for the county incentive
4 program are to be used for grants to counties such that each county
5 is eligible to receive an amount equal to 20% of the amount by
6 which the balance in its revenue sharing reserve fund under section
7 44a of the general property tax act, 1893 PA 206, MCL 211.44a, for
8 the county's most recent fiscal year that ends prior to the January
9 1 of the state's fiscal year is less than the amount calculated
10 under section 44a(13) of the general property tax act, 1893 PA 206,
11 MCL 211.44a, for the county fiscal year that begins in the state's
12 fiscal year. The amount calculated under this subsection shall be
13 adjusted as necessary to reflect partial county fiscal years and
14 prorated based on the total amount appropriated for distribution to
15 all eligible counties. Payments under this subsection will be
16 distributed to an eligible county subject to the county's
17 fulfilling the requirements under subsection (3), (4), or (5), or
18 any combination of those subsections. Cities, villages, townships,
19 and counties eligible to receive a potential payment from the
20 allocation under this subsection or subsection (1) may qualify to
21 receive payments under 1 or more of the 3 categories described
22 under subsections (3), (4), and (5).

23 (3) Category 1, accountability and transparency, requires each
24 eligible city, village, township, or county to certify by October
25 1, or the first day of a payment month, that it has met both of the
26 following requirements:

27 (a) It has produced a citizen's guide of its most recent local

1 finances, including a recognition of its unfunded liabilities; a
2 performance dashboard; a debt service report containing a detailed
3 listing of its debt service requirements, including, at a minimum,
4 the issuance date, issuance amount, type of debt instrument, a
5 listing of all revenues pledged to finance debt service by debt
6 instrument, and a listing of the annual payment amounts; and a
7 projected budget report, including, at a minimum, the current
8 fiscal year and a projection for the immediately following fiscal
9 year. The projected budget report shall include revenues and
10 expenditures and an explanation of the assumptions used for the
11 projections. The citizen's guide, performance dashboard, debt
12 service report, and projected budget report shall be made available
13 for public viewing in the city, village, township, or county
14 clerk's office or posted on a publicly accessible Internet site.
15 Each city, village, township, and county applying for a payment
16 under this category shall submit a copy of the citizen's guide, a
17 copy of the performance dashboard, a copy of the debt service
18 report, and a copy of the projected budget report to the department
19 of treasury.

20 (b) It has produced a listing of all salaries by job
21 classification, a listing of all severance packages including the
22 terms of all severance packages, and a listing of all contracts of
23 \$25,000.00 or more. Each listing shall be made available for public
24 viewing in the city, village, township, or county clerk's office or
25 posted on a publicly accessible Internet site. Each listing shall
26 be updated on a monthly basis.

27 (4) Category 2, consolidation of services, requires each

1 eligible city, village, township, or county to certify by February
2 1, or the first day of a payment month for this category, that it
3 has produced a consolidation plan. The consolidation plan shall be
4 made readily available for public viewing in the city, village,
5 township, or county clerk's office or posted on a publicly
6 accessible Internet site. Each city, village, township, and county
7 applying for a payment under this category shall submit a copy of
8 the consolidation plan to the department of treasury. At a minimum,
9 the consolidation plan shall include the following:

10 (a) For a city, village, township, or county that is
11 submitting a consolidation plan for the first time, the plan shall
12 include, but not be limited to, a listing of any previous service
13 cooperations, collaborations, consolidations, innovations, or
14 privatizations with an estimated cost savings amount for each
15 cooperation, collaboration, consolidation, innovation, or
16 privatization. In addition, the plan shall include, but not be
17 limited to, 1 or more new proposals to increase its existing level
18 of cooperation, collaboration, consolidation, innovation, or
19 privatization either within the jurisdiction or with other
20 jurisdictions, an estimate of the potential savings amount, and a
21 timeline for implementing the new proposal.

22 (b) For a city, village, township, or county that submitted a
23 consolidation plan in the previous fiscal year, the plan shall
24 include, but not be limited to, an update on the status of all new
25 proposals that were in the previous years' consolidation plans,
26 including whether or not the previously proposed plans have been
27 fully implemented, a listing of the barriers experienced in

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1 implementing the proposals, and a timeline of the steps to
2 accomplish the proposed plans. In addition, the plan shall include,
3 but not be limited to, 1 or more new proposals to increase its
4 existing level of cooperation, collaboration, consolidation,
5 innovation, or privatization either within the jurisdiction or with
6 other jurisdictions, or a detailed explanation of why increasing
7 its existing level of cooperation, collaboration, consolidation,
8 innovation, or privatization is not feasible. The new proposal
9 shall include but not be limited to, an estimate of the potential
10 savings amount and a timeline for implementing the new proposals.

11 [(5) Category 3, unfunded accrued liabilities, requires each
12 eligible city, village, township, or county to certify by June 1, or
13 the first day of a payment month for this category, that it has complied
14 with 1 of the following:

15 (a) An eligible city, village, township, or county with unfunded
16 accrued liabilities as of its most recent audited financial report
17 related to employee pensions or other postemployment benefits shall
18 submit a plan to lower all unfunded accrued liabilities. The plan shall
19 include a listing of all previous actions taken to reduce its unfunded
20 accrued liabilities with an estimated cost savings of those actions; a
21 detailed description of how it will continue to implement and maintain
22 previous actions taken; and a listing of additional actions it could
23 take. If no actions have been taken to reduce its unfunded accrued
24 liabilities, it shall provide a detailed explanation of why no actions
25 have been taken and a listing of actions it could implement to reduce
26 unfunded accrued liabilities. Actuarial assumption changes and issuance

1 House Bill No. 4328 (H-1) as amended April 23, 2013
2 of debt instruments shall not qualify as a new proposal. The department
3 shall develop a certification process and method for cities, villages,
4 townships, and counties to follow.

5 (b) Any city, village, township, or county that does not have
6 unfunded accrued liabilities as of its most recent audited financial
7 report related to employee pensions or other postemployment benefits
8 shall certify to the department of treasury by June 1, or the first day
9 of a payment month for this category, that it does not have unfunded
10 accrued liabilities. The certification shall include an explanation of
11 why the city, village, township, or county does not have unfunded accrued
12 liabilities. The department shall develop a certification process and
13 method for cities, villages, townships, or counties to follow.

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(6) Economic vitality incentive program payments and county incentive program payments are subject to the following conditions:

(a) In order for a city, village, township, or county to qualify for a category under subsection (3), (4), or (5), the city, village, township, or county shall meet every criteria for that category, including a certification to the department that it has met the required criteria for that category and submission of the required citizen's guide, performance dashboard, debt service report, and projected budget report; consolidation plan; or the fiduciary responsibility and employee contracting requirements and unfunded accrued liability plan, as required by subsection (3), (4), or (5), respectively. A department of treasury review of the citizen's guide, dashboard, reports, or plan is not required in order for a city, village, township, or county to receive a payment under subsection (1) or (2). The department shall develop a certification process and method for cities, villages, townships, and counties to follow.

(b) Subject to subdivisions (c), (d), and (e), for each category that a city, village, township, or county qualifies for in subsections (3), (4), and (5), the city, village, township, or

1 county shall receive 1/3 of its potential payment under this
2 section.

3 (c) Payments under this section shall be issued to cities,
4 villages, and townships as follows:

5 (i) Category 1, an eligible city, village, or township that
6 certifies with the department of treasury that it has qualified for
7 a payment under subsection (3) by October 1 shall receive 1/6 of
8 its available distribution on the last business day of October and
9 1/6 of its available distribution on the last business day of
10 December. If an eligible city, village, or township certifies with
11 the department of treasury that it has qualified for a payment
12 under subsection (3) after October 1, but prior to December 1, the
13 city, village, or township shall receive 1/6 of its available
14 distribution on the last business day of December.

15 (ii) Category 2, an eligible city, village, or township that
16 certifies with the department of treasury that it has qualified for
17 a payment under subsection (4) by February 1 shall receive 1/6 of
18 its available distribution on the last business day of February and
19 1/6 of its available distribution on the last business day of
20 April. If an eligible city, village, or township certifies with the
21 department of treasury that it has qualified for a payment under
22 subsection (4) after February 1, but prior to April 1, the city,
23 village, or township shall receive 1/6 of its available
24 distribution on the last business day of April.

25 (iii) Category 3, an eligible city, village, or township that
26 certifies with the department of treasury that it has qualified for
27 a payment under subsection (5) by June 1 shall receive 1/6 of its

1 available distribution on the last business day of June and 1/6 of
2 its available distribution on the last business day of August. If
3 an eligible city, village, or township certifies with the
4 department of treasury that it has qualified for a payment under
5 subsection (5) after June 1, but prior to August 1, the city,
6 village, or township shall receive 1/6 of its available
7 distribution on the last business day of August.

8 (d) Payments under this section shall be issued to counties
9 for each category described in subsections (3), (4), and (5) until
10 the specified due date for the category. After the specified due
11 date for the category, payments shall be made to a county only if
12 that county has complied with subdivision (a).

13 (e) If a county does not provide the required certification or
14 fails to submit the required citizen's guide, performance
15 dashboard, debt service report, projected budget report,
16 consolidation plan, or unfunded accrued liability plan by the first
17 day of a payment month, the county shall forfeit the payment in
18 that payment month for the uncertified category in subsections (3),
19 (4), and (5).

20 (f) Any city, village, township, or county that falsifies
21 certification documents shall forfeit any future economic vitality
22 incentive program payments or county incentive program payments and
23 shall repay to this state all economic vitality incentive program
24 payments or county incentive program payments it has received under
25 this section.

26 (g) Economic vitality incentive program payments and county
27 incentive program payments under this section shall be distributed

1 on the last business day of October, December, February, April,
2 June, and August.

3 (h) Payments distributed under this section may be withheld
4 pursuant to sections 17a and 21 of the Glenn Steil state revenue
5 sharing act of 1971, 1971 PA 140, MCL 141.917a and 141.921.

6 (i) The department of treasury shall develop detailed guidance
7 for an eligible city, village, township, or county to follow to
8 qualify for a payment under subsections (3), (4), and (5). The
9 detailed guidance shall be posted on the department of treasury
10 website and distributed to eligible cities, villages, townships,
11 and counties by October 1.

12 (7) The unexpended funds appropriated in part 1 for the
13 economic vitality incentive program and the county incentive
14 program shall be available for expenditure under the competitive
15 grant assistance program after the approval of transfers by the
16 legislature pursuant to section 393(2) of the management and budget
17 act, 1984 PA 431, MCL 18.1393.

18 (8) As used in subsection (5):

19 (a) "Savings" means employee or union concessions in wages,
20 health care benefits, pension contributions, or other employment
21 issues if those other issues have quantifiable cost savings.

22 (b) "Contract" means a collective bargaining agreement or
23 other agreement described under subsection (5)(a).

24 Sec. 955. (1) The funds appropriated in part 1 for county
25 revenue sharing shall be distributed by the department to eligible
26 counties pursuant to the Glenn Steil state revenue sharing act of
27 1971, 1971 PA 140, MCL 141.901 to 141.921, such that each county

1 shall receive 80% of the amount calculated under the Glenn Steil
2 state revenue sharing act of 1971, 1971 PA 140, MCL 141.901 to
3 141.921.

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 Sec. 964. The bureau of state lottery shall submit a detailed
24 report by September 30 to the senate and house of representatives
25 subcommittees on general government, the senate and house fiscal
26 agencies, and the state budget office on the use of funds
27 appropriated for iLottery. The report shall include, but is not

1 limited to, the total expenditures related to advertising, total
2 expenditures associated with design and construction of the
3 iLottery portal, total expenditures associated with administering
4 the iLottery portal, revenue generated by the iLottery portal,
5 lottery games offered through the iLottery portal, and any
6 contracts entered into to create or operate the iLottery portal.

7 Sec. 965. The iLottery portal is limited to offering only
8 those lottery games in existence as of January 1, 2004.

9 **CASINO GAMING**

10 Sec. 971. From the revenue collected by the Michigan gaming
11 control board regarding the total annual assessment of each casino
12 licensee, \$2,000,000.00 is appropriated and shall be deposited in
13 the compulsive gaming prevention fund as described in section
14 12a(5) of the Michigan gaming control and revenue act, 1996 IL 1,
15 MCL 432.212a.

16 Sec. 973. (1) Funds appropriated in part 1 for local
17 government programs may be used to provide assistance to a local
18 revenue sharing board referenced in an agreement authorized by the
19 Indian gaming regulatory act, Public Law 100-497.

20 (2) A local revenue sharing board described in subsection (1)
21 shall comply with the open meetings act, 1976 PA 267, MCL 15.261 to
22 15.275, and the freedom of information act, 1976 PA 442, MCL 15.231
23 to 15.246.

24 (3) A county treasurer is authorized to receive and administer
25 funds received for and on behalf of a local revenue sharing board.
26 Funds appropriated in part 1 for local government programs may be
27 used to audit local revenue sharing board funds held by a county

1 treasurer. This section does not limit the ability of local units
2 of government to enter into agreements with federally recognized
3 Indian tribes to provide financial assistance to local units of
4 government or to jointly provide public services.

5 (4) A local revenue sharing board described in subsection (1)
6 shall comply with all applicable provisions of any agreement
7 authorized by the Indian gaming regulatory act, Public Law 100-497,
8 in which the local revenue sharing board is referenced, including,
9 but not limited to, the disbursement of tribal casino payments
10 received under applicable provisions of the tribal-state class III
11 gaming compact in which those funds are received.

12 (5) The director of the department of state police and the
13 executive director of the Michigan gaming control board are
14 authorized to assist the local revenue sharing boards in
15 determining allocations to be made to local public safety
16 organizations.

17 (6) The department of treasury shall submit a report by
18 September 30 to the senate and house of representatives standing
19 committees on appropriations and the state budget director on the
20 receipts and distribution of revenues by local revenue sharing
21 boards.

22 Sec. 974. If revenues collected in the state services fee fund
23 are less than the amounts appropriated from the fund, available
24 revenues shall be used to fully fund the appropriation in part 1
25 for casino gaming regulation activities before distributions are
26 made to other state departments and agencies. If the remaining
27 revenue in the fund is insufficient to fully fund appropriations to

1 other state departments or agencies, the shortfall shall be
2 distributed proportionally among those departments and agencies.

3 Sec. 976. The executive director of the Michigan gaming
4 control board may pay rewards of not more than \$5,000.00 to a
5 person who provides information that results in the arrest and
6 conviction on a felony or misdemeanor charge for a crime that
7 involves the horse racing industry. A reward paid pursuant to this
8 section shall be paid out of the appropriation in part 1 for the
9 racing commission.

10 Sec. 977. All appropriations from the Michigan agriculture
11 equine industry development fund, except for the racing commission
12 and laboratory analysis program appropriations, shall be reduced
13 proportionately if revenues to the Michigan agriculture equine
14 industry development fund decline during the fiscal year ending
15 September 30, 2014 to a level lower than the amount appropriated in
16 part 1.

17 Sec. 978. The Michigan gaming control board shall use actual
18 expenditure data in determining the actual regulatory costs of
19 conducting racing dates and shall provide that data to the senate
20 and house appropriations subcommittees on agriculture and general
21 government and the senate and house fiscal agencies. The Michigan
22 gaming control board shall not be reimbursed for more than the
23 actual regulatory cost of conducting race dates. If a certified
24 horsemen's organization funds more than the actual regulatory cost,
25 the balance shall remain in the agriculture equine industry
26 development fund to be used to fund subsequent race dates conducted
27 by race meeting licensees with which the certified horsemen's

1 organization has contracts. If a certified horsemen's organization
2 funds less than the actual regulatory costs of the additional horse
3 racing dates, the Michigan gaming control board shall reduce the
4 number of future race dates conducted by race meeting licensees
5 with which the certified horsemen's organization has contracts.
6 Prior to the reduction in the number of authorized race dates due
7 to budget deficits, the executive director of the Michigan gaming
8 control board shall provide notice to the certified horsemen's
9 organizations with an opportunity to respond with alternatives. In
10 determining actual costs, the Michigan gaming control board shall
11 take into account that each specific breed may require different
12 regulatory mechanisms.

13 Sec. 979. In addition to the funds appropriated in part 1, the
14 Michigan gaming control board may receive and expend state lottery
15 fund revenue in an amount not to exceed \$4,000,000.00 for necessary
16 expenses incurred in the licensing and regulation of millionaire
17 parties pursuant to Executive Order No. 2012-4. In accordance with
18 section 8 of the Traxler-McCauley-Law-Bowman bingo act, 1972 PA
19 382, MCL 432.108, the amount of necessary expenses shall not exceed
20 the amount of revenue received under that act. The Michigan gaming
21 control board shall provide a report to the senate and house of
22 representatives appropriations subcommittees on general government,
23 the senate and house fiscal agencies, and the state budget office
24 by April 15. The report shall include, but not be limited to, total
25 expenditures related to the licensing and regulating of millionaire
26 parties, steps taken to ensure charities are receiving revenue due
27 to them, progress on promulgating rules to ensure compliance with

1 the Traxler-McCauley-Law-Bowman bingo act, 1972 PA 382, MCL 432.101
2 to 432.120, and any enforcement actions taken.

3 **MICHIGAN STRATEGIC FUND - HOUSING AND COMMUNITY DEVELOPMENT**

4 Sec. 980. MSHDA shall annually present a report to the state
5 budget office and the subcommittees on the status of the
6 authority's housing production goals under all financing programs
7 established or administered by the authority. The report shall give
8 special attention to efforts to raise affordable multifamily
9 housing production goals.

10 Sec. 981. MSHDA shall report to the subcommittees, the state
11 budget director, and the fiscal agencies by December 1 on the
12 status of the loans entered into by the Michigan broadband
13 development authority.

14 Sec. 984. In addition to the funds appropriated in part 1, the
15 funds collected by state historic preservation programs for
16 document reproduction and services and application fees are
17 appropriated for all expenses necessary to provide the required
18 services. These funds are available for expenditure when they are
19 received and may be carried forward into the succeeding fiscal
20 year.

21 **MICHIGAN STRATEGIC FUND**

22 Sec. 1001. (1) In addition to the funds appropriated in part
23 1, there is appropriated an amount not to exceed \$20,000,000.00 for
24 federal contingency funds. These funds are not available for
25 expenditure until they have been transferred to another line item
26 in part 1 under section 393(2) of the management and budget act,
27 1984 PA 431, MCL 18.1393.

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

7 (3) In addition to the funds appropriated in part 1, there is
8 appropriated an amount not to exceed \$2,000,000.00 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 (4) In addition to the funds appropriated in part 1, there is
14 appropriated an amount not to exceed \$100,000.00 for local
15 contingency funds. These funds are not available for expenditure
16 until they have been transferred to another line item in part 1
17 under section 393(2) of the management and budget act, 1984 PA 431,
18 MCL 18.1393.

19 Sec. 1005. In addition to the appropriations in part 1, Travel
20 Michigan may receive and expend private revenue related to the use
21 of "Pure Michigan" and all other copyrighted slogans and images.
22 This revenue may come from the direct licensing of the name and
23 image or from the royalty payments from various merchandise sales.
24 Revenue collected is appropriated for the marketing of the state as
25 a travel destination. The funds are available for expenditure when
26 they are received by the department of treasury. The fund shall
27 provide a report that lists the revenues by source received from

1 the use of "Pure Michigan" and all other copyrighted slogans and
2 images. The report shall provide a detailed list of expenditures of
3 revenues received under this section. The report shall be provided
4 to the appropriations subcommittees on general government, the
5 fiscal agencies, and the state budget office by June 1.

6 Sec. 1006. The fund shall submit on February 15 to the
7 subcommittees, the state budget office, and the fiscal agencies a
8 listing of all grants which have been awarded by the fund or by the
9 Michigan economic development corporation from the funds
10 appropriated in part 1. The list shall include all of the
11 following:

- 12 (a) The name of the recipient.
- 13 (b) The amount awarded to the recipient.
- 14 (c) The purpose of the grant.

15 Sec. 1007. (1) The fund shall provide reports to the relevant
16 subcommittees, the state budget director, and the fiscal agencies
17 concerning the activities of the Michigan economic development
18 corporation grants and investment programs financed from the fund
19 using investment, Indian gaming revenues, or other revenues. The
20 report shall provide a list of individual grants, loans, and
21 investments made from the fund. The report shall include, but not
22 be limited to, the following programs funded in part 1:

- 23 (a) Travel Michigan, including any expenditures authorized
24 under section 89b of the Michigan strategic fund act, 1984 PA 270,
25 MCL 125.2089b, to supplement the Michigan promotion program. The
26 report shall include the number of commercials produced, the
27 markets in which media buys have been made, and any web-based

1 products that were created with these funds.

2 (b) Business attraction, retention, and growth, including any
3 expenditures authorized under section 89b of the Michigan strategic
4 fund act, 1984 PA 270, MCL 125.2089b, to supplement the Michigan
5 business marketing program. The report shall include the number of
6 commercials produced, the markets in which media buys have been
7 made, and any web-based products that were created as a result of
8 this appropriation.

9 (c) Business services.

10 (d) Community development block grants.

11 (e) Strategic fund administration.

12 (f) Renaissance zones.

13 (g) 21st century investment program.

14 (h) Business and clean air ombudsman.

15 (i) Michigan business development program.

16 (j) Community revitalization program.

17 (k) Film incentives.

18 (l) Any other programs of the fund.

19 (2) The reports in subsection (1) shall be submitted by
20 February 15. The report for each program in subsection (1)(a)
21 through (l) shall include details on all revenue sources, actual
22 expenditures, and number of FTEs for that program for the previous
23 fiscal year.

24 Sec. 1008. As a condition of receiving funds under part 1, any
25 interlocal agreement entered into by the fund shall include
26 language which states that if a local unit of government has a
27 contract or memorandum of understanding with a private economic

1 development agency, the Michigan economic development corporation
2 will work cooperatively with that private organization in that
3 local area.

4 Sec. 1009. (1) Of the funds appropriated to the fund or
5 through grants to the Michigan economic development corporation, no
6 funds shall be expended for the purchase of options on land or the
7 purchase of land unless at least 1 of the following conditions
8 applies:

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

10 (b) The land is obtained through a purchase or exercise of an
11 option at the invitation of the local unit of government and local
12 economic development agency.

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

18 (3) As used in this section, "economically distressed area"
19 means an area in a city, village, or township that has been
20 designated as blighted; a city, village, or township that shows
21 negative population change from 1970 and a poverty rate and
22 unemployment rate greater than the statewide average; or an area
23 certified as a neighborhood enterprise zone under the neighborhood
24 enterprise zone act, 1992 PA 147, MCL 207.771 to 207.786.

25 Sec. 1011. (1) From the appropriations in part 1 to the fund
26 and granted or transferred to the Michigan economic development
27 corporation, any unexpended or unencumbered balance shall be

1 disposed of in accordance with the requirements in the management
2 and budget act, 1984 PA 431, MCL 18.1101 to 18.1594, unless
3 carryforward authorization has been otherwise provided for.

4 (2) Any encumbered funds shall be used for the same purposes
5 for which funding was originally appropriated in this article.

6 Sec. 1012. (1) As a condition of receiving funds under part 1,
7 the fund shall ensure that the MEDC and the fund comply with all of
8 the following:

9 (a) The freedom of information act, 1976 PA 442, MCL 15.231 to
10 15.246.

11 (b) The open meetings act, 1976 PA 267, MCL 15.261 to 15.275.

12 (c) Annual audits of all financial records by the auditor
13 general or his or her designee.

14 (d) All reports required by law to be submitted to the
15 legislature.

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

18 Sec. 1013. As a condition for receiving the appropriations in
19 part 1, any staff of the Michigan economic development corporation
20 involved in private fund-raising activities shall not be party to
21 any decisions regarding the awarding of grants or tax abatements
22 from the fund, the Michigan economic development corporation, or
23 the Michigan economic growth authority.

24 Sec. 1014. (1) All funds received from repayment of loans,
25 unused grants, revenues received from sales or cash flow
26 participation agreements, guarantees, or any combination of these
27 or accrued interest originally distributed as part of the core

1 communities fund, created by 2000 PA 291, shall be received, held,
2 and applied by the fund for the purposes described in 2000 PA 291.

3 (2) The fund shall provide an annual report on the status of
4 this fund which includes information that details the awards made.
5 The report shall be provided to the appropriations subcommittees on
6 general government, the fiscal agencies, and the state budget
7 office by January 31.

8 Sec. 1020. Federal pass-through funds to local institutions
9 and governments that are received in amounts in addition to those
10 included in part 1 and that do not require additional state
11 matching funds are appropriated for the purposes intended. The fund
12 may carry forward into the succeeding fiscal year unexpended
13 federal pass-through funds to local institutions and governments
14 that do not require additional state matching funds. The fund shall
15 report the amount and source of the funds to the senate
16 appropriation subcommittee on economic development, the house
17 appropriation subcommittee on general government, the senate and
18 house fiscal agencies, and the state budget office within 10
19 business days after receiving any additional pass-through funds.

20 Sec. 1023. The fund shall coordinate tourism promotion with
21 the tourism industry. The fund shall submit a report on the
22 geographical market locations and recreational activities used in
23 Michigan tourism promotion material at the same time and in the
24 same manner as it submits the report required under section 89d of
25 the Michigan strategic fund act, 1984 PA 270, MCL 125.2089d.

26 Sec. 1024. From the funds appropriated in part 1 for business
27 attraction and community revitalization, not less than

1 \$20,000,000.00 shall be granted by the Michigan strategic fund
2 board for brownfield redevelopment incentives and historic
3 preservation incentives.

4 Sec. 1031. The Michigan strategic fund shall report to the
5 senate and house of representatives appropriations subcommittees on
6 general government, the senate and house fiscal agencies, and the
7 state budget office by April 15 on the spending plan for the line
8 items for innovation and entrepreneurship and business attraction
9 and community revitalization. If the spending plan for the fiscal
10 year is changed after that date, the fund shall notify the report
11 recipients listed previously within 10 business days.

12 Sec. 1032. (1) The Michigan film office shall report to the
13 subcommittees and the fiscal agencies on the status of the film
14 incentives at the same time as it submits the annual report
15 required under section 455 of the Michigan business tax act, 2007
16 PA 36, MCL 208.1455. The department of treasury and the Michigan
17 strategic fund shall provide the Michigan film office with the data
18 necessary to prepare the report. Incentives included in the report
19 shall include all of the following:

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

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

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

26 (d) The amount of any tax credit claimed under former section
27 367 of the income tax act of 1967, 1967 PA 281.

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

4 (f) Loans to an eligible production company or film and
5 digital media private equity fund authorized under section 88d(3),
6 (4), and (5) of the Michigan strategic fund act, 2005 PA 225, MCL
7 125.2088d.

8 (g) Any spending or activities supported by the appropriation
9 in part 1 for film incentives.

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

11 (a) For each tax credit, the number of contracts signed, the
12 projected expenditures qualifying for the credit, and the estimated
13 value of the credits. For loans, the number of loans made under
14 each section, the interest rate of those loans, the loan amount,
15 the percent of the projected budget of each production financed by
16 those loans, and the estimated interest earnings from the loan. For
17 each film incentive awarded, including any program to support and
18 promote a qualified facility and other film infrastructure as
19 defined in section 29h of the Michigan strategic fund act, 1984 PA
20 270, MCL 125.2029h, the total funding awarded for each of the
21 following:

22 (i) Direct production expenditures.

23 (ii) Michigan personnel expenditures.

24 (iii) Crew personnel expenditures.

25 (iv) Qualified personnel expenditures.

26 (v) Postproduction expenditures.

27 (vi) Qualified facility or infrastructure expenditures.

1 (vii) Spending for program administration.

2 (b) For credits authorized under section 455 of the Michigan
3 business tax act, 2007 PA 36, MCL 208.1455, for productions
4 completed by December 31, the expenditures of each production
5 eligible for the credit that has filed a request for certificate of
6 completion with the film office, broken down into expenditures for
7 goods, services, or salaries and wages and showing separately
8 expenditures in each local unit of government, including
9 expenditures for personnel, whether or not they were made to a
10 Michigan entity, and whether or not they were taxable under the
11 laws of this state. For loans, the report shall include the number
12 of loans that have been fully repaid, with principal and interest
13 shown separately, and the number of loans that are delinquent or in
14 default, and the amount of principal that is delinquent or is in
15 default.

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

19 (i) The number of temporary jobs created.

20 (ii) The number of permanent jobs created.

21 (iii) The number of persons employed in Michigan as a result of
22 the incentive, on a full-time equated basis.

23 (3) For any information not included in the report due to the
24 provisions of sections 455(6), 457(6), or 459(6) of the Michigan
25 business tax act, 2007 PA 36, MCL 208.1455, 208.1457, and 208.1459,
26 the report shall do all of the following:

27 (a) Indicate how the information would describe the commercial

1 and financial operations or intellectual property of the company.

2 (b) Attest that the information has not been publicly
3 disseminated at any time.

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

6 (4) Any information not disclosed due to the provisions of
7 section 455(6), 457(6), or 459(6) of the Michigan business tax act,
8 2007 PA 36, MCL 208.1455, 208.1457, and 208.1459, shall be
9 presented at the lowest level of aggregation that would no longer
10 describe the commercial and financial operations or intellectual
11 property of the company.

12 Sec. 1033. The Michigan film office shall report to the
13 chairpersons of the senate and house of representatives standing
14 committees on appropriations subcommittees on general government
15 and the senate and house fiscal agencies on the status of the film
16 incentives approved under section 29h of the Michigan strategic
17 fund act, 1984 PA 270, MCL 125.2029h, not later than 30 days
18 following the end of each quarter of the fiscal year. The report
19 shall include all of the following:

20 (a) Direct and indirect economic impacts in this state
21 attributable to the assistance.

22 (b) Direct and indirect job creation in this state
23 attributable to the assistance.

24 (c) Direct and indirect private investment in this state
25 attributable to the assistance.

26 (d) The name of each eligible production company and the
27 amount of each incentive disbursed for each state certified

1 qualified production.

2 Sec. 1033b. For funds appropriated from the general
3 fund/general purpose revenue for the purpose of the Michigan
4 strategic fund - film incentive program, the applicable percentage
5 of the state certified qualified production expenditures provided
6 in section 29h(3)(d) of the Michigan strategic fund act, 1984 PA
7 270, MCL 125.2029h, shall be determined based on the date of the
8 agreement.

9 Sec. 1034b. From the funds appropriated in part 1 for
10 innovation and entrepreneurship, the fund shall allocate
11 \$500,000.00 to the Van Andel Institute to be used as a match for
12 funding received from the department of defense and the national
13 institutes of health for advanced medical research.

14 Sec. 1035. (1) From the appropriation in part 1, the Michigan
15 council for arts and cultural affairs shall administer an arts and
16 cultural grant program that maintains an equitable geographic
17 distribution of funding and utilizes past arts and cultural grant
18 programs as a guideline for administering this program. The council
19 shall do all of the following:

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

25 (b) A nonrefundable application fee may be assessed for each
26 application. Application fees shall be deposited in the council for
27 the arts fund and are appropriated for expenses necessary to

1 administer the programs. These funds are available for expenditure
2 when they are received and may be carried forward to the following
3 fiscal year.

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

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

10 (2) Up to \$100,000.00 from the appropriation in part 1 for
11 arts and cultural program may be used for the administration of
12 this grant program.

13 Sec. 1036. (1) The general fund/general purpose funds
14 appropriated in part 1 to the Michigan strategic fund for the
15 programs listed below shall be transferred to the specific funds
16 designated by statute for those programs as follows:

17 (a) The business attraction and community revitalization funds
18 shall be transferred to the 21st century jobs trust fund per
19 section 90b(3) of the Michigan strategic fund act, 1984 PA 270, MCL
20 125.2090b.

21 (b) The film incentives program funds shall be transferred to
22 the Michigan film promotion fund established in the Michigan
23 strategic fund act, 1984 PA 270, MCL 125.2029d.

24 (2) Funds transferred to the 21st century jobs trust fund or
25 Michigan film promotion fund under subsection (1) are appropriated
26 and available for allocation as authorized in the Michigan
27 strategic fund act, 1984 PA 270, MCL 125.2001 to 125.2094.

1 Sec. 1037. (1) No long-term indebtedness shall be issued by
2 the Michigan strategic fund or funds expended from the
3 appropriations in part 1 for facility for rare isotope beams debt
4 service until Michigan State University provides certification to
5 the Michigan strategic fund and the state budget director that all
6 necessary approvals have been secured and federal funds are
7 available to commence construction of the facility for rare isotope
8 beams project from the United States department of energy.

9 (2) Bond proceeds may only be spent to reimburse costs
10 incurred by Michigan State University in the construction of the
11 facility for rare isotope beams project up to an amount not to
12 exceed \$90,960,100.00. All construction costs for the project in
13 excess of this amount are the responsibility of Michigan State
14 University. The Michigan strategic fund is not responsible for
15 operating costs of the project facility. Prior to reimbursement,
16 the Michigan strategic fund and Michigan State University shall
17 enter into an agreement providing for the terms of reimbursement,
18 allowable costs, financial reporting, and any other requirements
19 necessary to complete the transaction.

20 (3) The state budget director retains the authority and
21 fiduciary responsibility normally associated with the maintenance
22 of the public's financial and policy interests relative to state-
23 financial construction projects. The state budget director may take
24 appropriate action to protect the public's financial and policy
25 interests, including, but not limited to, rescinding subsection (2)
26 reimbursement payments for construction of the facility for rare
27 isotope beams project should Michigan State University or the

1 United States department of energy not provide the necessary
2 resources to complete the project. The state budget director shall
3 provide notification to the senate and house appropriations
4 committees, senate fiscal agency, house fiscal agency, and the
5 Michigan strategic fund within 10 days of exercising the authority
6 under this subsection.

7 (4) The department of technology, management, and budget may
8 assist the Michigan strategic fund with implementation of this
9 program for purposes of administrative efficiency.

10 (5) The department of technology, management, and budget shall
11 provide a quarterly report on the status of the facility for rare
12 isotope beams project.

13 Sec. 1038. In addition to the amounts appropriated in part 1
14 for the administration of the land bank fast track authority, the
15 authority may expend revenues received under the land bank fast
16 track act, 2003 PA 258, MCL 124.751 to 124.774, for the purposes
17 authorized by the act including, but not limited to, the
18 acquisition, lease, management, demolition, maintenance, or
19 rehabilitation of real or personal property, payment of debt
20 service for notes or bonds issued by the authority, and other
21 expenses to clear or quiet title to property held by the authority.

22 Sec. 1039. It is the intent of the legislature that
23 \$2,000,000.00 of the funds appropriated in part 1 for business
24 attraction and community revitalization be used to support a food
25 and agriculture industry growth initiative loan program to be
26 administered by the Michigan department of agriculture and rural
27 development in cooperation with the fund.

1 Sec. 1040. From the funds appropriated in part 1 for
2 innovation and entrepreneurship, \$5,000,000.00 shall be used for a
3 skilled trades training program administered by the fund.

4 **MICHIGAN STRATEGIC FUND - CAREER EDUCATION**

5 Sec. 1050. (1) The fund shall publish the "activities
6 classification structure data book" for Michigan community colleges
7 on or before March 1.

8 (2) The fund shall compile information received from community
9 colleges on North American Indian tuition waivers granted pursuant
10 to 1976 PA 174, MCL 390.1251 to 390.1253, and shall submit this
11 compilation to the house and senate appropriations subcommittees on
12 community colleges, the fiscal agencies, and the state budget
13 director by March 1.

14 (3) The fund shall compile information received from community
15 colleges on the number and types of associate degrees and other
16 certificates awarded during the previous fiscal year and shall
17 submit this compilation to the house and senate appropriations
18 subcommittees on community colleges, the fiscal agencies, and the
19 state budget director by March 1.

20 (4) The fund shall place the reports required in this section
21 on a publicly available website.

22 Sec. 1054. From the funds appropriated in part 1 for workforce
23 programs subgrantees, the fund may allocate funding for grants to
24 nonprofit organizations that offer programs to workforce investment
25 act - eligible youth focusing on entrepreneurship, work-readiness
26 skills, job shadowing, and financial literacy. Organizations
27 eligible for funding under this section must have the capacity to

1 provide similar programs in urban areas, as determined by the
2 United States bureau of the census according to the most recent
3 federal decennial census. Additionally, programs eligible for
4 funding under this section must include the participation of local
5 business partners. The fund shall develop other appropriate
6 eligibility requirements to ensure compliance with applicable
7 federal rules and regulations.

8 **MICHIGAN STRATEGIC FUND - WORKFORCE DEVELOPMENT**

9 Sec. 1060. The fund shall administer the partnership,
10 accountability, training, hope program in accordance with the
11 requirements of section 407(d) of title IV of the social security
12 act, 42 USC 607, the state social welfare act, 1939 PA 280, MCL
13 400.1 to 400.119b, and all other applicable laws and regulations.

14 Sec. 1062. The fund shall make available, in person or by
15 telephone, 1 disabled veterans outreach program specialist or local
16 veterans employment representative to Michigan works! service
17 centers, as resources permit, during hours of operation, and shall
18 continue to make the appropriate placement of veterans and disabled
19 veterans a priority.

20 Sec. 1063. (1) In addition to the funds appropriated in part
21 1, any unencumbered and unrestricted federal workforce investment
22 act or trade adjustment assistance funds available from prior
23 fiscal years are appropriated for the purposes originally intended.

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

1 Sec. 1068. (1) Of the funds appropriated in part 1 for the
2 workforce training programs, the fund shall provide a report by
3 February 1 to the senate and house of representatives standing
4 committees on appropriations subcommittees on general government,
5 the state budget director, and the fiscal agencies on the status of
6 the workforce training programs. The report shall include the
7 following:

8 (a) The amount of funding allocated to each Michigan works!
9 agency and the total funding allocated to the workforce training
10 programs statewide by fund source.

11 (b) The number of participants enrolled in education or
12 training programs by each Michigan works! agency.

13 (c) The average duration of training for training program
14 participants by each Michigan works! agency.

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

18 (e) The number of participants enrolled in programs at 2-year
19 institutions.

20 (f) The number of participants enrolled in 4-year
21 institutions.

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

24 (h) The number of participants that have completed education
25 or training programs.

26 (i) The number of participants who secured employment in
27 Michigan within 1 year of completing a training program.

1 (j) The number of participants who completed a training
 2 program and secured employment in a field related to their
 3 training.

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

6 (2) Data collection for the report shall be for the period
 7 October 1, 2012 through September 30, 2013.

8 **REVENUE STATEMENT**

9 Sec. 1101. Pursuant to section 18 of article V of the state
 10 constitution of 1963, fund balances and estimates are presented in
 11 the following statement:

12 BUDGET RECOMMENDATIONS BY OPERATING FUNDS

13 (Amounts in millions)

14 Fiscal Year 2013-2014

		Beginning		
	Fund	Unreserved		
	Fund	Estimated	Ending	
	Balance	Revenue	Balance	
19 OPERATING FUNDS				
20 General fund/general purpose	0110	278.4	8,973.8	15.7
21 General fund/special purpose		1,007.0	24,628.1	193.5
22 Special Revenue Funds:				
23 Countercyclical budget and				
24 economic stabilization	0111	505.8	0.7	506.5
25 Game and fish protection	0112	5.9	65.5	6.1

1	Michigan employment security act				
2	administration	0113	0.0	5.5	0.0
3	State aeronautics	0114	2.2	102.5	0.0
4	Michigan veterans' benefit				
5	trust	0115	3.3	5.9	3.3
6	State trunkline	0116	0.0	1,855.0	0.0
7	Michigan state waterways	0117	4.3	26.5	4.4
8	Blue Water Bridge	0118	0.0	24.4	0.0
9	Michigan transportation	0119	0.0	1,882.5	0.0
10	Comprehensive transportation	0120	14.0	428.6	1.9
11	School aid	0122	0.0	13,426.9	0.0
12	Game and fish protection trust	0124	0.0	8.6	0.0
13	State park improvement	0125	2.0	53.6	3.2
14	Forest development	0126	0.0	29.2	0.0
15	Michigan natural resources				
16	trust	0129	24.2	25.6	24.2
17	Michigan state parks endowment	0130	7.7	48.2	7.5
18	Safety education and training	0131	6.2	9.4	5.1
19	Bottle deposit	0136	14.6	14.1	6.0
20	State construction code	0138	13.1	10.3	3.8
21	Children's trust	0139	1.1	2.1	1.1
22	State casino gaming	0140	8.0	38.3	2.6
23	Michigan nongame fish and				
24	wildlife	0143	0.1	0.5	0.1
25	Michigan merit award trust	0154	62.0	118.7	62.4
26	Outdoor recreation legacy	0162	0.6	3.0	0.6
27	Off-road vehicle account	0163	1.1	3.3	1.1

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1	Snowmobile account	0164	3.9	10.8	3.8
2	Silicosis dust disease				
3	and logging	0870	1.6	1.3	1.6
4	Utility consumer representation	0893	2.1	0.5	1.7
5	TOTALS		\$1,968.8	\$51,803.4	\$856.2

6 PART 2A
7 PROVISIONS CONCERNING ANTICIPATED APPROPRIATIONS
8 FOR FISCAL YEAR 2014-2015

9 GENERAL SECTIONS

10 Sec. 1201. It is the intent of the legislature to provide
11 appropriations for the fiscal year ending on September 30, 2015 for
12 the line items listed in part 1. The fiscal year 2014-2015
13 appropriations are anticipated to be the same as those for fiscal
14 year 2013-2014, except that the line items will be adjusted for
15 changes in caseload and related costs, federal fund match rates,
16 economic factors, and available revenue. These adjustments will be
17 determined after the January 2014 consensus revenue estimating
18 conference.

19 ARTICLE X
20 DEPARTMENT OF HUMAN SERVICES
21 PART 1
22 LINE-ITEM APPROPRIATIONS

23 Sec. 101. There is appropriated for the department of human

House Bill No. 4328 (H-1) as amended April 23, 2013

1 services for the fiscal year ending September 30, 2014, from the
2 following funds:

3 **DEPARTMENT OF HUMAN SERVICES**

4 APPROPRIATION SUMMARY

5	Full-time equated classified positions....	[11,306.1]	
6	Full-time equated unclassified positions.....	6.0	
7	Total full-time equated positions.....	[11,312.1]	
8	GROSS APPROPRIATION.....		[\$5,938,602,400]
9	Interdepartmental grant revenues:		
10	Total interdepartmental grants and intradepartmental		
11	transfers		28,970,900
12	ADJUSTED GROSS APPROPRIATION.....		[\$5,909,631,500]
13	Federal revenues:		
14	Federal - supplemental nutrition assistance revenues		
15	(ARRA)		35,846,200
16	Social security act, temporary assistance for needy		
17	families		537,914,500
18	Federal supplemental security income.....		8,543,100
19	Total other federal revenues.....		4,186,477,000
20	Special revenue funds:		
21	Total private revenues.....		9,856,000
22	Total local revenues.....		[32,572,400]
23	Total other state restricted revenues.....		90,797,500
24	State general fund/general purpose.....		[\$1,007,624,800]
25	Sec. 102. EXECUTIVE OPERATIONS		
26	Total full-time equated positions.....	674.7	
27	Full-time equated unclassified positions.....	6.0	

1	Full-time equated classified positions.....	668.7	
2	Unclassified salaries--6.0 FTE positions.....		\$ 707,000
3	Salaries and wages--271.7 FTE positions.....		16,779,100
4	Contractual services, supplies, and materials.....		11,260,700
5	Demonstration projects--7.0 FTE positions.....		6,963,000
6	Inspector general salaries and wages--132.0 FTE		
7	positions		7,495,100
8	Electronic benefit transfer EBT.....		10,754,000
9	Michigan community service commission--15.0 FTE		
10	positions		11,382,900
11	AFC, children's welfare and day care licensure--243.0		
12	FTE positions		29,365,200
13	State office of administrative hearings and rules....		<u>7,351,400</u>
14	GROSS APPROPRIATION.....		\$ 102,058,400
15	Appropriated from:		
16	Interdepartmental grant revenues:		
17	IDG from department of education.....		13,874,900
18	Federal revenues:		
19	Social security act, temporary assistance for needy		
20	families		8,766,800
21	Total other federal revenues.....		45,649,900
22	Special revenue funds:		
23	Total private revenues.....		3,845,800
24	Total local revenues.....		16,400
25	Total other state restricted revenues.....		5,400
26	State general fund/general purpose.....		\$ 29,899,200
27	Sec. 103. CHILD SUPPORT ENFORCEMENT		

1	Full-time equated classified positions.....	180.7	
2	Child support enforcement operations--174.7 FTE		
3	positions		\$ 20,604,800
4	Legal support contracts.....		113,253,600
5	Child support incentive payments.....		32,409,600
6	State disbursement unit--6.0 FTE positions.....		<u>9,000,000</u>
7	GROSS APPROPRIATION.....		\$ 175,268,000
8	Appropriated from:		
9	Federal revenues:		
10	Total federal revenues.....		153,018,800
11	State general fund/general purpose.....		\$ 22,249,200
12	Sec. 104. COMMUNITY ACTION AND ECONOMIC OPPORTUNITY		
13	Full-time equated classified positions.....	16.0	
14	Bureau of community action and economic opportunity		
15	operations--16.0 FTE positions.....		\$ 2,044,200
16	Community services block grant.....		25,840,000
17	Weatherization assistance.....		<u>16,340,000</u>
18	GROSS APPROPRIATION.....		\$ 44,224,200
19	Appropriated from:		
20	Federal revenues:		
21	Social security act, temporary assistance for needy		
22	families		500
23	Total other federal revenues.....		44,223,700
24	State general fund/general purpose.....		\$ 0
25	Sec. 105. ADULT AND FAMILY SERVICES		
26	Full-time equated classified positions.....	594.7	
27	Executive direction and support--4.0 FTE positions ...		\$ 379,400

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1	Guardian contract.....	490,200
2	Adult services policy and administration--7.0 FTE	
3	positions	819,100
4	Office of program policy--31.7 FTE positions	4,151,200
5	Michigan rehabilitation services--550.0 FTE positions	138,275,900
6	Independent living.....	4,788,600
7	Employment and training support services.....	[4,819,100]
8	Wage employment verification reporting.....	547,300
9	Nutrition education--2.0 FTE positions	30,034,200
10	Elder law of Michigan MiCAFE contract	175,000
11	Elder abuse prosecuting attorney.....	<u>300,000</u>
12	GROSS APPROPRIATION.....	[\$ 184,780,000]
13	Appropriated from:	
14	Interdepartmental grant revenues:	
15	IDG from department of education.....	22,500
16	Federal revenues:	
17	Social security act, temporary assistance for needy	
18	families	4,860,400
19	Federal supplemental security income.....	8,543,100
20	Total other federal revenues.....	141,040,800
21	Special revenue funds:	
22	Total private revenues.....	1,935,000
23	Local vocational rehabilitation match.....	6,500,000
24	Second injury fund.....	148,400
25	Rehabilitation service fees.....	1,434,300
26	State general fund/general purpose.....	[\$ 20,295,500]
27	Sec. 106. CHILDREN'S SERVICES	

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1	Full-time equated classified positions.....	120.8	
2	Salaries and wages--58.2 FTE positions.....		\$ 3,143,900
3	Contractual services, supplies, and materials.....		1,134,300
4	Interstate compact.....		179,600
5	Families first.....		16,155,600
6	Strong families/safe children.....		12,350,100
7	Child protection and permanency--23.0 FTE positions..		15,221,900
8	Family reunification program.....		3,579,400
9	Family preservation and prevention services		
10	administration--11.0 FTE positions.....		1,307,000
11	Children's trust fund administration--12.0 FTE		
12	positions		787,600
13	Children's trust fund grants.....		2,325,100
14	Attorney general contract.....		[3,939,000]
15	Prosecuting attorney contracts.....		[2,561,700]
16	Child protection.....		673,900
17	Domestic violence prevention and treatment--14.6 FTE		
18	positions		[15,355,800]
19	Rape prevention and services--0.5 FTE position.....		5,072,300
20	Child advocacy centers--0.5 FTE position.....		2,000,000
21	Child abuse and neglect - children's justice act--1.0		
22	FTE position		617,700
23	Family preservation and prevention services programs .		<u>2,250,000</u>
24	GROSS APPROPRIATION.....		[\$ 88,654,900]
25	Appropriated from:		
26	Federal revenues:		
27	Social security act, temporary assistance for needy		

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1	families	44,643,400
2	Total other federal revenues.....	30,994,700
3	Special revenue funds:	
4	Compulsive gaming prevention fund.....	1,040,000
5	Sexual assault victims' prevention and treatment fund	3,000,000
6	Child advocacy centers fund.....	2,000,000
7	Children's trust fund.....	2,070,100
8	State general fund/general purpose.....	[\$ 4,906,700]
9	Sec. 107. CHILD WELFARE SERVICES	
10	Full-time equated classified positions..... 3,915.8	
11	Children's services administration--97.0 FTE positions \$	6,892,600
12	Title IV-E compliance and accountability office--4.0	
13	FTE positions	506,900
14	Child welfare institute--35.0 FTE positions	6,676,000
15	Child protective services workers--1,646.3 FTE	
16	positions	77,707,700
17	Direct care workers--1,142.3 FTE positions	56,330,400
18	Education planners--15.0 FTE positions	807,700
19	Permanency planning conference coordinators--56.0 FTE	
20	positions	3,366,500
21	Child welfare first line supervisors--566.0 FTE	
22	positions	38,495,600
23	Administrative support workers--243.0 FTE positions ..	10,175,400
24	Second line supervisors and technical staff--59.0 FTE	
25	positions	4,584,600
26	Permanency resource managers--30.5 FTE positions	1,864,400
27	Contractual services, supplies, and materials	7,931,000

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1	Settlement monitor.....	1,625,800
2	Foster care payments.....	[201,111,500]
3	Serious emotional disturbance - waiver program.....	3,275,800
4	Serious emotional disturbance - nonwaiver program....	2,932,000
5	Guardianship assistance program.....	5,756,000
6	Child care fund.....	178,540,600
7	Child care fund administration--6.2 FTE positions....	828,200
8	Adoption subsidies.....	217,376,700
9	Adoption support services--10.0 FTE positions.....	24,696,700
10	Youth in transition--5.5 FTE positions.....	14,453,600
11	Child welfare medical/psychiatric evaluations.....	6,607,500
12	Psychotropic oversight contracts.....	<u>1,118,200</u>
13	GROSS APPROPRIATION.....	[\$ 873,661,400]
14	Appropriated from:	
15	Interdepartmental grant revenues:	
16	IDG from department of education.....	237,600
17	Federal revenues:	
18	Social security act, temporary assistance for needy	
19	families	201,338,300
20	Total other federal revenues.....	[290,400,200]
21	Special revenue funds:	
22	Private - collections.....	1,474,100
23	Local funds - county chargeback.....	[19,106,900]
24	State general fund/general purpose.....	[\$ 361,104,300]
25	Sec. 108. JUVENILE JUSTICE SERVICES	
26	Full-time equated classified positions.....	[67.0]
27	[]

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1	[Secure juvenile justice facilities--50.0 FTE positions	\$	8,000,000
2]
3	County juvenile officers.....		3,904,300
4	Community support services--2.0 FTE positions.....		1,295,200
5	Juvenile justice administration and maintenance--12.0		
6	FTE positions		2,400,000
7	Juvenile accountability block grant--0.5 FTE position		1,281,300
8	Committee on juvenile justice administration--2.5 FTE		
9	positions		340,300
10	Committee on juvenile justice grants.....		<u>3,000,000</u>
11	GROSS APPROPRIATION.....	[\$	<u>20,221,100]</u>
12	Appropriated from:		
13	Federal revenues:		
14	Total federal revenues.....		[4,797,100
	Special revenue funds:		
	Local funds - state share education funds.....		300,000
	Local funds - county chargeback.....		3,300,000]
15	State general fund/general purpose.....	[\$	<u>11,824,000]</u>
16	Sec. 109. LOCAL OFFICE STAFF AND OPERATIONS		
17	Full-time equated classified positions.....		5,162.0
18	Field staff, salaries and wages--4,930.0 FTE positions	\$	256,490,000
19	Contractual services, supplies, and materials.....		12,000,300
20	Medical/psychiatric evaluations.....		1,420,100
21	Donated funds positions--208.0 FTE positions.....		13,757,600
22	Training and program support--24.0 FTE positions.....		2,441,300
23	Volunteer services and reimbursement.....		<u>1,142,400</u>
24	GROSS APPROPRIATION.....	\$	<u>287,251,700</u>
25	Appropriated from:		
26	Interdepartmental grant revenues:		
27	IDG from department of corrections.....		100,000

1	IDG from department of education.....		6,867,600
2	Federal revenues:		
3	Social security act, temporary assistance for needy		
4	families		52,961,200
5	Total other federal revenues.....		114,053,700
6	Special revenue funds:		
7	Local funds.....		3,349,100
8	Private funds - donated funds.....		2,601,100
9	State general fund/general purpose.....	\$	107,319,000
10	Sec. 110. DISABILITY DETERMINATION SERVICES		
11	Full-time equated classified positions.....	572.4	
12	Disability determination operations--546.9 FTE		
13	positions	\$	87,975,200
14	Medical consultation program--21.4 FTE positions		2,509,200
15	Retirement disability determination--4.1 FTE positions		<u>423,900</u>
16	GROSS APPROPRIATION.....	\$	90,908,300
17	Appropriated from:		
18	Interdepartmental grant revenues:		
19	IDG from DTMB - office of retirement services.....		536,100
20	Federal revenues:		
21	Total federal revenues.....		86,949,400
22	State general fund/general purpose.....	\$	3,422,800
23	Sec. 111. CENTRAL SUPPORT ACCOUNTS		
24	Rent.....	\$	46,804,500
25	Occupancy charge.....		10,203,400
26	Travel.....		7,980,500
27	Equipment.....		62,600

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1	Worker's compensation.....	1,727,100
2	Payroll taxes and fringe benefits.....	<u>377,888,400</u>
3	GROSS APPROPRIATION.....	\$ 444,666,500
4	Appropriated from:	
5	Interdepartmental grant revenues:	
6	IDG from department of education.....	5,436,000
7	Federal revenues:	
8	Social security act, temporary assistance for needy	
9	families	96,464,400
10	Total other federal revenues.....	187,361,900
11	State general fund/general purpose.....	\$ 155,404,200
12	Sec. 112. PUBLIC ASSISTANCE	
13	Full-time equated classified positions.....	8.0
14	Family independence program.....	\$ 239,422,100
15	[Family independence program substance abuse testing pilot	100]
15	State disability assistance payments.....	26,556,400
16	Food assistance program benefits.....	2,798,081,200
17	Food assistance program benefits (ARRA).....	35,846,200
18	State supplementation.....	62,964,200
19	State supplementation administration.....	2,381,100
20	Low-income home energy assistance program - crisis	
21	assistance	107,938,100
22	Low-income home energy assistance program - home	
23	heating credit	57,200,000
24	Low-income home energy assistance program -	
25	weatherization	8,635,100
26	Low-income home energy assistance program - enhanced	
27	food assistance	1,178,400

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1	Michigan energy assistance program--1.0 FTE position .	60,000,000
2	Food bank funding.....	1,795,000
3	Homeless programs.....	15,721,900
4	Chaldean community foundation.....	1,000,000
5	Multicultural integration funding.....	2,015,500
6	Indigent burial.....	4,300,000
7	Emergency services local office allocations.....	[15,342,600]
8	Refugee assistance program--7.0 FTE positions.....	<u>27,955,900</u>
9	GROSS APPROPRIATION.....	[\$3,468,333,800]
10	Appropriated from:	
11	Federal revenues:	
12	Federal supplemental nutrition assistance revenues	
13	(ARRA)	35,846,200
14	Social security act, temporary assistance for needy	
15	families	113,861,600
16	Total other federal revenues.....	2,998,121,100
17	Special revenue funds:	
18	Child support collections.....	29,033,400
19	Supplemental security income recoveries.....	14,955,900
20	Merit award trust fund.....	30,100,000
21	Public assistance recoupment revenue.....	7,010,000
22	State general fund/general purpose.....	[\$ 239,405,600]
23	Sec. 113. INFORMATION TECHNOLOGY	
24	Information technology services and projects.....	\$ 114,206,400
25	Child support automation.....	<u>42,117,700</u>
26	GROSS APPROPRIATION.....	\$ 156,324,100
27	Appropriated from:	

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1	Interdepartmental grant revenues:	
2	IDG from department of education.....	1,896,200
3	Federal revenues:	
4	Social security act, temporary assistance for needy	
5	families	15,017,900
6	Total other federal revenues.....	89,365,700
7	State general fund/general purpose.....	\$ 50,044,300
8	Sec. 114. ONE-TIME BASIS ONLY	
9	Seita scholarship program.....	\$ 750,000
10	Demonstration projects.....	<u>1,500,000</u>
11	GROSS APPROPRIATION.....	\$ 2,250,000
12	Appropriated from:	
13	Federal revenues:	
14	Total other federal revenues.....	500,000
15	State general fund/general purpose.....	\$ 1,750,000

16 PART 2
17 PROVISIONS CONCERNING APPROPRIATIONS
18 FOR FISCAL YEAR 2013-2014

19 **GENERAL SECTIONS**

20 Sec. 201. Pursuant to section 30 of article IX of the state
21 constitution of 1963, total state spending from state resources
22 under part 1 for fiscal year 2013-2014 is [\$1,098,422,300.00] and
23 state spending from state resources to be paid to local units of
24 government for fiscal year 2013-2014 is \$95,906,500.00. The
25 itemized statement below identifies appropriations from which

1 spending to local units of government will occur:

2 DEPARTMENT OF HUMAN SERVICES

3	Child care fund.....	\$	88,872,000
4	County juvenile officers.....		3,656,500
5	State disability assistance payments.....		976,400
6	Legal support contracts.....		2,341,000
7	Family independence program.....		<u>60,600</u>
8	TOTAL.....	\$	95,906,500

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

12 Sec. 203. As used in this article:

13 (a) "AFC" means adult foster care.

14 (b) "ARRA" means the American recovery and reinvestment act of
15 2009, Public Law 111-5.

16 (c) "Children's rights settlement agreement" means the
17 settlement agreement entered in the case of Dwayne B. v Snyder,
18 docket no. 2:06-cv-13548 in the United States district court for
19 the eastern district of Michigan.

20 (d) "Current fiscal year" means the fiscal year ending
21 September 30, 2014.

22 (e) "Department" means the department of human services.

23 (f) "Director" means the director of the department of human
24 services.

25 (g) "FTE" means full-time equated.

26 (h) "IDG" means interdepartmental grant.

27 (i) "MiCAFE" means Michigan's coordinated access to food for

1 the elderly.

2 (j) "PATH" means partnership, accountability, training, hope.

3 (k) "Previous fiscal year" means the fiscal year ending
4 September 30, 2013.

5 (l) "SSI" means supplemental security income.

6 (m) "Temporary assistance for needy families" or "TANF" or
7 "title IV-A" means part A of title IV of the social security act,
8 42 USC 601 to 619.

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

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

13 Sec. 207. (1) Sanctions, suspensions, conditions for
14 provisional license status, and other penalties shall not be more
15 stringent for private service providers than for public entities
16 performing equivalent or similar services.

17 (2) Neither the department nor private service providers or
18 licensees shall be granted preferential treatment or considered
19 automatically to be in compliance with administrative rules based
20 on whether they have collective bargaining agreements with direct
21 care workers. Private service providers or licensees without
22 collective bargaining agreements shall not be subjected to
23 additional requirements or conditions of licensure based on their
24 lack of collective bargaining agreements.

25 Sec. 208. Unless otherwise specified, the department shall use
26 the Internet to fulfill the reporting requirements of this part.
27 This requirement shall include transmission of reports via

1 electronic mail to the recipients identified for each reporting
2 requirement, and it shall include placement of reports on the
3 Internet.

4 Sec. 209. 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 of comparable quality American goods or
7 services, or both, are available. Preference should 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, that are manufactured or provided by Michigan
12 businesses owned and operated by veterans, if they are
13 competitively priced and of comparable quality.

14 Sec. 211. Funds appropriated in part 1 shall not be used by a
15 principal executive department, state agency, or authority to hire
16 a person to provide legal services that are the responsibility of
17 the attorney general. This prohibition does not apply to legal
18 services for bonding activities and for those outside services that
19 the attorney general authorizes.

20 Sec. 212. (1) In addition to funds appropriated in part 1 for
21 all programs and services, there is appropriated for write-offs of
22 accounts receivable, deferrals, and for prior year obligations in
23 excess of applicable prior year appropriations, an amount equal to
24 total write-offs and prior year obligations, but not to exceed
25 amounts available in prior year revenues or current year revenues
26 that are in excess of the authorized amount.

27 (2) The department's ability to satisfy appropriation fund

1 sources in part 1 shall not be limited to collections and accruals
2 pertaining to services provided in the current fiscal year, but
3 shall also include reimbursements, refunds, adjustments, and
4 settlements from prior years.

5 Sec. 213. The department may retain all of the state's share
6 of food assistance overissuance collections as an offset to general
7 fund/general purpose costs. Retained collections shall be applied
8 against federal funds deductions in all appropriation units where
9 department costs related to the investigation and recoupment of
10 food assistance overissuances are incurred. Retained collections in
11 excess of such costs shall be applied against the federal funds
12 deducted in the executive operations appropriation unit.

13 Sec. 214. On a monthly basis, the department shall report on
14 the number of FTEs in pay status by type of staff.

15 Sec. 215. If a legislative objective of this article or of a
16 bill or amendment to a bill to amend the social welfare act, 1939
17 PA 280, MCL 400.1 to 400.119b, cannot be implemented because
18 implementation would conflict with or violate federal regulations,
19 the department shall notify the state budget director, the house
20 and senate appropriations committees, and the house and senate
21 fiscal agencies and policy offices of that fact. For a bill or
22 amendment to a bill amending the social welfare act, 1939 PA 280,
23 MCL 400.1 to 400.119b, the department shall give the notice under
24 this section within 30 days after the bill is introduced or the
25 amendment is adopted.

26 Sec. 217. 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 standing committees on
7 appropriations, the house and senate fiscal agencies, and the state
8 budget director. The report shall include the following
9 information:

10 (a) The dates of each travel occurrence.

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

16 Sec. 219. The department shall cooperate with the department
17 of technology, management, and budget to maintain a searchable
18 website accessible by the public at no cost that includes, but is
19 not limited to, all of the following for each department or agency:

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

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

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

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

27 (e) Job specifications and wage rates.

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

7 Sec. 221. (1) If the revenue collected by the department from
8 private and local sources exceeds the amount spent from amounts
9 appropriated in part 1, the revenue may be carried forward, with
10 approval from the state budget director, into the subsequent fiscal
11 year.

12 (2) The department shall provide a report on the amount of
13 each revenue stream to be carried forward, as well as the
14 cumulative amount, for the previous fiscal year by February 15 of
15 the current fiscal year to the senate and house appropriations
16 subcommittees on the department budget, the senate and house
17 standing committees on families and human services, and the senate
18 and house fiscal agencies and policy offices.

19 Sec. 222. The department shall report no later than February
20 15 of the current fiscal year on each specific policy change made
21 to implement a public act affecting the department that took effect
22 during the prior calendar year to the house and senate
23 appropriations subcommittees on the budget for the department, the
24 joint committee on administrative rules, and the senate and house
25 fiscal agencies.

26 Sec. 240. The department shall notify the house and senate
27 appropriations committees and the house and senate fiscal agencies

1 of any changes to a child welfare master contract that results in
2 increased rates or increased spending on services not less than 30
3 days before the change takes effect.

4 Sec. 250. Amounts appropriated in part 1 for information
5 technology may be designated as work projects and carried forward
6 to support technology projects under the direction of the
7 department of technology, management, and budget. Funds designated
8 in this manner are not available for expenditure until approved as
9 work projects under section 451a of the management and budget act,
10 1984 PA 431, MCL 18.1451a.

11 Sec. 251. The department and agencies receiving appropriations
12 in part 1 shall receive and retain copies of all reports funded
13 from appropriations in part 1. Federal and state guidelines for
14 short-term and long-term retention of records shall be followed.
15 The department may electronically retain copies of reports unless
16 otherwise required by federal and state guidelines.

17 Sec. 259. From the funds appropriated in part 1 for
18 information technology, departments and agencies shall pay user
19 fees to the department of technology, management, and budget for
20 technology-related services and projects. The user fees shall be
21 subject to provisions of an interagency agreement between the
22 department and agencies and the department of technology,
23 management, and budget.

24 Sec. 264. The department shall not take disciplinary action
25 against an employee for communicating with a member of the
26 legislature or his or her staff.

27 Sec. 265. Within 14 days after the release of the executive

1 budget recommendation, the department shall provide the state
2 budget director, the senate and house appropriations chairs, the
3 senate and house appropriations subcommittees on the department
4 budget, respectively, and the senate and house fiscal agencies with
5 an annual report on estimated state restricted fund balances, state
6 restricted fund projected revenues, and state restricted fund
7 expenditures for the fiscal year ending September 30, 2014.

8 Sec. 274. (1) The department, in collaboration with the state
9 budget office, shall submit to the house and senate appropriations
10 subcommittees on the department budget, the house and senate fiscal
11 agencies, and the house and senate policy offices on the day the
12 governor submits to the legislature the budget for the ensuing
13 fiscal year a report on spending and revenue projections for each
14 of the capped federal funds listed below. The report shall contain
15 actual spending and revenue in the previous fiscal year, spending
16 and revenue projections for the current fiscal year as enacted, and
17 spending and revenue projections within the executive budget
18 proposal for the fiscal year beginning October 1, 2014 for each
19 individual line item for the department budget. The report shall
20 also include federal funds transferred to other departments. The
21 capped federal funds shall include, but not be limited to, all of
22 the following:

23 (a) TANF.

24 (b) Title XX social services block grant.

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

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

1 (e) Low-income home energy assistance program.

2 (2) By February 15 of the current fiscal year, the department
3 shall prepare an annual report of its efforts to identify
4 additional TANF maintenance of effort sources and rationale for any
5 increases or decreases from all of the following, but not limited
6 to:

7 (a) Other departments.

8 (b) Local units of government.

9 (c) Private sources.

10 Sec. 279. (1) All contracts relating to human services shall
11 be performance-based contracts that employ a client-centered
12 results-oriented process that is based on measurable performance
13 indicators and desired outcomes and includes the annual assessment
14 of the quality of services provided.

15 (2) During the annual budget presentation, the department
16 shall provide the senate and house appropriations subcommittees on
17 the department budget and the senate and house fiscal agencies and
18 policy offices a report detailing measurable performance
19 indicators, desired outcomes, and an assessment of the quality of
20 services provided by the department during the previous fiscal
21 year.

22 Sec. 284. (1) In addition to the funds appropriated in part 1,
23 there is appropriated an amount not to exceed \$200,000,000.00 for
24 federal 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 (2) In addition to the funds appropriated in part 1, there is
2 appropriated an amount not to exceed \$5,000,000.00 for state
3 restricted 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 (3) In addition to the funds appropriated in part 1, there is
8 appropriated an amount not to exceed \$20,000,000.00 for local
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 (4) In addition to the funds appropriated in part 1, there is
14 appropriated an amount not to exceed \$20,000,000.00 for private
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 Sec. 290. Any public advertisement for state assistance shall
20 also inform the public of the welfare fraud hotline operated by the
21 department.

22 Sec. 291. (1) The department shall verify, using the e-verify
23 system, that all new department employees, and new hire employees
24 of contractors and subcontractors paid from funds appropriated in
25 this article, are legally present in the United States. The
26 department may verify this information directly or may require
27 contractors and subcontractors to verify the information and submit

1 a certification to the department.

2 (2) By February 15 of the current fiscal year, the department
3 shall submit to the house and senate appropriations subcommittees
4 on the department budget, the house and senate fiscal agencies, and
5 the house and senate policy offices a report on the number of new
6 department employees and new hire employees of contractors and
7 subcontractors that were found to not be legally present in the
8 United States.

9 Sec. 296. Not later than November 15, the department, in
10 conjunction with the state budget office, shall prepare and
11 transmit a report that provides for estimates of the total general
12 fund/general purpose appropriation lapses at the close of the
13 fiscal year. This report shall summarize the projected year-end
14 general fund/general purpose appropriation lapses by major
15 departmental program or program areas. The report shall be
16 transmitted to the office of the state budget, the chairpersons of
17 the senate and house appropriations committees, and the senate and
18 house fiscal agencies.

19 Sec. 298. By February 15 of the current fiscal year, the
20 department shall provide to the senate and house appropriations
21 subcommittees on the department budget, the senate and house fiscal
22 agencies, and the senate and house policy offices an annual report
23 on the supervisor-to-staff ratio by department divisions and
24 subdivisions.

25 Sec. 299. The department shall maintain, on a publicly
26 accessible website, a department scorecard that identifies, tracks,
27 and regularly updates key metrics that are used to monitor and

1 improve the department's performance.

2 **EXECUTIVE OPERATIONS**

3 Sec. 307. (1) From the funds appropriated in part 1 for
4 demonstration projects, \$400,000.00 shall be distributed as
5 provided in subsection (2). The amount distributed under this
6 subsection shall not exceed 50% of the total operating expenses of
7 the program described in subsection (2), with the remaining 50%
8 paid by local United Way organizations and other nonprofit
9 organizations and foundations.

10 (2) Funds distributed under subsection (1) shall be
11 distributed to Michigan 2-1-1, a nonprofit corporation organized
12 under the laws of this state that is exempt from federal income tax
13 under section 501(c)(3) of the internal revenue code, 26 USC
14 501(c)(3), and whose mission is to coordinate and support a
15 statewide 2-1-1 system. Michigan 2-1-1 shall use the funds only to
16 fulfill the Michigan 2-1-1 business plan adopted by Michigan 2-1-1
17 in January 2005.

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

21 (4) Michigan 2-1-1 shall report annually to the department and
22 the house and senate standing committees with primary jurisdiction
23 over matters relating to human services and telecommunications on
24 2-1-1 system performance, including, but not limited to, call
25 volume by community health and human service needs and unmet needs
26 identified through caller data and customer satisfaction metrics.

1 **ADULT AND FAMILY SERVICES**

2 Sec. 401. All funds appropriated in part 1 for independent
3 living shall be used for the support of centers for independent
4 living in compliance with federal rules and regulations for those
5 centers, by existing centers in serving underserved areas, and for
6 projects to build capacity of centers to deliver independent living
7 services. Applications for the funds shall be reviewed in
8 accordance with criteria and procedures established by the
9 department. Funds shall be used in a manner consistent with the
10 state plan for independent living.

11 Sec. 402. The Michigan rehabilitation services shall work
12 collaboratively with the Michigan commission for the blind, service
13 organizations, and government entities to identify qualified match
14 dollars to maximize use of available federal vocational
15 rehabilitation funds.

16 Sec. 403. It is the intent of the legislature that the funds
17 appropriated in part 1 for Michigan rehabilitation services, and
18 any future funds appropriated for that purpose, shall not be spent
19 unless Michigan rehabilitation services addresses, works to remedy,
20 and accounts for the deficiencies found in Michigan rehabilitation
21 services as detailed in the most recent auditor general report of
22 Michigan rehabilitation services, and provides all relevant
23 documentation on expenditures of the funds appropriated in part 1
24 by February 15 of the current fiscal year to the house and senate
25 appropriations subcommittees on the department budget, the house
26 and senate fiscal agencies, and the house and senate policy

1 offices.

2 Sec. 404. From the funds appropriated in part 1 for
3 independent living, the department shall allocate \$300,000.00 to
4 Michigan's centers for independent living providing services in
5 Jackson, Kent, and Midland Counties to pilot guide services to
6 develop accessible, comprehensive, and integrated services for
7 persons with disabilities. The pilot guide services shall also
8 assist persons with disabilities and their families in navigating
9 state systems when accessing public assistance to become
10 financially self-sufficient.

11 Sec. 420. (1) From the funds appropriated in part 1, the
12 department shall contract with the prosecuting attorneys
13 association of Michigan for 2 elder abuse resource prosecuting
14 attorneys positions to provide the support and services necessary
15 to increase the capability of the state's prosecutors, adult
16 protective service system, and criminal justice system to
17 effectively identify, investigate, and prosecute elder abuse and
18 financial exploitation.

19 (2) By February 15 of the current fiscal year, the prosecuting
20 attorneys association shall provide a report on the efficacy of the
21 contract to the state budget office, the house and senate
22 appropriations subcommittees on the department budget, the house
23 and senate fiscal agencies, and the house and senate policy
24 offices.

25 Sec. 423. From the funds appropriated in part 1 for elder law
26 of Michigan MiCAFE contract, the department shall allocate not less
27 than \$175,000.00 to the elder law of Michigan MiCAFE to assist this

1 state's elderly population to participate in the food assistance
2 program. The funds may be used as state matching funds to acquire
3 available United States department of agriculture funding to
4 provide outreach program activities, such as eligibility screen and
5 information services, as part of a statewide food stamp hotline.

6 Sec. 424. The department may enter into a contract with a
7 nonprofit entity that operates throughout this state to provide
8 vehicle purchases and vehicle repairs for all low-income
9 individuals who the department determines are eligible. The
10 department shall work in conjunction with the nonprofit entity to
11 ensure that the barriers to self-sufficiency are removed for each
12 individual.

13 Sec. 425. (1) From the funds appropriated in part 1, the
14 department shall provide individuals not more than \$500.00 for
15 vehicle repairs, including any repairs done in the previous 12
16 months. However, the department may in its discretion pay for
17 repairs up to \$900.00. Payments under this section shall include
18 the combined total of payments made by the department and work
19 participation program.

20 (2) By November 30 of the current fiscal year, the department
21 shall provide to the senate and house appropriations subcommittees
22 on the department budget, the senate and house fiscal agencies, and
23 the senate and house policy offices a report detailing the total
24 number of payments for repairs, the number of payments for repairs
25 that exceeded \$500.00, the number of payments for repairs that cost
26 exactly \$500.00, and the number of payments for repairs that cost
27 exactly \$900.00 in the previous fiscal year.

1 **CHILDREN'S SERVICES**

2 Sec. 501. A goal is established that not more than 25% of all
3 children in foster care at any given time during the current fiscal
4 year will have been in foster care for 24 months or more. During
5 the annual budget presentation, the department shall provide a
6 report describing the steps that will be taken to achieve the
7 specific goal established in this section.

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

13 Sec. 505. By February 15 of the current fiscal year, the
14 department and Wayne County shall provide to the senate and house
15 appropriations committees on the department budget and the senate
16 and house fiscal agencies and policy offices a report for youth
17 served in the previous fiscal year and in the first quarter of the
18 current fiscal year outlining the number of youth served within
19 each juvenile justice system, the type of setting for each youth,
20 performance outcomes, and financial costs or savings.

21 Sec. 506. The department shall submit a report by February 15
22 of the current fiscal year on the number of children under state or
23 court supervision who did not receive Medicaid coverage and the
24 number of children under state or court supervision that
25 experienced a break in Medicaid coverage during the previous fiscal
26 year to the house and senate appropriations subcommittees on the

1 department budget, the house and senate fiscal agencies, and the
2 house and senate policy offices.

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

9 Sec. 508. In addition to the amount appropriated in part 1 for
10 children's trust fund grants, money granted or money received as
11 gifts or donations to the children's trust fund created by 1982 PA
12 249, MCL 21.171 to 21.172, is appropriated for expenditure.

13 Sec. 510. The department, in conjunction with members from
14 both the house of representatives and the senate, representatives
15 from the counties, and private child welfare providers, shall carry
16 out a workgroup to determine how the state can best assist counties
17 on identifying and providing performance-based community programs
18 for foster care and juvenile justice. By February 15 of the current
19 fiscal year, the department shall provide to the senate and house
20 appropriations subcommittees on the department budget, the senate
21 and house standing committees on families and human services, and
22 the senate and house fiscal agencies and policy offices a report
23 detailing the workgroup findings.

24 Sec. 511. The department shall track the number and percentage
25 of children who received both a physical and mental health
26 assessment before placement in the foster care and juvenile justice
27 systems and provide quarterly reports to the senate and house

1 appropriations subcommittees on the department budget, the senate
2 and house standing committees on families and human services, and
3 the senate and house fiscal agencies and policy offices on the
4 number and percentage of children who received the assessments.

5 Sec. 512. The department shall conduct an analysis of expenses
6 in the child care fund at the county level. By February 15 of the
7 current fiscal year, the department shall provide to the senate and
8 house appropriations subcommittees on the department budget, the
9 senate and house standing committees on families and human
10 services, and the senate and house fiscal agencies and policy
11 offices a report detailing the findings.

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

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

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

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

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

25 (e) The department has done an on-site visit to the out-of-
26 state facility, reviewed the facility records, reviewed licensing
27 records and reports on the facility, and believes that the facility

1 is an appropriate placement for the child.

2 (2) The department shall not expend money for a child placed
3 in an out-of-state facility without approval of the deputy director
4 for children's services. The department shall notify the
5 appropriate state agency in that state including the name of the
6 out-of-state provider who accepted the placement.

7 (3) The department shall submit quarterly reports to the state
8 court administrative office, the house and senate appropriations
9 subcommittees on the department budget, the house and senate fiscal
10 agencies, and the house and senate policy offices on the number of
11 Michigan children residing in out-of-state facilities at the time
12 of the report, the total cost and average per diem cost of these
13 out-of-state placements to this state, and a list of each such
14 placement arranged by the Michigan county of residence for each
15 child. The department shall also submit an annual report by
16 February 15 of the current fiscal year on per diem costs of each
17 public and private residential care provider located or doing
18 business in this state and recidivism rates of each facility.

19 Sec. 514. The department shall make a comprehensive report
20 concerning children's protective services (CPS) to the legislature,
21 including the senate and house policy offices and the state budget
22 director, by January 1 of the current fiscal year, that shall
23 include all of the following:

24 (a) Statistical information including, at a minimum, all of
25 the following:

26 (i) The total number of reports of abuse or neglect
27 investigated under the child protection law, 1975 PA 238, MCL

1 722.621 to 722.638, and the number of cases classified under
2 category I or category II and the number of cases classified under
3 category III, category IV, or category V.

4 (ii) Characteristics of perpetrators of abuse or neglect and
5 the child victims, such as age, relationship, race, and ethnicity
6 and whether the perpetrator exposed the child victim to drug
7 activity, including the manufacture of illicit drugs, that exposed
8 the child victim to substance abuse, a drug house, or
9 methamphetamine.

10 (iii) The mandatory reporter category in which the individual
11 who made the report fits, or other categorization if the individual
12 is not within a group required to report under the child protection
13 law, 1975 PA 238, MCL 722.621 to 722.638.

14 (iv) The number of cases that resulted in the separation of the
15 child from the parent or guardian and the period of time of that
16 separation, up to and including termination of parental rights.

17 (v) For the reported complaints of abuse or neglect by
18 teachers, school administrators, and school counselors, the number
19 of cases classified under category I or category II and the number
20 of cases classified under category III, category IV, or category V.

21 (vi) For the reported complaints of abuse or neglect by
22 teachers, school administrators, and school counselors, the number
23 of cases that resulted in separation of the child from the parent
24 or guardian and the period of time of that separation, up to and
25 including termination of parental rights.

26 (b) New policies related to children's protective services
27 including, but not limited to, major policy changes and court

1 decisions affecting the children's protective services system
2 during the immediately preceding 12-month period.

3 (c) The information contained in the report required under
4 section 8d(5) of the child protection law, 1975 PA 238, MCL
5 722.628d, on cases classified under category III.

6 (d) The department policy, or changes to the department
7 policy, regarding children who have been exposed to the production
8 or manufacture of methamphetamines.

9 Sec. 515. The department shall privatize all foster care and
10 adoption services, except for child protective services, in Kent
11 County by October 1 of the current fiscal year.

12 Sec. 516. The department shall prepare a report by county that
13 includes the number and percentage of foster care parents who were
14 successfully retained in the foster care program and compares
15 figures at the beginning of the fiscal year to the end-of-year
16 totals and provide the report by February 15 of the current fiscal
17 year to the senate and house appropriations subcommittees on the
18 department budget, the senate and house standing committees on
19 families and human services, and the senate and house fiscal
20 agencies and policy offices.

21 Sec. 517. The department, in conjunction with members from
22 both the house of representatives and the senate, shall conduct a
23 workgroup on the feasibility of implementing a dual-track child
24 protective services pilot program and shall examine the state's
25 definition of child abuse and shall determine whether the
26 definition should be amended. By February 15 of the current fiscal
27 year, the department shall provide a report on the findings of the

1 workgroup to the senate and house appropriations subcommittees on
2 the department budget, the senate and house standing committees on
3 families and human services, and the senate and house fiscal
4 agencies and policy offices.

5 Sec. 519. The department shall permit any private agency that
6 has an existing contract with this state to provide foster care
7 services to be also eligible to provide treatment foster care
8 services.

9 Sec. 520. The department shall post a request for proposals
10 for a contract for foster family group homes by December 31 of the
11 current fiscal year.

12 Sec. 523. (1) By February 15 of the current fiscal year, the
13 department shall report on the families first, strong families/safe
14 children, family reunification, child protection/community
15 partners, 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 of this section by February 15 of the current fiscal
22 year.

23 Sec. 537. The department, in collaboration with child placing
24 agencies, shall develop a strategy to implement section 115o of the
25 social welfare act, 1939 PA 280, MCL 400.115o. The strategy shall
26 include a requirement that a department caseworker responsible for
27 preparing a recommendation to a court concerning a juvenile

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1 placement shall provide, as part of the recommendation, information
2 regarding the requirements of section 115o of the social welfare
3 act, 1939 PA 280, MCL 400.115o.

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

8 (2) From the funds appropriated in part 1 for foster care
9 payments and from child care fund, the department shall pay
10 providers of general independent living services not less than a
11 \$28.00 administrative rate.

12 (3) From the funds appropriated in part 1, the department
13 shall reinstate the specialized independent living services
14 administrative rate to levels that were in place for the fiscal
15 year ending September 30, 2011.

16 (4) From the funds appropriated in part 1, the department
17 shall pay providers of foster care services an additional \$3.00
18 administrative rate, provided that section 117a of the social
19 welfare act, 1939 PA 280, MCL 400.117a, is amended to eliminate the
20 county match rate for the additional administrative rate provided
21 in this subsection.

[Sec. 550. From the funds appropriated in part 1 for domestic
violence prevention and treatment, the department shall allocate
\$150,000.00 to women's shelters in Macomb, Oakland, Washtenaw, and Wayne
Counties to pilot services to maximize available beds for women and
children in need. These services may include, but are not limited to,
transporting clients between shelters with available space.]

22 Sec. 556. The department shall provide an annual report to the
23 subcommittees of the senate and house appropriations committees on
24 the department budget with the number of complaints filed by
25 adoptive parents who were not notified that their adopted child had
26 special needs.

27 Sec. 557. From the funds appropriated in part 1, the

1 department may provide reimbursement for nonrecurring expenses
2 related to an adoption in excess of the limit described in section
3 115/ of the social welfare act, 1939 PA 280, MCL 400.115/.

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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. 585. (1) The department shall allow private nationally
25 accredited foster care and adoption agencies to conduct their own
26 staff training, based on current department policies and
27 procedures, provided that the agency trainer and training materials

1 are accredited by the department and that the agency documents to
2 the department that the training was provided. The department shall
3 provide access to any training materials requested by the private
4 agencies to facilitate this training.

5 (2) The department shall post on the department's website a
6 list of all relevant departmental training materials available to
7 private child placing agencies that are allowed to conduct their
8 own training in accordance with this section. The department shall
9 also provide to private child placing agencies that are allowed to
10 conduct their own training any updated training materials as they
11 become available.

12 Sec. 587. (1) From the funds appropriated in part 1 for the
13 child care fund, the department shall use not more than
14 \$5,000,000.00 to establish an in-home care incentive grant program
15 for counties that develop new or enhanced in-home care and
16 community-based juvenile justice services. The incentive grant
17 shall not exceed 25% of the total cost of the in-home care program
18 and shall be in addition to any other reimbursement the county
19 receives from the state for new or enhanced services provided after
20 October 1, 2013.

21 (2) Not later than January 1, 2014, the Michigan committee on
22 juvenile justice shall establish eligibility, reporting, and data
23 requirements that counties must meet to qualify for the in-home
24 care incentive grant. With written notice, the department has the
25 authority to withdraw the in-home care incentive grants for the
26 requirements established by the committee.

27 (3) By March 1 of the current fiscal year, the department

1 shall prepare and submit a report to the state budget director and
2 the senate and house fiscal agencies on the outcomes of the grant
3 program.

4 Sec. 588. The department shall report quarterly to the state
5 budget office, the senate and house appropriations subcommittees on
6 the department budget, and the senate and house fiscal agencies, on
7 the number of children enrolled in the guardianship assistance and
8 foster care - children with serious emotional disturbance waiver
9 programs.

10 Sec. 589. (1) When a new foster care case is opened, the
11 department shall first contact private providers with whom it has
12 contracted to provide case management services for the new foster
13 care case. The department, in collaboration with representatives
14 from private child placing agencies, shall determine placement
15 criteria for when private provider case management services would
16 not be in the best interest of the child.

17 (2) On a monthly basis, the department shall report on the
18 number of all foster care cases administered by the department and
19 all foster care cases administered by private providers.

20 **PUBLIC ASSISTANCE**

21 Sec. 601. Whenever a client agrees to the release of his or
22 her name and address to the local housing authority, the department
23 shall request from the local housing authority information
24 regarding whether the housing unit for which vendoring has been
25 requested meets applicable local housing codes. Vendoring shall be
26 terminated for those units that the local authority indicates in

1 writing do not meet local housing codes until such time as the
2 local authority indicates in writing that local housing codes have
3 been met.

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

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

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

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

20 (d) A person receiving 30-day postresidential substance abuse
21 treatment.

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

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

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

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

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

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

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

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

26 Sec. 606. County department offices shall require each
27 recipient of family independence program and state disability

1 assistance who has applied with the social security administration
2 for supplemental security income to sign a contract to repay any
3 assistance rendered through the family independence program or
4 state disability assistance program upon receipt of retroactive
5 supplemental security income benefits.

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

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

19 Sec. 608. Adult foster care facilities providing domiciliary
20 care or personal care to residents receiving supplemental security
21 income or homes for the aged serving residents receiving
22 supplemental security income shall not require those residents to
23 reimburse the home or facility for care at rates in excess of those
24 legislatively authorized. To the extent permitted by federal law,
25 adult foster care facilities and homes for the aged serving
26 residents receiving supplemental security income shall not be
27 prohibited from accepting third-party payments in addition to

1 supplemental security income provided that the payments are not for
2 food, clothing, shelter, or result in a reduction in the
3 recipient's supplemental security income payment.

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

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

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

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

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

22 Sec. 611. The state supplementation level under the
23 supplemental security income program shall not exceed the minimum
24 state supplementation level as required under federal law or
25 regulations.

26 Sec. 612. The department shall implement an asset test as part
27 of the eligibility determination for applicants and existing

1 recipients of the refugee assistance program medical benefits.

2 Sec. 613. The maximum allowable reimbursement for the final
3 disposition of indigent persons shall be \$800.00. In addition,
4 reimbursement for a cremation permit fee of up to \$75.00 and for
5 mileage at the standard rate will also be made available for an
6 eligible cremation.

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

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

18 Sec. 617. The department shall prepare a report on the number
19 and percentage of public assistance recipients, categorized by type
20 of assistance received, who were no longer eligible for assistance
21 because of their status in the law enforcement information network
22 and provide the report by February 15 of the current fiscal year to
23 the senate and house appropriations subcommittees on the department
24 budget, the senate and house standing committees on families and
25 human services, and the senate and house fiscal agencies and policy
26 offices.

27 Sec. 619. (1) Subject to subsection (2), the department shall

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

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

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

12 (2) Subject to federal approval, an individual is not entitled
13 to the exemption in this section if the individual was convicted in
14 2 or more separate cases of a felony that included the possession,
15 use, or distribution of a controlled substance after August 22,
16 1996.

17 Sec. 620. (1) The department shall make a determination of
18 Medicaid eligibility not later than 60 days after all information
19 to make the determination is received from the applicant if
20 disability is an eligibility factor. For all other Medicaid
21 applicants, including patients of a nursing home, the department
22 shall make a determination of Medicaid eligibility within 45 days
23 of application.

24 (2) Not later than October 1, 2013, the department shall
25 provide a report 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 detailing the outcomes
2 of the LEAN process, the department's progress in achieving the
3 eligibility standard of promptness at the 2 local offices, and the
4 department's plan for implementing efficiency standards identified
5 in the LEAN process statewide.

6 Sec. 643. As a condition of receipt of federal TANF funds,
7 homeless shelters and human services agencies shall collaborate
8 with the department to obtain necessary TANF eligibility
9 information on families as soon as possible after admitting a
10 family to the homeless shelter. From the funds appropriated in part
11 1 for homeless programs, the department is authorized to make
12 allocations of TANF funds only to the agencies that report
13 necessary data to the department for the purpose of meeting TANF
14 eligibility reporting requirements. Homeless shelters or human
15 services agencies that do not report necessary data to the
16 department for the purpose of meeting TANF eligibility reporting
17 requirements will not receive reimbursements which exceed the per
18 diem amount they received in fiscal year 2000. The use of TANF
19 funds under this section should not be considered an ongoing
20 commitment of funding.

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

27 Sec. 653. From the funds appropriated in part 1 for food

1 assistance, an individual who is the victim of domestic violence
2 and does not qualify for any other exemption may be exempt from the
3 3-month in 36-month limit on receiving food assistance under 7 USC
4 2015. This exemption can be extended an additional 3 months upon
5 demonstration of continuing need.

6 Sec. 656. (1) On a quarterly basis, the department shall
7 compile and make available on its website the information listed as
8 follows:

9 (a) The number of applications received.

10 (b) The number of applications approved.

11 (c) The number of applications denied.

12 (d) The number of applications pending and neither approved or
13 denied.

14 (e) The number of cases closed.

15 (2) The information provided in subsection (1) shall be made
16 available for the state as a whole and for each county, and the
17 information provided in subsection (1) shall be reported separately
18 for family independence program, state disability assistance, food
19 assistance program, Medicaid, and state emergency relief.

20 Sec. 657. The department shall notify persons eligible for
21 extended family independence program benefits under section 57s of
22 the social welfare act, 1939 PA 280, MCL 400.57s, that receiving
23 extended family independence program benefits will count toward the
24 federal and state lifetime limits.

25 Sec. 660. From the funds appropriated in part 1 for food bank
26 funding, the department is authorized to make allocations of TANF
27 funds only to the agencies that report necessary data to the

1 department for the purpose of meeting TANF eligibility reporting
2 requirements. The agencies that do not report necessary data to the
3 department for the purpose of meeting TANF eligibility reporting
4 requirements will not receive allocations in excess of those
5 received in fiscal year 2000. The use of TANF funds under this
6 section should not be considered an ongoing commitment of funding.

7 Sec. 669. The department shall allocate up to \$2,880,000.00
8 for the annual clothing allowance. The allowance shall be granted
9 to all eligible children in a family independence program group
10 that does not include an adult.

11 Sec. 672. (1) The department's office of inspector general
12 shall report to the senate and house of representatives
13 appropriations subcommittees on the department budget, the senate
14 and house fiscal agencies, and the senate and house policy offices
15 by February 15 of the current fiscal year on department efforts to
16 reduce inappropriate use of Michigan bridge cards. The department
17 shall provide information on the number of recipients of services
18 who used their electronic benefit transfer card inappropriately and
19 the current status of each case, the number of recipients whose
20 benefits were revoked, whether permanently or temporarily, as a
21 result of inappropriate use, and the number of retailers that were
22 fined or removed from the electronic benefit transfer program for
23 permitting inappropriate use of the cards.

24 (2) As used in this section, "inappropriate use" means not
25 used to meet a family's ongoing basic needs, including food,
26 clothing, shelter, utilities, household goods, personal care items,
27 and general incidentals.

1 Sec. 677. The department shall establish a state goal for the
2 percentage of family independence program (FIP) cases involved in
3 employment activities. The percentage established shall not be less
4 than 50%. On a monthly basis, the department shall report to the
5 senate and house appropriations subcommittees on the department
6 budget, the senate and house fiscal agencies and policy offices,
7 and the state budget director on the current percentage of FIP
8 cases involved in PATH employment activities and an estimate of the
9 current percentage of FIP cases that meet federal work
10 participation requirements.

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

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

20 (3) The department shall prohibit individuals with property
21 assets assessed at a value higher than \$250,000.00 from accessing
22 assistance through department-administered programs, unless such a
23 prohibition would violate federal rules and guidelines.

24 (4) The department shall require caseworkers to obtain an up-
25 to-date telephone number during the eligibility determination or
26 redetermination process for individuals seeking medical assistance
27 benefits. On a monthly basis, the department shall provide the

1 department of community health an updated list of telephone numbers
2 for medical assistance recipients.

3 Sec. 696. From the funds appropriated in part 1, the
4 department shall allocate \$1,000,000.00 to the Chaldean community
5 foundation. This money shall be utilized to provide translation
6 services, health care services, youth tutoring and mentoring
7 programs, and refugee resettlement services.

8 **JUVENILE JUSTICE SERVICES**

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

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

21 Sec. 708. (1) As a condition of receiving funds appropriated
22 in part 1 for the child care fund line item, by December 15 of the
23 current fiscal year, counties shall have an approved service
24 spending plan for the current fiscal year. Counties must submit the
25 service spending plan to the department by October 1 of the current
26 fiscal year for approval. The department shall approve within 30

House Bill No. 4328 (H-1) as amended April 23, 2013

1 calendar days after receipt a properly completed service plan that
 2 complies with the requirements of the social welfare act, 1939 PA
 3 280, MCL 400.1 to 400.119b.

4 (2) The department shall submit a report to the house and
 5 senate appropriations subcommittees on the department budget, the
 6 house and senate fiscal agencies, and the house and senate policy
 7 offices by February 15 of the current fiscal year on the number of
 8 counties that fail to submit a service spending plan by October 1
 9 and the number of service spending plans not approved by December

10 15.

[Sec. 710. (1) The department, in conjunction with members from the
 department of education, the house and senate appropriations
 subcommittees on the department budget, and the house and senate
 appropriations subcommittees on the department of education budget, shall
 convene a workgroup by October 15 of the current fiscal year to study the
 feasibility of a public school academy providing a residential program
 including lodging, meals, and other essential wraparound services for at-
 risk youth.

(2) The workgroup study shall include all of the following, but not
 limited to:

- (a) Eligibility requirements.
- (b) Estimated service needs of the youth.
- (c) Anticipated costs and possible fund sources.
- (d) Metrics and data needed to determine a successful program.
- (e) Potential increases in student achievement.

(3) By March 15, 2014, the department shall submit to the house and
 senate appropriations subcommittees on the department budget and the
 house and senate appropriations subcommittees on the department of
 education budget a report detailing the workgroup findings.]

11 Sec. 711. The report referenced under section 1205(1) of 2012
 12 PA 200 shall be provided not later than June 30 of the current
 13 fiscal year to the senate and house appropriations subcommittees on
 14 the department budget, the senate and house fiscal agencies and
 15 policy offices, and the state budget director.

[Sec. 719. From the funds appropriated in part 1, the department
 shall operate 1 juvenile justice facility that has capacity to provide
 secure residential treatment to not more than 40 youth. By no later than
 January 1, 2014, the department shall close or reduce the capacity of its
 current facilities to meet the requirements of this section.]

16 Sec. 720. The department shall submit a quarterly report by
 17 November 1, February 1, May 1, and August 1 of the current fiscal
 18 year to the house and senate appropriations subcommittees on the
 19 department budget, the house and senate fiscal agencies, and the
 20 house and senate policy offices on the current placement and status
 21 of the youth transferred from the state juvenile justice facilities
 22 closed during the current fiscal year.

23 Sec. 721. The department shall post a request for proposals
 24 for a contract with not less than 1 private provider of residential
 25 services for juvenile justice youth to be a residential facility of
 26 last resort.

27 Sec. 722. The department shall ensure that staff employed at

1 the state juvenile justice facilities closed in the current fiscal
2 year are given priority for staff positions that they are qualified
3 to fulfill.

4 **LOCAL OFFICE SERVICES**

5 Sec. 750. The department shall maintain out-stationed
6 eligibility specialists in community-based organizations, community
7 mental health agencies, nursing homes, and hospitals unless a
8 community-based organization, community mental health agency,
9 nursing home, or hospital requests that the program be discontinued
10 at its facility.

11 Sec. 753. By January 1, 2012, the department shall implement
12 the recommendations of the 2004 public private partnership
13 initiative's training committee to define, design, and implement a
14 train-the-trainer program to certify private agency staff to
15 deliver child welfare staff training, explore the use of e-learning
16 technologies, and include consumers in the design and
17 implementation of training. The intent of the legislature is to
18 reduce training and travel costs for both the department and the
19 private agencies. The department shall report no later than
20 December 1 of the current fiscal year on each specific policy
21 change made to implement enacted legislation and the plans to
22 implement the recommendations, including timelines, to the senate
23 and house appropriations subcommittees on the department budget,
24 the senate and house standing committees on human services matters,
25 the senate and house fiscal agencies and policy offices, and the
26 state budget director.

1 Sec. 755. (1) It is the intent of the legislature that the
2 department shall have a supervisor-to-staff ratio, excluding the
3 supervisor-to-staff ratio required by the children's rights
4 settlement agreement, of 1 supervisor to 12 staff members.

5 (2) It is the intent of the legislature that the department
6 shall have not more than 1 administrative support worker for every
7 9.5 staff members.

8 **CHILD SUPPORT ENFORCEMENT**

9 Sec. 901. (1) The appropriations in part 1 assume a total
10 federal child support incentive payment of \$26,500,000.00.

11 (2) From the federal money received for child support
12 incentive payments, \$12,000,000.00 shall be retained by the state
13 and expended for child support program expenses.

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

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

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

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

4 Sec. 909. (1) If statewide retained child support collections
5 exceed \$38,300,000.00, 75% of the amount in excess of
6 \$38,300,000.00 is appropriated to legal support contracts. This
7 excess appropriation may be distributed to eligible counties to
8 supplement and not supplant county title IV-D funding.

9 (2) Each county whose retained child support collections in
10 the current fiscal year exceed its fiscal year 2004-2005 retained
11 child support collections, excluding tax offset and financial
12 institution data match collections in both the current year and
13 fiscal year 2004-2005, shall receive its proportional share of the
14 75% excess.

15 Sec. 910. (1) If title IV-D-related child support collections
16 are escheated, the state budget director is authorized to adjust
17 the sources of financing for the funds appropriated in part 1 for
18 legal support contracts to reduce federal authorization by 66% of
19 the escheated amount and increase general fund/general purpose
20 authorization by the same amount. This budget adjustment is
21 required to offset the loss of federal revenue due to the escheated
22 amount being counted as title IV-D program income in accordance
23 with federal regulations at 45 CFR 304.50.

24 (2) The department shall notify the chairs of the house and
25 senate appropriations subcommittees on the department budget and
26 the house and senate fiscal agencies within 15 days of the
27 authorization adjustment in subsection (1).

1 **COMMUNITY ACTION AND ECONOMIC OPPORTUNITY**

2 Sec. 1105. The department shall report to the house and senate
3 appropriations subcommittees on the department budget, the house
4 and senate fiscal agencies, the house and senate policy offices,
5 and the state budget office by February 15 of the current fiscal
6 year on the number of homes, the approximate value of each home,
7 whether the home is a single or multifamily home, and the square
8 footage of each home weatherized through the appropriations in
9 section 104 during the preceding quarter of the calendar year.

10 **ONE-TIME BASIS ONLY**

11 Sec. 1208. From the funds appropriated in part 1 for Seita
12 scholarship program, the department shall allocate \$750,000.00 to
13 the Seita scholarship program.

14

PART 2A

15

PROVISIONS CONCERNING ANTICIPATED APPROPRIATIONS

16

FOR FISCAL YEAR 2014-2015

17 **GENERAL SECTIONS**

18

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Sec. 1301. It is the intent of the legislature to provide
appropriations for the fiscal year ending on September 30, 2015 for
the line items listed in part 1. The fiscal year 2014-2015
appropriations are anticipated to be the same as those for fiscal
year 2013-2014, except that the line items will be adjusted for
changes in caseload and related costs, federal fund match rates,

1 economic factors, and available revenue. These adjustments will be
 2 determined after the January 2014 consensus revenue estimating
 3 conference.

4 ARTICLE XII

5 JUDICIARY

6 PART 1

7 LINE-ITEM APPROPRIATIONS

8 Sec. 101. Subject to the conditions set forth in this article,
 9 the amounts listed in this part are appropriated for the judicial
 10 branch for the fiscal year ending September 30, 2014, from the
 11 funds indicated in this part. The following is a summary of the
 12 appropriations in this part:

13 **JUDICIARY**

14 APPROPRIATION SUMMARY

15	Full-time equated exempted positions.....	480.0	
16	GROSS APPROPRIATION.....		\$ 273,709,000
17	Interdepartmental grant revenues:		
18	Total interdepartmental grants and intradepartmental		
19	transfers		2,350,500
20	ADJUSTED GROSS APPROPRIATION.....		\$ 271,358,500
21	Federal revenues:		
22	Total federal revenues.....		5,343,900
23	Special revenue funds:		
24	Total local revenues.....		7,133,100
25	Total private revenues.....		931,500
26	Total other state restricted revenues.....		86,115,900

1	State general fund/general purpose	\$	171,834,100
2	Sec. 102. SUPREME COURT		
3	Full-time equated exempted positions.....	245.0	
4	Supreme court administration--92.0 FTE positions	\$	13,101,300
5	Judicial institute--13.0 FTE positions		2,132,900
6	State court administrative office--61.0 FTE positions		11,590,900
7	Judicial information systems--22.0 FTE positions		3,012,000
8	Direct trial court automation support--44.0 FTE		
9	positions		7,133,100
10	Foster care review board--10.0 FTE positions		1,271,000
11	Community dispute resolution--3.0 FTE positions		2,360,600
12	Other federal grants.....		275,100
13	Drug treatment courts.....		7,083,000
14	Community court pilot project.....		20,000
15	Mental health courts.....		2,100,000
16	Swift and sure sanctions program.....		<u>6,000,000</u>
17	GROSS APPROPRIATION.....	\$	56,079,900
18	Appropriated from:		
19	Interdepartmental grant revenues:		
20	IDG from department of state police.....		1,500,000
21	IDG from department of corrections.....		50,000
22	IDG from state police - Michigan justice training fund		334,500
23	Federal revenues:		
24	DOJ, victims assistance programs.....		55,700
25	DOJ, drug court training and evaluation.....		300,000
26	DOT, national highway traffic safety administration..		818,700
27	HHS, access and visitation grant.....		604,900

1	HHS, children's justice grant.....	226,800
2	HHS, court improvement project.....	1,275,200
3	HHS, title IV-D child support program.....	997,900
4	HHS, title IV-E foster care program.....	381,300
5	Other federal grant revenues.....	275,100
6	Special revenue funds:	
7	Local - user fees.....	7,133,100
8	Private.....	185,900
9	Private - interest on lawyers trust accounts.....	255,700
10	Private - state justice institute.....	408,600
11	Community dispute resolution fund.....	2,360,600
12	Court of appeals filing/motion fees.....	1,641,800
13	Law exam fees.....	628,100
14	Drug court fund.....	1,920,500
15	Miscellaneous revenue.....	268,600
16	Justice system fund.....	560,300
17	State court fund.....	372,700
18	State general fund/general purpose.....	\$ 33,523,900
19	Sec. 103. COURT OF APPEALS	
20	Full-time equated exempted positions.....	175.0
21	Court of appeals operations--175.0 FTE positions.....	\$ <u>22,248,500</u>
22	GROSS APPROPRIATION.....	\$ 22,248,500
23	Appropriated from:	
24	State general fund/general purpose.....	\$ 22,248,500
25	Sec. 104. BRANCHWIDE APPROPRIATIONS	
26	Full-time equated exempted positions.....	4.0
27	Branchwide appropriations--4.0 FTE positions.....	\$ <u>8,621,000</u>

1	GROSS APPROPRIATION.....	\$	8,621,000
2	Appropriated from:		
3	State general fund/general purpose.....	\$	8,621,000
4	Sec. 105. JUSTICES' AND JUDGES' COMPENSATION		
5	Full-time judges positions 605.0		
6	Supreme court justices' salaries--7.0 justices.....	\$	1,152,300
7	Court of appeals judges' salaries--28.0 judges.....		4,240,300
8	District court judges' state base salaries--249.0		
9	judges		23,044,500
10	District court judicial salary standardization.....		11,385,300
11	Probate court judges' state base salaries--103.0		
12	judges		9,627,900
13	Probate court judicial salary standardization.....		4,669,600
14	Circuit court judges' state base salaries--218.0		
15	judges		20,534,600
16	Circuit court judicial salary standardization.....		9,967,900
17	Judges' retirement system defined contributions.....		4,185,300
18	OASI, social security.....		<u>5,639,300</u>
19	GROSS APPROPRIATION.....	\$	94,447,000
20	Appropriated from:		
21	Special revenue funds:		
22	Court fee fund.....		4,890,200
23	State general fund/general purpose.....	\$	89,556,800
24	Sec. 106. JUDICIAL AGENCIES		
25	Full-time equated exempted positions..... 7.0		
26	Judicial tenure commission--7.0 FTE positions.....	\$	<u>1,101,700</u>
27	GROSS APPROPRIATION.....	\$	1,101,700

1	Appropriated from:		
2	State general fund/general purpose.....	\$	1,101,700
3	Sec. 107. INDIGENT DEFENSE - CRIMINAL		
4	Full-time equated exempted positions.....		49.0
5	Appellate public defender program--42.0 FTE positions	\$	6,432,500
6	Appellate assigned counsel administration--7.0 FTE		
7	positions		<u>1,041,300</u>
8	GROSS APPROPRIATION.....	\$	7,473,800
9	Appropriated from:		
10	Interdepartmental grant revenues:		
11	IDG from state police - Michigan justice training fund		466,000
12	Federal revenues:		
13	Other federal grant revenues.....		408,300
14	Special revenue funds:		
15	Private - interest on lawyers trust accounts.....		81,300
16	Miscellaneous revenue.....		131,100
17	State general fund/general purpose.....	\$	6,387,100
18	Sec. 108. INDIGENT CIVIL LEGAL ASSISTANCE		
19	Indigent civil legal assistance.....	\$	<u>7,937,000</u>
20	GROSS APPROPRIATION.....	\$	7,937,000
21	Appropriated from:		
22	Special revenue funds:		
23	State court fund.....		7,937,000
24	State general fund/general purpose.....	\$	0
25	Sec. 109. TRIAL COURT OPERATIONS		
26	Court equity fund reimbursements.....	\$	60,835,100
27	Judicial technology improvement fund.....		<u>4,815,000</u>

1	GROSS APPROPRIATION.....	\$	65,650,100
2	Appropriated from:		
3	Special revenue funds:		
4	Court equity fund.....		50,440,000
5	Judicial technology improvement fund.....		4,815,000
6	State general fund/general purpose.....	\$	10,395,100
7	Sec. 110. GRANTS AND REIMBURSEMENTS TO LOCAL		
8	GOVERNMENT		
9	Drug case-flow program.....	\$	250,000
10	Drunk driving case-flow program.....		3,300,000
11	Juror compensation reimbursement.....		<u>6,600,000</u>
12	GROSS APPROPRIATION.....	\$	10,150,000
13	Appropriated from:		
14	Special revenue funds:		
15	Drug fund.....		250,000
16	Drunk driving fund.....		3,300,000
17	Juror compensation fund.....		6,600,000
18	State general fund/general purpose.....	\$	0

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 \$257,950,000.00 and state

1 spending from state resources to be paid to local units of
 2 government for fiscal year 2013-2014 is \$127,899,600.00. The
 3 itemized statement below identifies appropriations from which
 4 spending to local units of government will occur:

5 JUDICIARY

6 SUPREME COURT

7	State court administrative office.....	\$	511,900
8	Drug treatment courts.....		7,083,000
9	Mental health courts.....		1,997,600
10	Swift and sure sanctions program.....		5,900,000

11 TRIAL COURT OPERATIONS

12	Court equity fund reimbursements.....	\$	60,835,100
13	Judicial technology improvement fund.....		4,815,000

14 JUSTICES' AND JUDGES' COMPENSATION

15	District court judicial salary standardization.....	\$	11,385,300
16	Probate court judges' state base salaries.....		9,627,900
17	Probate court judicial salary standardization.....		4,669,600
18	Circuit court judicial salary standardization.....		9,967,900
19	Grant to OASI contribution fund, employers share, 20 social security		956,300

21 GRANTS AND REIMBURSEMENTS TO LOCAL GOVERNMENT

22	Drunk driving case-flow program.....	\$	3,300,000
23	Drug case-flow program.....		250,000
24	Juror compensation reimbursement.....		<u>6,600,000</u>
25	TOTAL.....	\$	127,899,600

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

1 18.1101 to 18.1594.

2 (2) Funds appropriated in part 1 to an entity within the
3 judicial branch shall not be expended or transferred to another
4 account without written approval of the authorized agent of the
5 judicial entity. If the authorized agent of the judicial entity
6 notifies the state budget director of its approval of an
7 expenditure or transfer, the state budget director shall
8 immediately make the expenditure or transfer. The authorized
9 judicial entity agent shall be designated by the chief justice of
10 the supreme court.

11 Sec. 203. As used in this article:

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

13 (b) "DOT" means the United States department of
14 transportation.

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

16 (d) "HHS" means the United States department of health and
17 human services.

18 (e) "IDG" means interdepartmental grant.

19 (f) "OASI" means old age survivor's insurance.

20 Sec. 204. The judicial branch shall not take disciplinary
21 action against an employee for communicating with a member of the
22 legislature or his or her staff.

23 Sec. 208. The reporting requirements of this part shall be
24 completed with the approval of, and at the direction of, the
25 supreme court, except as otherwise provided in this part. The
26 judicial branch shall use the Internet to fulfill the reporting
27 requirements of this part. This may include transmission of reports

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

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

10 Sec. 214. Funds appropriated in part 1 shall not be used for
11 the purchase of foreign goods or services, or both, if
12 competitively priced and of comparable quality American goods or
13 services, or both, are available. Preference shall be given to
14 goods or services, or both, manufactured or provided by Michigan
15 businesses, if they are competitively priced and of comparable
16 quality. In addition, preference shall be given to goods or
17 services, or both, that are manufactured or provided by Michigan
18 businesses owned and operated by veterans, if they are
19 competitively priced and of comparable quality.

20 Sec. 215. Not later than January 1 of each year, the state
21 court administrative office shall prepare a travel report listing
22 all travel by judicial branch employees outside this state in the
23 immediately preceding fiscal year that was funded in whole or in
24 part with funds appropriated in the budget for the judicial branch.
25 The report shall be submitted to the senate and house of
26 representatives standing committees on appropriations, the senate
27 and house fiscal agencies, and the state budget director. The

1 report shall include the following 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. 219. Not later than November 15, the state budget office
9 shall prepare and transmit a report that provides for estimates of
10 the total general fund/general purpose appropriation lapses at the
11 close of the fiscal year. This report shall summarize the projected
12 year-end general fund/general purpose appropriation lapses by major
13 program or program areas. The report shall be transmitted to the
14 chairpersons of the senate and house appropriations committees, and
15 the senate and house fiscal agencies.

16 Sec. 221. From the funds appropriated in part 1, the judicial
17 branch shall develop, post, and maintain, on a user-friendly and
18 publicly accessible Internet site, all expenditures made by the
19 judicial branch within a fiscal year. The posting shall include the
20 purpose for which each expenditure is made. The judicial branch
21 shall not provide financial information on its website under this
22 section if doing so would violate a federal or state law, rule,
23 regulation, or guideline that establishes privacy or security
24 standards applicable to that financial information.

25 Sec. 222. Within 14 days after the release of the executive
26 budget recommendation, the judicial branch shall provide the state
27 budget director, the senate and house appropriations chairs, the

1 senate and house appropriations subcommittees on the judiciary,
2 respectively, and the senate and house fiscal agencies with an
3 annual report on estimated state restricted fund balances, state
4 restricted fund projected revenues, and state restricted fund
5 expenditures for the fiscal years ending September 30, 2013 and
6 September 30, 2014.

7 Sec. 223. The judicial branch shall maintain, on a publicly
8 accessible website, a scorecard that identifies, tracks, and
9 regularly updates key metrics that are used to monitor and improve
10 the judiciary's performance.

11 JUDICIAL BRANCH

12 Sec. 301. Pursuant to the appropriations in part 1, the direct
13 trial court automation support program of the state court
14 administrative office shall recover direct and overhead costs from
15 trial courts by charging for services rendered. The fee shall cover
16 the actual costs incurred to the direct trial court automation
17 support program in providing the service, including development of
18 future versions of case management systems.

19 Sec. 302. Funds appropriated within the judicial branch shall
20 not be expended by any component within the judicial branch without
21 the approval of the supreme court.

22 Sec. 303. Of the amount appropriated in part 1 for the
23 judicial branch, \$325,000.00 is allocated for circuit court
24 reimbursement under section 3 of 1978 PA 16, MCL 800.453, and
25 \$186,900.00 is allocated for court of claims reimbursement under
26 section 6413 of the revised judicature act of 1961, 1961 PA 236,

1 MCL 600.6413.

2 Sec. 306. The supreme court and the state court administrative
3 office shall continue to maintain, as a priority, the assisting of
4 local trial courts in improving the collection of judgments.

5 Sec. 308. If sufficient funds are not available from the court
6 fee fund to pay judges' compensation, the difference between the
7 appropriated amount from that fund for judges' compensation and the
8 actual amount available after the amount appropriated for trial
9 court reimbursement is made shall be appropriated from the state
10 general fund for judges' compensation.

11 Sec. 309. By April 1, the state court administrative office
12 shall provide an update on the status of the mental health courts
13 to the state budget director, the senate and house appropriations
14 subcommittees on the judiciary, and the senate and house fiscal
15 agencies.

16 Sec. 310. From the funds appropriated in part 1 for drug
17 treatment court programs, with the approval of and at the
18 discretion of the supreme court, the state court administrative
19 office shall evaluate and collect data on the performance of drug
20 treatment court programs. The state court administrative office
21 shall provide an annual review of the performance of drug courts as
22 prescribed in section 1078(6) of the revised judicature act of
23 1961, 1961 PA 236, MCL 600.1078. All of the following apply to that
24 annual review:

25 (a) It shall include measures of the impact of drug court
26 programs in changing offender criminal involvement (recidivism) and
27 substance abuse and in reducing prison admissions.

1 (b) It shall be completed no later than April 1 of each year
2 and shall also be provided to the senate and house appropriations
3 subcommittees on the judiciary, the senate and house fiscal
4 agencies, and the state budget director.

5 (c) The evaluation of a program funded with federal Byrne
6 funds shall be consistent with the requirements contained in the
7 federal Byrne grant for that program.

8 Sec. 311. (1) The funds appropriated in part 1 for drug
9 treatment courts shall be administered by the state court
10 administrative office to operate drug treatment court programs. A
11 drug treatment court shall be responsible for handling cases
12 involving substance abusing nonviolent offenders through
13 comprehensive supervision, testing, treatment services, and
14 immediate sanctions and incentives. A drug treatment court shall
15 use all available county and state personnel involved in the
16 disposition of cases including, but not limited to, parole and
17 probation agents, prosecuting attorneys, defense attorneys, and
18 community corrections providers. The funds may be used in
19 connection with other federal, state, and local funding sources.

20 (2) From the funds appropriated in part 1, the chief justice
21 shall allocate sufficient funds for the judicial institute to
22 provide in-state training for those identified in subsection (1),
23 including training for new drug treatment court judges.

24 (3) For drug treatment court grants, consideration for
25 priority may be given to those courts where higher instances of
26 substance abuse cases are filed.

27 (4) The judiciary shall receive \$1,500,000.00 in Byrne formula

1 grant funding as an interdepartmental grant from the department of
2 state police to be used for expansion of drug treatment courts, to
3 assist in avoiding prison bed space growth for nonviolent offenders
4 in collaboration with the department of corrections.

5 Sec. 312. From the funds appropriated in part 1, the state
6 court administrator shall produce a statistical report regarding
7 the implementation of the parental rights restoration act, 1990 PA
8 211, MCL 722.901 to 722.908, as it pertains to minors seeking a
9 court-issued waiver of parental consent. The state court
10 administrative office shall report the total number of petitions
11 filed and the total number of petitions granted in accordance with
12 section 208.

13 Sec. 317. Funds appropriated in part 1 shall not be used for
14 the permanent assignment of state-owned vehicles to justices or
15 judges or any other judicial branch employee. This section does not
16 preclude the use of state-owned motor pool vehicles for state
17 business in accordance with approved guidelines.

18 Sec. 318. The funds appropriated in part 1 for the community
19 court pilot project shall be used for the purposes of administering
20 a pilot program of neighborhood-focused community courts. The state
21 court administrative office shall work collaboratively with the
22 designated courts when establishing the community courts.

23 Sec. 320. (1) From the funds appropriated in part 1 for the
24 swift and sure sanctions program, the state court administrative
25 office shall administer a program to distribute grants to
26 qualifying courts in accordance with the objectives and
27 requirements of the probation swift and sure sanctions act. Of the

1 \$6,000,000.00 designated for the program, not more than \$100,000.00
2 shall be available to the state court administrative office to pay
3 for employee costs associated with the administration of the
4 program funds. Courts interested in participating in the swift and
5 sure sanctions program may apply to the state court administrative
6 office for a portion of the funds appropriated in part 1 under this
7 section.

8 (2) By April 1 a court that receives funding under this
9 section shall provide a report on the program to the state budget
10 director, the senate and house appropriations subcommittees on the
11 judiciary, and the senate and house fiscal agencies. The report
12 shall include all of the following:

13 (a) The number of offenders who participate in the program.

14 (b) The criminal history of offenders who participate in the
15 program.

16 (c) The recidivism rate of offenders who participate in the
17 program, including the rate of return to jail, prison, or both.

18 (d) A detailed description of the establishment and parameters
19 of the program.

20 (3) As used in this section, "program" means a swift-and-sure
21 sanctions program.

22 Sec. 321. It is the intent of the legislature that the
23 judicial branch support a statewide legal self-help Internet
24 website and local nonprofit self-help centers that use the
25 statewide website to provide assistance to individuals representing
26 themselves in civil legal proceedings. The state court
27 administrative office shall evaluate the effectiveness of the

1 **GENERAL SECTIONS**

2 Sec. 1201. It is the intent of the legislature to provide
3 appropriations for the fiscal year ending on September 30, 2015 for
4 the line items listed in part 1. The fiscal year 2014-2015
5 appropriations are anticipated to be the same as those for fiscal
6 year 2013-2014, except that the line items will be adjusted for
7 changes in caseload and related costs, federal fund match rates,
8 economic factors, and available revenue. These adjustments will be
9 determined after the January 2014 consensus revenue estimating
10 conference.

11 ARTICLE XIII

12 DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS

13 PART 1

14 LINE-ITEM APPROPRIATIONS

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.....	3,152.8	
24	GROSS APPROPRIATION.....		\$ 561,930,700
25	Interdepartmental grant revenues:		

1	Total interdepartmental grants and intradepartmental		
2	transfers		13,221,900
3	ADJUSTED GROSS APPROPRIATION.....	\$	548,708,800
4	Federal revenues:		
5	Total federal revenues.....		191,887,800
6	Special revenue funds:		
7	Total local revenues.....		656,500
8	Total private revenues.....		2,011,800
9	Total other state restricted revenues.....		316,312,800
10	State general fund/general purpose.....	\$	37,839,900
11	Sec. 102. DEPARTMENTAL ADMINISTRATION		
12	Full-time equated unclassified positions.....	57.5	
13	Full-time equated classified positions.....	120.0	
14	Unclassified salaries--57.5 FTE positions.....	\$	4,590,900
15	Executive director programs--31.0 FTE positions.....		5,110,000
16	Administrative services--85.0 FTE positions.....		9,092,100
17	Office of regulatory reinvention--4.0 FTE positions..		477,000
18	Property management.....		10,784,100
19	Rent.....		7,711,600
20	Worker's compensation.....		625,000
21	Special project advances.....		<u>200,000</u>
22	GROSS APPROPRIATION.....	\$	38,590,700
23	Appropriated from:		
24	Federal revenues:		
25	DOL, multiple grants for safety and health.....		801,600
26	DOL-ETA, unemployment insurance.....		10,039,000
27	Federal revenues.....		673,200

1	Title XVIII Medicare.....	451,600
2	Title XIX Medicaid.....	21,700
3	Title XIX Medicaid, facility certification fees.....	287,300
4	Special revenue funds:	
5	Local revenues.....	127,500
6	Private - special project advances.....	200,000
7	Aboveground storage tank fees.....	56,100
8	Accountancy enforcement fund.....	25,000
9	Bank fees.....	363,900
10	Boiler fee revenue.....	249,400
11	Builder enforcement fund.....	50,000
12	Construction code fund.....	1,397,400
13	Consumer finance fees.....	39,100
14	Contingent fund, regular penalty and interest.....	39,900
15	Corporation fees.....	4,137,100
16	Credit union fees.....	306,600
17	Deferred presentment service transaction fees.....	62,600
18	Elevator fees.....	276,500
19	Fees and collections/asbestos.....	104,200
20	Fire service fees.....	771,500
21	Health professions regulatory fund.....	1,668,000
22	Health systems fees.....	255,800
23	Insurance bureau fund.....	348,700
24	Insurance licensing and regulation fees.....	1,621,600
25	Licensing and regulation fees.....	1,089,600
26	Liquor license revenue.....	39,600
27	Liquor purchase revolving fund.....	4,529,200

1	MBLSLA fund.....		88,900
2	Mobile home code fund.....		336,400
3	Motor carrier fees.....		260,700
4	Private occupational school license fees.....		25,000
5	Public utility assessments.....		2,391,100
6	Radiological health fees.....		95,600
7	Safety education and training fund.....		805,800
8	Second injury fund.....		255,500
9	Securities fees.....		2,638,800
10	Self-insurers security fund.....		92,300
11	Silicosis and dust disease fund.....		113,900
12	Survey and remonumentation fund.....		53,000
13	Tax tribunal fund.....		853,600
14	Video franchise assessments.....		4,000
15	Worker's compensation administrative revolving fund..		139,600
16	State general fund/general purpose.....	\$	402,800
17	Sec. 103. OFFICE OF FINANCIAL AND INSURANCE		
18	REGULATION		
19	Full-time equated classified positions.....	329.0	
20	Administration--39.0 FTE positions.....		\$ 7,392,800
21	Financial evaluation--170.0 FTE positions.....		31,064,100
22	Regulatory compliance and consumer assistance--120.0		
23	FTE positions		<u>19,184,400</u>
24	GROSS APPROPRIATION.....		\$ 57,641,300
25	Appropriated from:		
26	Federal revenues:		
27	Federal revenues.....		2,000,000

1	Special revenue funds:		
2	Bank fees.....		7,486,700
3	Captive insurance regulatory and supervision fund....		279,400
4	Consumer finance fees.....		4,638,900
5	Credit union fees.....		6,786,700
6	Deferred presentment service transaction fees.....		2,829,800
7	Insurance bureau fund.....		21,050,500
8	Insurance continuing education fees.....		1,073,100
9	Insurance licensing and regulation fees.....		6,190,500
10	MBLSLA fund.....		4,594,900
11	Multiple employer welfare arrangement.....		72,600
12	Securities fees.....		638,200
13	State general fund/general purpose.....	\$	0
14	Sec. 104. PUBLIC SERVICE COMMISSION		
15	Full-time equated classified positions.....	184.0	
16	Public service commission--181.0 FTE positions.....		\$ 29,265,100
17	METRO authority--3.0 FTE positions.....		<u>377,200</u>
18	GROSS APPROPRIATION.....		\$ 29,642,300
19	Appropriated from:		
20	Federal revenues:		
21	DOE-OEERE, multiple grants.....		9,000
22	DOT, gas pipeline safety.....		950,000
23	Special revenue funds:		
24	Children's protection registry fund.....		272,600
25	Motor carrier fees.....		2,520,300
26	Public utility assessments.....		25,050,400
27	Restructuring mechanism assessments.....		440,000

1	Video franchise assessments.....		400,000
2	State general fund/general purpose.....	\$	0
3	Sec. 105. LIQUOR CONTROL COMMISSION		
4	Full-time equated classified positions.....	146.0	
5	Management support services--25.0 FTE positions.....	\$	4,185,100
6	Liquor licensing and enforcement--121.0 FTE positions		<u>14,523,800</u>
7	GROSS APPROPRIATION.....	\$	18,708,900
8	Appropriated from:		
9	Special revenue funds:		
10	Direct shipper enforcement revolving fund.....		120,000
11	Liquor license revenue.....		7,510,400
12	Liquor purchase revolving fund.....		11,078,500
13	State general fund/general purpose.....	\$	0
14	Sec. 106. OCCUPATIONAL REGULATION		
15	Full-time equated classified positions.....	849.3	
16	Boiler inspection program--23.0 FTE positions.....	\$	3,172,900
17	Bureau of fire services--95.0 FTE positions.....		11,792,800
18	Bureau of construction codes--100.0 FTE positions....		8,731,600
19	Corporations, securities, and commercial licensing		
20	bureau--188.0 FTE positions		25,370,600
21	Elevator inspection program--30.0 FTE positions.....		3,545,600
22	Bureau of health care services--350.4 FTE positions..		53,731,800
23	Medical marihuana program--9.0 FTE positions.....		4,200,000
24	Radiological health administration--21.4 FTE positions		3,345,400
25	Background check program--5.5 FTE positions.....		2,498,100
26	Manufactured housing and land resources program--18.0		
27	FTE positions		2,874,700

1	Property development group--9.0 FTE positions	<u>1,767,500</u>
2	GROSS APPROPRIATION.....	\$ 121,031,000
3	Appropriated from:	
4	Interdepartmental grant revenues:	
5	IDG - DCH, inspection contract.....	100,000
6	Federal revenues:	
7	Clinical lab improvement.....	386,700
8	DOT.....	60,000
9	Federal funds.....	1,255,300
10	FEMA.....	28,000
11	Mammography quality standards.....	744,500
12	Title XVIII Medicare.....	11,380,600
13	Title XIX Medicaid.....	702,900
14	Title XIX Medicaid, facility certification fees.....	7,315,600
15	Special revenue funds:	
16	Private - civil monetary penalties.....	200,000
17	Aboveground storage tank fees.....	441,100
18	Accountancy enforcement fund.....	404,800
19	Boiler fee revenue.....	3,627,500
20	Builder enforcement fund.....	450,800
21	Construction code fund.....	7,093,400
22	Corporation fees.....	6,728,000
23	Elevator fees.....	3,969,200
24	Fire alarm fees.....	125,400
25	Fire safety standard and enforcement fund.....	40,000
26	Fire service fees.....	2,346,000
27	Fireworks safety fund.....	652,700

1	Health professions regulatory fund.....		22,749,700
2	Health systems fees.....		3,230,900
3	Licensing and regulation fees.....		10,998,200
4	Liquor purchase revolving fund.....		3,003,900
5	Michigan medical marihuana fund.....		4,200,000
6	Mobile home code fund.....		2,874,700
7	Nurse professional fund.....		1,883,300
8	Pain management fees.....		1,770,600
9	Private occupational school license fees.....		832,200
10	Property development fees.....		298,900
11	Radiological health fees.....		2,600,900
12	Real estate appraiser continuing education fund.....		47,000
13	Real estate education fund.....		338,100
14	Real estate enforcement fund.....		694,300
15	Securities fees.....		4,071,300
16	Securities investor education and training fund.....		1,000,000
17	Security business fund.....		340,100
18	Survey and remonumentation fund.....		809,700
19	Unarmed combat fund.....		124,700
20	Underground storage tank fees.....		2,484,700
21	State general fund/general purpose.....	\$	8,625,300
22	Sec. 107. MICHIGAN OCCUPATIONAL SAFETY AND HEALTH		
23	ADMINISTRATION		
24	Full-time equated classified positions.....	242.0	
25	Occupational safety and health--210.0 FTE positions ..		\$ 27,543,000
26	Wage and hour division--32.0 FTE positions ..		<u>3,520,600</u>
27	GROSS APPROPRIATION.....		\$ 31,063,600

1	Appropriated from:		
2	Federal revenues:		
3	DOL, multiple grants for safety and health.....		11,371,900
4	Special revenue funds:		
5	Corporation fees.....		3,304,900
6	Fees and collections/asbestos.....		984,100
7	Safety education and training fund.....		8,959,600
8	Securities fees.....		3,370,800
9	State general fund/general purpose.....	\$	3,072,300
10	Sec. 108. EMPLOYMENT SERVICES		
11	Full-time equated classified positions.....	1,060.0	
12	Workers' compensation agency--71.0 FTE positions.....		\$ 7,457,000
13	Insurance funds administration--25.0 FTE positions ...		5,138,900
14	Supplemental benefit fund.....		820,000
15	Unemployment insurance agency--767.7 FTE positions ...		86,652,500
16	Advocacy assistance program.....		1,500,000
17	Special audit and collections program--34.0 FTE		
18	positions		3,301,300
19	Training program for agency staff--2.1 FTE positions .		1,849,500
20	Expanded fraud control program--33.2 FTE positions ...		3,811,400
21	Bureau of services for blind persons--107.0 FTE		
22	positions		23,722,800
23	Employment and labor relations--20.0 FTE positions ...		<u>3,984,500</u>
24	GROSS APPROPRIATION.....	\$	138,237,900
25	Appropriated from:		
26	Federal revenues:		
27	DOL-ETA, employment and training administration.....		800,000

1	DOL-ETA, unemployment insurance	90,000,000
2	Federal revenues	17,284,400
3	Special revenue funds:	
4	Local revenues	529,000
5	Private revenues	111,800
6	Contingent fund, regular penalty and interest	5,314,700
7	Corporation fees	1,892,000
8	Michigan commission for the blind business enterprise	
9	program fund	562,000
10	Second injury fund	2,766,400
11	Securities fees	4,394,500
12	Self-insurers security fund	1,308,200
13	Silicosis and dust disease fund	1,064,300
14	Special fraud control fund	1,000,000
15	Worker's compensation administrative revolving fund ..	2,383,000
16	State general fund/general purpose	\$ 8,827,600
17	Sec. 109. MICHIGAN ADMINISTRATIVE HEARING SYSTEM	
18	Full-time equated classified positions	222.5
19	Michigan administrative hearing system--193.0 FTE	
20	positions	\$ 35,256,000
21	Michigan compensation appellate commission--29.5 FTE	
22	positions	<u>3,835,200</u>
23	GROSS APPROPRIATION	\$ 39,091,200
24	Appropriated from:	
25	Interdepartmental grant revenues:	
26	IDG - administrative hearings and rules	13,121,900
27	Federal revenues:	

1	DOL-ETA, unemployment insurance	3,552,400
2	Federal revenue - administrative hearings and rules ..	8,531,000
3	Special revenue funds:	
4	State restricted revenue - administrative hearings and	
5	rules	12,641,000
6	Worker's compensation administrative revolving fund ..	282,800
7	State general fund/general purpose	\$ 962,100
8	Sec. 110. INFORMATION TECHNOLOGY	
9	Information technology services and projects	\$ 42,812,000
10	Liquor control commission IT upgrades	<u>2,000,000</u>
11	GROSS APPROPRIATION	\$ 44,812,000
12	Appropriated from:	
13	Federal revenues:	
14	DOL, multiple grants for safety and health	273,700
15	DOL-ETA, unemployment insurance	21,482,400
16	Federal revenues	555,000
17	Title XVIII Medicare	610,000
18	Title XIX Medicaid, facility certification fees	320,000
19	Special revenue funds:	
20	Aboveground storage tank fees	24,500
21	Bank fees	245,500
22	Boiler fee revenue	283,500
23	Construction code fund	1,149,600
24	Consumer finance fees	27,100
25	Corporation fees	4,785,100
26	Credit union fees	243,100
27	Deferred presentment service transaction fees	114,100

1	Elevator fees.....		296,300
2	Fees and collections/asbestos.....		37,000
3	Fire service fees.....		281,500
4	Health professions regulatory fund.....		1,132,800
5	Health systems fees.....		201,300
6	Insurance bureau fund.....		720,500
7	Insurance continuing education fees.....		3,000
8	Insurance licensing and regulation fees.....		744,000
9	Licensing and regulation fees.....		1,769,300
10	Liquor purchase revolving fund.....		4,782,400
11	MBLSLA fund.....		104,100
12	Mobile home code fund.....		248,200
13	Motor carrier fees.....		191,300
14	Pain management fees.....		163,000
15	Public utility assessments.....		1,550,800
16	Radiological health fees.....		140,000
17	Safety education and training fund.....		670,100
18	Second injury fund.....		150,600
19	Securities fees.....		973,900
20	Self-insurers security fund.....		72,500
21	Silicosis and dust disease fund.....		62,500
22	Tax tribunal fund.....		210,000
23	Underground storage tank fees.....		131,400
24	State general fund/general purpose.....	\$	61,900
25	Sec. 111. DEPARTMENT GRANTS		
26	Fire protection grants.....	\$	9,273,900
27	Fireworks safety grants.....		1,000,000

1	Liquor law enforcement grants.....	7,200,000
2	Remonumentation grants.....	7,300,000
3	Private grant programs.....	1,500,000
4	Subregional libraries state aid.....	549,000
5	Utility consumer representation.....	950,000
6	Youth low-vision program.....	<u>338,900</u>
7	GROSS APPROPRIATION.....	\$ 28,111,800
8	Appropriated from:	
9	Special revenue funds:	
10	Private revenues.....	1,500,000
11	Fire protection fund.....	8,500,000
12	Fireworks safety fund.....	1,000,000
13	Liquor license revenue.....	7,200,000
14	Liquor purchase revolving fund, FPG.....	773,900
15	Survey and remonumentation fund.....	7,300,000
16	Utility consumer representation fund.....	950,000
17	State general fund/general purpose.....	\$ 887,900
18	Sec. 112. AUTISM COVERAGE	
19	Autism coverage reimbursement program.....	\$ <u>15,000,000</u>
20	GROSS APPROPRIATION.....	\$ 15,000,000
21	Appropriated from:	
22	State general fund/general purpose.....	\$ 15,000,000

PART 2

PROVISIONS CONCERNING APPROPRIATIONS
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 \$354,152,700.00 and state
5 spending from state resources to be paid to local units of
6 government for fiscal year 2013-2014 is \$26,611,800.00. The
7 itemized statement below identifies appropriations from which
8 spending to local units of government will occur:

9 DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS

10	Fire protection grants.....	\$	9,273,900
11	Fireworks safety grants.....		1,000,000
12	Liquor law enforcement.....		7,200,000
13	Remonumentation grants.....		7,300,000
14	Subregional libraries state aid.....		549,000
15	Utility customer representation.....		950,000
16	Youth low-vision program.....		<u>338,900</u>
17	Total department of licensing and regulatory		
18	affairs	\$	26,611,800

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

22 Sec. 203. As used in this article:

23 (a) "Department" means the department of licensing and
24 regulatory affairs.

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

26 (c) "DOL" means the United States department of labor.

27 (d) "Fiscal agencies" means Michigan house fiscal agency and

1 Michigan senate fiscal agency.

2 (e) "Subcommittees" means all members of the subcommittees of
3 the house and senate appropriations committees with jurisdiction
4 over the budget for the department.

5 Sec. 206. (1) In addition to the funds appropriated in part 1,
6 there is appropriated an amount not to exceed \$20,000,000.00 for
7 federal contingency funds. These funds are not available for
8 expenditure until they have been transferred to another line item
9 in part 1 under section 393(2) of the management and budget act,
10 1984 PA 431, MCL 18.1393.

11 (2) In addition to the funds appropriated in part 1, there is
12 appropriated an amount not to exceed \$31,000,000.00 for state
13 restricted contingency funds. These funds are not available for
14 expenditure until they have been transferred to another line item
15 in part 1 under section 393(2) of the management and budget act,
16 1984 PA 431, MCL 18.1393.

17 (3) In addition to the funds appropriated in part 1, there is
18 appropriated an amount not to exceed \$8,000,000.00 for local
19 contingency funds. These funds are not available for expenditure
20 until they have been transferred to another line item in part 1
21 under section 393(2) of the management and budget act, 1984 PA 431,
22 MCL 18.1393.

23 (4) In addition to the funds appropriated in part 1, there is
24 appropriated an amount not to exceed \$600,000.00 for private
25 contingency funds. These funds are not available for expenditure
26 until they have been transferred to another line item in part 1
27 under section 393(2) of the management and budget act, 1984 PA 431,

1 MCL 18.1393.

2 Sec. 207. The department shall maintain a searchable website
3 accessible by the public at no cost that includes, but is not
4 limited to, all of the following:

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

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

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

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

12 (e) Job specifications and wage rates.

13 Sec. 208. Unless otherwise specified, the department shall use
14 the Internet to fulfill the reporting requirements of part 1. This
15 requirement may include transmission of reports via electronic mail
16 to the recipients identified for each reporting requirement, or it
17 may include placement of reports on an Internet or Intranet site.

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

1 Sec. 211. (1) Amounts appropriated in part 1 for information
2 technology may be designated as work projects and carried forward
3 to support technology projects under the direction of the
4 department of technology, management, and budget. Funds designated
5 in this manner are not available for expenditure until approved as
6 work projects under section 451a of the management and budget act,
7 1984 PA 431, MCL 18.1451a.

8 (2) The funds appropriated in part 1 for liquor control
9 commission information technology are designated as work project
10 appropriations and shall not lapse at the end of the fiscal year.
11 Any unencumbered and unexpended funds shall continue to be
12 available for expenditure until the project has been completed.
13 Additional appropriations in future budgets are anticipated to
14 complete the work project within an estimated 5 years.

15 Sec. 212. The department and agencies receiving appropriations
16 in part 1 shall receive and retain copies of all reports funded
17 from appropriations in part 1. Federal and state guidelines for
18 short-term and long-term retention of records shall be followed.
19 The department may electronically retain copies or reports unless
20 otherwise required by federal and state guidelines.

21 Sec. 214. From the funds appropriated in part 1 for
22 information technology, departments and agencies shall pay user
23 fees to the department of technology, management, and budget for
24 technology-related services and projects. The user fees shall be
25 subject to provisions of an interagency agreement between the
26 departments and agencies and the department of technology,
27 management, and budget.

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

4 Sec. 217. (1) Due to the current budgetary problems in this
5 state, out-of-state travel shall be limited to situations in which
6 1 or more of the following conditions apply:

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

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

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

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

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

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

21 (2) The department shall not approve the travel of more than 1
22 departmental employee to a specific professional development
23 conference or training seminar that is located outside of this
24 state unless a professional development conference or training
25 seminar is funded by a federal or private funding source and
26 requires more than 1 person from a department to attend, or the
27 conference or training seminar includes multiple issues in which 1

1 employee from the department does not have expertise.

2 (3) Not later than January 1, each department shall prepare a
3 travel report listing all travel by classified and unclassified
4 employees outside this state in the immediately preceding fiscal
5 year that was funded in whole or in part with funds appropriated in
6 the department's budget. The report shall be submitted to the
7 senate and house of representatives standing committees on
8 appropriations, the senate and house fiscal agencies, and the state
9 budget director. The report shall include the following
10 information:

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

13 (b) The destination of each travel occurrence.

14 (c) The dates of each travel occurrence.

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

17 (e) The transportation and related costs of each travel
18 occurrence, including the proportion funded with state general
19 fund/general purpose revenues, the proportion funded with state
20 restricted revenues, the proportion funded with federal revenues,
21 and the proportion funded with other revenues.

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

24 Sec. 219. It is the intent of the legislature that all
25 principal executive departments and agencies cooperate with the
26 development and implementation of the department of technology,
27 management, and budget statewide office space consolidation plan.

1 Sec. 220. The department may carry into the succeeding fiscal
2 year unexpended federal pass-through funds to local institutions
3 and governments that do not require additional state matching
4 funds. Federal pass-through funds to local institutions and
5 governments that are received in amounts in addition to those
6 included in part 1 and that do not require additional state
7 matching funds are appropriated for the purposes intended. Within
8 14 days after the receipt of federal pass-through funds, the
9 department shall notify the house and senate chairpersons of the
10 subcommittees, the fiscal agencies, and the state budget director
11 of pass-through funds appropriated under this section.

12 Sec. 221. Funds appropriated in part 1 shall not be used by a
13 principal executive department, state agency, or authority to hire
14 a person to provide legal services that are the responsibility of
15 the attorney general. This prohibition does not apply to legal
16 services for bonding activities and for those outside services that
17 the attorney general authorizes.

18 Sec. 225. Within 10 days after the receipt of a grant
19 appropriated in the private grant funded projects line item in part
20 1, the department shall notify the house and senate chairpersons of
21 the subcommittees, the fiscal agencies, and the state budget
22 director of the receipt of the grant, including the funding source,
23 purpose, and amount of the grant.

24 Sec. 227. (1) The department shall sell documents at a price
25 not to exceed the cost of production and distribution. Money
26 received from the sale of these documents shall revert to the
27 department. In addition to the funds appropriated in part 1, these

1 funds are available for expenditure when they are received by the
2 department of treasury. This subsection applies only for the
3 following documents:

4 (a) Corporation and securities division documents, reports,
5 and papers required or permitted by law pursuant to section 1060(5)
6 of the business corporation act, 1972 PA 284, MCL 450.2060.

7 (b) The subdivision control manual, the state boundary
8 commission operations manual, and other local government assistance
9 manuals.

10 (c) The Michigan liquor control code of 1998, 1998 PA 58, MCL
11 436.1101 to 436.2303.

12 (d) The mobile home commission act, 1987 PA 96, MCL 125.2301
13 to 125.2349; the business corporation act, 1972 PA 284, MCL
14 450.1101 to 450.2098; the nonprofit corporation act, 1982 PA 162,
15 MCL 450.2101 to 450.3192; and the uniform securities act (2002),
16 2008 PA 551, MCL 451.2101 to 451.2703.

17 (e) Worker's compensation health care services rules.

18 (f) Construction code manuals.

19 (g) Copies of transcripts from administrative law hearings.

20 (2) In addition to the funds appropriated in part 1, funds
21 collected by the department under sections 55, 57, 58, and 59 of
22 the administrative procedures act of 1969, 1969 PA 306, MCL 24.255,
23 24.257, 24.258, and 24.259, and section 203 of the legislative
24 council act, 1986 PA 268, MCL 4.1203, are appropriated for all
25 expenses necessary to provide for the cost of publication and
26 distribution. The funds appropriated under this section are
27 allotted for expenditure when they are received by the department

1 of treasury and shall not lapse to the general fund at the end of
2 the fiscal year.

3 Sec. 228. Not later than November 15, the department shall
4 prepare and transmit a report that provides for estimates of the
5 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 of representatives standing committees on
11 appropriations, and the senate and house fiscal agencies.

12 Sec. 229. Within 14 days after the release of the executive
13 budget recommendation, the department shall provide the state
14 budget director, the senate and house appropriations chairs, the
15 senate and house appropriations subcommittees on licensing and
16 regulatory affairs, respectively, and the senate and house fiscal
17 agencies with an annual report on estimated state restricted fund
18 balances, state restricted fund projected revenues, and state
19 restricted fund expenditures for the fiscal year ending September
20 30, 2014.

21 Sec. 230. By October 31, 2013, the department shall identify
22 10 principal measurable outcomes to be affected by expenditure of
23 the funds appropriated in part 1 and submit a report to the house
24 and senate appropriations committees, the house and senate fiscal
25 agencies, and the state budget director that ranks the outcomes by
26 level of importance and contains current data on those outcomes.
27 Beginning on April 1, 2014, the department shall provide biannual

1 updates to the house and senate appropriations committees on
2 changes in those measurable outcomes and departmental efforts to
3 improve the outcomes.

4 Sec. 230a. The department shall maintain, on a publicly
5 accessible website, a department scorecard that identifies, tracks,
6 and regularly updates key metrics that are used to monitor and
7 improve the agency's performance.

8 Sec. 231. Unless prohibited by law, the department may accept
9 credit card or other electronic means of payment for licenses,
10 fees, or permits.

11 Sec. 232. The department shall not develop, create, or
12 otherwise produce any video productions distributed via television.

13 Sec. 240. (1) It is the intent of the legislature that
14 departments and agencies receiving appropriations in part 1
15 properly account for their spending and do not use full-time
16 equated positions as placeholders for spending in other parts of
17 their budgets.

18 (2) No later than February 1, the department shall provide a
19 report to the legislature specifying the number of filled, full-
20 time equated positions in pay status within each agency receiving
21 appropriations in part 1 during the immediately preceding fiscal
22 year. When reporting on the number of filled, full-time equated
23 positions in pay status, the department shall provide the maximum
24 number of filled, full-time equated positions in pay status by
25 appropriation line item in the last pay period of each quarter of
26 the immediately preceding fiscal year. The report shall also
27 include a list of all funded, full-time equated positions by

1 position title.

2 Sec. 250. It is the intent of the legislature that the
3 department continue the prefunding of other postemployment benefits
4 for state employees hired before January 1, 2012, with the amounts
5 appropriated in part 1 pursuant to the amendments made by 2011 PA
6 264 to the state employees' retirement act, 1943 PA 240, MCL 38.1
7 to 38.69.

8 **REGULATORY**

9 Sec. 301. (1) The appropriation in part 1 for fire protection
10 grants shall be appropriated to cities, villages, and townships
11 with state-owned facilities for fire services, instead of taxes, in
12 accordance with 1977 PA 289, MCL 141.951 to 141.956.

13 (2) Cities, villages, and townships with state-owned
14 facilities shall report to the department no later than January 1
15 on a form developed by the department in order to be eligible to
16 receive funds appropriated in part 1 for fire protection grants.
17 The report shall indicate all of the following:

18 (a) The ability to respond to state facilities in their
19 service area.

20 (b) The cost for being prepared and able to respond to fire
21 service situations during the most recent fiscal year.

22 (c) The fire-related activities of police and fire departments
23 on state property.

24 (d) The costs of these activities.

25 (e) The expenditures from fire protection grants.

26 (3) The department shall prepare a summary of the local

1 submissions and provide it to the subcommittees, fiscal agencies,
2 and the state budget director by March 31.

3 Sec. 302. Money appropriated in part 1 for the bureau of fire
4 services shall not be expended unless, in accordance with section
5 2c of the fire prevention code, 1941 PA 207, MCL 29.2c, inspection
6 and plan review fees will be charged according to the following
7 schedule:

8 Operation and maintenance inspection fee

9 <u>Facility type</u>	<u>Facility size</u>	<u>Fee</u>
10 Hospitals	Any	\$8.00 per bed

11 Plan review and construction inspection fees for
12 hospitals and schools

13 <u>Project cost range</u>	<u>Fee</u>
14 \$101,000.00 or less	minimum fee of \$155.00
15 \$101,001.00 to \$1,500,000.00	\$1.60 per \$1,000.00
16 \$1,500,001.00 to \$10,000,000.00	\$1.30 per \$1,000.00
17 \$10,000,001.00 or more	\$1.10 per \$1,000.00
18	or a maximum fee of \$60,000.00.

19 Sec. 303. The funds collected by the department for licenses,
20 permits, and other elevator regulation fees set forth in the
21 Michigan administrative code and as determined under section 8 of
22 1976 PA 333, MCL 338.2158, and section 16 of 1967 PA 227, MCL
23 408.816, that are unexpended at the end of the fiscal year shall
24 carry forward to the subsequent fiscal year.

25 Sec. 304. The department may make available to interested
26 entities otherwise unavailable customized listings of
27 nonconfidential information in its possession, such as names and

1 addresses of licensees. The department may establish and collect a
2 reasonable charge to provide this service. The revenue received
3 from this service shall be used to offset expenses to provide the
4 service. Any balance of this revenue collected and unexpended at
5 the end of the fiscal year shall revert to the appropriate
6 restricted fund.

7 Sec. 305. (1) It is the intent of the legislature that the
8 department expend the amount appropriated in part 1 for fireworks
9 safety grants to local units of government to defray inspection
10 costs associated with the enforcement of the Michigan fireworks
11 safety act, 2011 PA 256, MCL 28.451 to 28.471.

12 (2) In order to be eligible to receive funds appropriated in
13 part 1 for a fireworks safety grant, a local unit of government
14 shall report to the department no later than January 1 on a form
15 developed by the department. The report shall indicate all of the
16 following:

17 (a) The annual costs of inspections associated with the
18 enforcement of the Michigan fireworks safety act, 2011 PA 256, MCL
19 28.451 to 28.471.

20 (b) The annual costs of enforcement activities associated with
21 the enforcement of the Michigan fireworks safety act, 2011 PA 256,
22 MCL 28.451 to 28.471.

23 (3) No later than February 1, the department shall submit a
24 report to the subcommittees and fiscal agencies providing all of
25 the following information:

26 (a) The total amount of grants made to local units of
27 government from funds appropriated in part 1 for fireworks safety

1 grants during the preceding fiscal year.

2 (b) Each local unit of government awarded a grant from the
3 funds appropriated in part 1 for fireworks safety grants and the
4 amount of each grant that was awarded during the preceding fiscal
5 year.

6 Sec. 325. No later than February 15, the department shall
7 submit a report to the subcommittees and fiscal agencies providing
8 the following information:

9 (a) The number of honorably discharged veterans, individually
10 or if a majority interest of a corporation or limited liability
11 company, that were exempted from paying licensure, registration,
12 filing, or any other fees collected under each licensure or
13 regulatory program administered by the bureau of construction codes
14 and the corporations, securities, and commercial licensing bureau
15 during the preceding fiscal year.

16 (b) The specific fees and total amount of revenue exempted
17 under each licensure or regulatory program administered by the
18 bureau of construction codes and the corporations, securities, and
19 commercial licensing bureau during the preceding fiscal year.

20 (c) The actual costs of providing licensing and other
21 regulatory services to veterans exempted from paying licensure,
22 registration, filing, or any other fees and a description of how
23 these costs were calculated.

24 (d) The estimated amount of revenue that will be exempted
25 under each licensure or regulatory program administered by the
26 bureau of construction codes and the corporations, securities, and
27 commercial licensing bureau in the both the current and subsequent

1 fiscal years and a description of how the exempted revenue was
2 estimated.

3 Sec. 330. Funds earned or authorized by the DOL in excess of
4 the gross appropriation in part 1 for the unemployment insurance
5 agency from the DOL are appropriated and may be expended for
6 staffing and related expenses incurred in the operation of its
7 programs. These funds may be spent after the department notifies
8 the state budget director and the subcommittees of the purpose and
9 amount of each grant award.

10 Sec. 332. The unemployment insurance agency shall provide the
11 subcommittees, fiscal agencies, and state budget office with
12 quarterly status reports on the development of the agency's
13 integrated system project. The quarterly status reports shall
14 include, but not be limited to, a summary of the expenditures for
15 the project, project budget information, a summary of the tasks
16 completed and milestones reached to date, the percentage of the
17 total project completed to date, and a summary of the tasks
18 anticipated to be completed in the subsequent quarter.

19 Sec. 333. The department shall report quarterly to the members
20 of the house and senate committees on appropriations, the fiscal
21 agencies, and the state budget director on the percentage of
22 unemployment claimants that meet the certification requirements for
23 receiving benefits by using the Internet MARVIN system. The
24 department shall implement improvements to the Internet MARVIN
25 system that promote greater ease of access and security with a goal
26 of reaching 80% of users certifying by using the Internet MARVIN
27 system.

1 Sec. 340. MIOSHA shall provide an annual report by February 1
2 of each year to the state budget director, the fiscal agencies, and
3 the subcommittees on the number of individuals killed and the
4 number of individuals injured on the job within industries
5 regulated by the bureau during the most recent year for which data
6 are available.

7 Sec. 341. The department shall not promulgate or adopt a rule
8 more stringent than the applicable federal standard unless
9 specifically authorized by statute.

10 Sec. 368. No later than March 1, the department shall submit a
11 report to the state budget office, the fiscal agencies, and the
12 subcommittees, providing expenditure and revenue data and
13 statistical data on licensing and regulatory activities of the
14 corporations, securities, and commercial licensing bureau and the
15 bureau of construction codes during the previous fiscal year. To
16 the extent possible, the data required shall be reported for each
17 individual occupation, trade, or industry regulated.

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. 391. In addition to the funds appropriated in part 1, the
21 funds collected by the office of financial and insurance regulation
22 in connection with a conservatorship pursuant to section 32 of the
23 mortgage brokers, lenders, and servicers licensing act, 1987 PA
24 173, MCL 445.1682, and funds collected by the department from
25 corporations being liquidated pursuant to the insurance code of
26 1956, 1956 PA 218, MCL 500.100 to 500.8302, shall be appropriated
27 for all expenses necessary to provide for the required services.

1 Funds are available for expenditure when they are received by the
2 department of treasury and shall not lapse to the general fund at
3 the end of the fiscal year.

4 Sec. 610. (1) The appropriation in part 1 for the bureau of
5 services for blind persons includes funds for case services. These
6 funds may be used for tuition payments for blind clients.

7 (2) Revenue collected by the bureau of services for blind
8 persons and local sources that is unexpended at the end of the
9 fiscal year may carry forward to the subsequent fiscal year.

10 Sec. 613. (1) The funds appropriated in part 1 for a regional
11 or subregional library shall not be released until a budget for
12 that regional or subregional library has been approved by the
13 department for expenditures for library services directly serving
14 the blind and persons with disabilities.

15 (2) In order to receive subregional state aid as appropriated
16 in part 1, a regional or subregional library's fiscal agency shall
17 agree to maintain local funding support at the same level in the
18 current fiscal year as in the fiscal agency's preceding fiscal
19 year. If a reduction in expenditures equally affects all agencies
20 in a local unit of government that is the regional or subregional
21 library's fiscal agency, that reduction shall not be interpreted as
22 a reduction in local support and shall not disqualify a regional or
23 subregional library from receiving state aid under part 1. If a
24 reduction in income affects a library cooperative or district
25 library that is a regional or subregional library's fiscal agency
26 or a reduction in expenditures for the regional or subregional
27 library's fiscal agency, a reduction in expenditures for the

1 regional or subregional library shall not be interpreted as a
2 reduction in local support and shall not disqualify a regional or
3 subregional library from receiving state aid under part 1.

4 Sec. 615. The department may provide and enter into agreements
5 to provide general services, training, meetings, information,
6 special equipment, software, facility use, and technical consulting
7 services to other principal executive departments, state agencies,
8 local units of government, the judicial branch of government, other
9 organizations, and patrons of department facilities. The department
10 may charge fees for these services that are reasonably related to
11 the cost of providing the services. In addition to the funds
12 appropriated in part 1, funds collected by the department for these
13 services are appropriated for all expenses necessary. The funds
14 appropriated under this section are allotted for expenditure when
15 they are received by the department of treasury.

16 Sec. 714. (1) The department shall report by April 1 to the
17 subcommittees, fiscal agencies, and state budget director on the
18 timeliness of nursing facility complaint investigations and the
19 number of allegations that are substantiated on an annual basis.
20 The report shall consist of the number of allegations filed by
21 consumers and the number of facility-reported incidents. The
22 department shall make every effort to contact every complainant and
23 the subject of a complaint during an investigation.

24 (2) The department shall gather information on its most
25 frequently cited complaint deficiencies for the prior 3 fiscal
26 years and include that information in the report required under
27 subsection (1). The department shall determine whether there is an

1 increase in the number of citations from 1 year to the next and
2 assess the cause of the increase, if any, and whether education and
3 training of nursing facility staff or department staff is needed.

4 Sec. 726. (1) The department shall submit a report by January
5 1 to the standing committees on appropriations of the senate and
6 house of representatives, the fiscal agencies, and the state budget
7 director that includes all of the following information for the
8 prior fiscal year regarding the medical marihuana program under the
9 Michigan medical marihuana act, 2008 IL 1, MCL 333.26421 to
10 333.26430:

11 (a) The number of initial applications received.

12 (b) The number of initial applications approved and the number
13 of initial applications denied.

14 (c) The average amount of time, from receipt to approval or
15 denial, to process an initial application.

16 (d) The number of renewal applications received.

17 (e) The number of renewal applications approved and the number
18 of renewal applications denied.

19 (f) The average amount of time, from receipt to approval or
20 denial, to process a renewal application.

21 (g) The percentage of initial applications not approved or
22 denied within the time requirements established in section 6 of the
23 Michigan medical marihuana act, 2008 IL 1, MCL 333.26426.

24 (h) The percentage of renewal applications not approved or
25 denied within the time requirements established in section 6 of the
26 Michigan medical marihuana act, 2008 IL 1, MCL 333.26426.

27 (i) The percentage of registry cards for approved initial

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 (j) The percentage of registry cards for approved renewal
5 applications not issued within the time requirements established in
6 section 6 of the Michigan medical marihuana act, 2008 IL 1, MCL
7 333.26426.

8 (k) The amount collected from the medical marihuana program
9 application and renewal fees authorized in section 5 of the
10 Michigan medical marihuana act, 2008 IL 1, MCL 333.26425.

11 (l) The costs of administering the medical marihuana program
12 under the Michigan medical marihuana act, 2008 IL 1, MCL 333.26421
13 to 333.26430.

14 (2) If the required fees are shown to be insufficient to
15 offset all expenses of implementing and administering the medical
16 marihuana program, the department shall review and revise the
17 application and renewal fees accordingly to ensure that all
18 expenses of implementing and administering the medical marihuana
19 program are offset as is permitted under section 5 of the Michigan
20 medical marihuana act, 2008 IL 1, MCL 333.26425.

21 Sec. 732. From the appropriations made in part 1 for the
22 bureau of health systems, at least \$530,000.00 must be expended for
23 activities related to the inspection and licensing of freestanding
24 surgical outpatient facilities.

25 Sec. 735. If the revenue collected by the department for
26 health systems administration or radiological health administration
27 and projects from fees and collections exceeds the amount

1 appropriated in part 1, the revenue may be carried forward into the
2 subsequent fiscal year. The revenue carried forward under this
3 section shall be used as the first source of funds in the
4 subsequent fiscal year.

5 **AUTISM COVERAGE**

6 Sec. 801. Of the amount appropriated in part 1 for the autism
7 coverage reimbursement program, \$15,000,000.00 is appropriated and
8 may be expended by the department as provided in the autism
9 coverage reimbursement 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 reimbursement program
13 for the fiscal year ending September 30, 2013:

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 December 15, 2013, 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

1 **GENERAL SECTIONS**

2 Sec. 1201. It is the intent of the legislature to provide
3 appropriations for the fiscal year ending on September 30, 2015 for
4 the line items listed in part 1. The fiscal year 2014-2015
5 appropriations are anticipated to be the same as those for fiscal
6 year 2013-2014, except that the line items will be adjusted for
7 changes in caseload and related costs, federal fund match rates,
8 economic factors, and available revenue. These adjustments will be
9 determined after the January 2014 consensus revenue estimating
10 conference.

11 ARTICLE XIV

12 DEPARTMENT OF MILITARY AND VETERANS AFFAIRS

13 PART 1

14 LINE-ITEM APPROPRIATIONS

15 Sec. 101. Subject to the conditions set forth in this article,
16 the amounts listed in this part for the department of military and
17 veterans affairs are appropriated for the fiscal year ending
18 September 30, 2014 from the funds indicated in this part. The
19 following is a summary of the appropriations in this part:

20 **DEPARTMENT OF MILITARY AND VETERANS AFFAIRS**

21 APPROPRIATION SUMMARY

22	Full-time equated unclassified positions.....	9.0	
23	Full-time equated classified positions.....	871.0	
24	GROSS APPROPRIATION.....		\$ 162,590,100
25	Total interdepartmental grants and intradepartmental		

1	transfers	650,000
2	Schedule of interdepartmental grant revenue sources:	
3	IDG-state police	650,000
4	ADJUSTED GROSS APPROPRIATION.....	\$ 161,940,100
5	Total federal revenues.....	89,773,800
6	Schedule of federal revenue sources:	
7	DOD-DOA-NGB	59,890,800
8	DVA-VHA	26,810,700
9	Federal counter narcotic revenue.....	50,000
10	HHS-HCFA, title XIX, Medicaid.....	87,600
11	HHS-HCFA, Medicare, hospital insurance.....	2,934,700
12	Total local revenues.....	1,500,000
13	Schedule of local revenue sources:	
14	Local - school aid fund	1,500,000
15	Total private revenues.....	740,000
16	Schedule of private revenue sources:	
17	Private-veterans' homes post and posthumous	
18	funds	540,000
19	Private donations	200,000
20	Total other state restricted revenues.....	27,547,600
21	Schedule of restricted revenue sources:	
22	Lease revenue	12,200
23	Income and assessments	19,825,700
24	Mackinac bridge authority	70,000
25	Michigan family relief fund	1,000,000
26	Michigan national guard armory construction	
27	fund	1,000,000

1	Michigan veterans' trust fund.....	5,193,300	
2	Rental fees	346,400	
3	Test project fees	100,000	
4	State general fund/general purpose		\$ 42,378,700
5	State general fund/general purpose schedule:		
6	Ongoing state general fund/general		
7	purpose	38,378,700	
8	One-time state general fund/general		
9	purpose	4,000,000	
10	Sec. 102. HEADQUARTERS AND ARMORIES		
11	Full-time equated unclassified positions.....	9.0	
12	Full-time equated classified positions.....	284.0	
13	Unclassified positions.....		\$ 1,336,700
14	Headquarters and armories.....		<u>49,270,300</u>
15	GROSS APPROPRIATION.....		\$ 50,607,000
16	Appropriated from:		
17	Interdepartmental grant revenues.....		650,000
18	Federal revenues.....		37,918,300
19	State restricted revenues.....		911,400
20	State general fund/general purpose.....		\$ 11,127,300
21	Schedule of programs:		
22	Headquarters and armories	13,705,300	
23	Military appeals tribunal	800	
24	State active duty	100,100	
25	Homeland security	650,000	
26	Military training sites and support		
27	facilities	31,634,300	

1	Military training sites and support facilities	
2	test projects	100,000
3	Departmentwide accounts	1,923,200
4	Counter narcotic operations	50,000
5	Information technology services and	
6	projects	1,106,600
7	Sec. 103. VETERANS AND COMMUNITY OUTREACH	
8	Full-time equated classified positions.....	86.0
9	Veterans and community outreach.....	\$ <u>20,559,000</u>
10	GROSS APPROPRIATION.....	\$ 20,559,000
11	Appropriated from:	
12	Federal revenues.....	5,124,000
13	Local revenues.....	1,500,000
14	Private revenues.....	200,000
15	State restricted revenues	5,793,300
16	State general fund/general purpose.....	\$ 7,941,700
17	Schedule of programs:	
18	Veterans advice, advocacy, and assistance	
19	grants	2,904,600
20	Michigan veterans affairs agency.....	5,017,000
21	Veterans' trust fund administration.....	1,446,800
22	Veterans' trust fund grants	3,746,500
23	Michigan emergency volunteers.....	20,000
24	ChalleNGe program	4,502,000
25	Military family relief fund	600,000
26	Starbase grant	2,322,000
27	College campus veterans outreach initiative.....	100

1	Sec. 104. HOMES		
2	Full-time equated classified positions.....	501.0	
3	Homes.....		\$ <u>65,672,900</u>
4	GROSS APPROPRIATION.....		\$ 65,672,900
5	Appropriated from:		
6	Federal revenues.....		29,431,500
7	Private revenues.....		540,000
8	State restricted revenues.....		19,842,900
9	State general fund/general purpose.....		\$ 15,858,500
10	Schedule of programs:		
11	Grand Rapids veterans' home	46,097,900	
12	Board of managers (Grand Rapids).....	665,000	
13	D.J. Jacobetti veterans' home.....	18,535,000	
14	Board of managers (Jacobetti).....	275,000	
15	IDG to legislative council (veterans' facility		
16	ombudsman)	100,000	
17	Sec. 105. CAPITAL OUTLAY		
18	Capital outlay.....		\$ <u>21,751,200</u>
19	GROSS APPROPRIATION.....		\$ 21,751,200
20	Appropriated from:		
21	Federal revenues.....		17,300,000
22	State restricted revenues.....		1,000,000
23	State general fund/general purpose.....		\$ 3,451,200
24	Schedule of programs:		
25	Special maintenance - headquarters and		
26	armories	20,351,200	
27	Special maintenance - veterans homes.....	400,000	

1	Land acquisitions	1,000,000	
2	Sec. 106. ONE-TIME APPROPRIATIONS		
3	Michigan veterans affairs agency.....	\$	3,955,000
4	County counselor education and training expenses		<u>45,000</u>
5	GROSS APPROPRIATION.....	\$	4,000,000
6	Appropriated from:		
7	State general fund/general purpose.....	\$	4,000,000

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 \$69,926,300.00 and state spending from state resources to be paid to local units of government for fiscal year 2013-2014 is \$165,000.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF MILITARY AND VETERANS AFFAIRS

Headquarters and armories.....	\$	70,000
Schedule of programs:		
Payments in lieu of taxes		70,000
Veterans and community outreach.....	\$	50,000

Schedule of programs:
County counselor education and training

1	expenses	50,000	
2	One-time appropriations: county counselor education and		
3	training expenses		<u>45,000</u>
4	TOTAL.....	\$	165,000

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) "Department" means the department of military and veterans
10 affairs.

11 (b) "DOD" means the United States department of defense.

12 (c) "DOD-DOA-NGB" means the DOD department of the army,
13 national guard bureau.

14 (d) "DVA" means the United States department of veterans
15 affairs.

16 (e) "DVA-VHA" means the DVA veterans health administration.

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

18 (g) "HHS" means the United States department of health and
19 human services.

20 (h) "IDG" means interdepartmental grant.

21 (i) "Work project" means a group of activities featuring a
22 fixed duration, budget, and scope that is expected to cause a
23 measurable change in the delivery, efficiency, or effectiveness of
24 1 or more operations.

25 (j) "Large veterans service organization" means a VSO that can
26 certify that its membership exceeds 30,000 individuals.

27 (k) "Medium veterans service organization" means a VSO that

1 can certify that its membership is between 2,500 and 30,000
2 individuals.

3 (l) "Small veterans service organization" means a VSO that can
4 certify that its membership is between 1,000 and 2,499 individuals.

5 (m) "Subcommittees" means all members of the subcommittees of
6 the senate and house appropriations committees with jurisdiction
7 over the budget of the department.

8 (n) "VSO" means veterans service organization.

9 Sec. 206. (1) In addition to the funds appropriated in part 1,
10 there is appropriated an amount not to exceed \$10,000,000.00 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 \$100,000.00 for local
23 contingency funds. These funds are not available for expenditure
24 until they have been transferred to another line item in 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 private
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. 207. The department shall maintain a searchable website
7 accessible by the public at no cost that includes, but is not
8 limited to, all of the following:

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. 208. Unless otherwise specified, the department shall use
18 the Internet to fulfill the reporting requirements of this part.
19 This requirement may include transmission of reports via electronic
20 mail to the recipients identified for each reporting requirement,
21 or it may include placement of reports on an Internet or Intranet
22 site.

23 Sec. 209. Funds appropriated in part 1 shall not be used for
24 the purchase of foreign goods or services, or both, if
25 competitively priced and of comparable quality American goods or
26 services, or both, are available. Preference shall be given to
27 goods or services, or both, manufactured or provided by Michigan

1 businesses, if they are competitively priced and of comparable
2 quality. In addition, preference shall be given to goods or
3 services, or both, that are manufactured or provided by Michigan
4 businesses owned and operated by veterans, if they are
5 competitively priced and of comparable quality. In addition,
6 preference shall be given to goods or services, or both, that are
7 manufactured or provided by Michigan small businesses that have
8 veterans compose at least 35% of their total workforce. As used in
9 this section, "veteran" means that term as defined in section 261
10 of the management and budget act, 1984 PA 431, MCL 18.1261. As used
11 in this section, "small business" means that term as defined in
12 section 7a of the administrative procedures act of 1969, 1969 PA
13 306, MCL 24.207a.

14 Sec. 210. The department shall take all reasonable steps to
15 ensure businesses in deprived and depressed communities compete for
16 and perform contracts to provide services, supplies, or both. The
17 director of the department shall strongly encourage firms with
18 which the department contracts to subcontract with certified
19 businesses in depressed and deprived communities for services,
20 supplies, or both.

21 Sec. 211. Amounts appropriated in part 1 for information
22 technology may be designated as work projects and carried forward
23 to support technology projects under the direction of the
24 department of technology, management, and budget. Funds designated
25 in this manner are not available for expenditure until approved as
26 work projects under section 451a of the management and budget act,
27 1984 PA 431, MCL 18.1451a.

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

7 Sec. 214. From the funds appropriated in part 1 for
8 information technology, departments and agencies shall pay user
9 fees to the department of technology, management, and budget for
10 technology-related services and projects. The user fees shall be
11 subject to provisions of an interagency agreement between the
12 department and agencies and the department of technology,
13 management, and budget.

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. (1) Notwithstanding any other provision of this
18 article, the schedule of programs in part 1 lists programs which
19 may, but are not required to, be funded under this article.

20 (2) Notwithstanding any other provisions of this article, the
21 schedule of revenue sources in part 1 may or may not be received
22 from the funding entities listed.

23 (3) Any funding required by statute is not subject to funding
24 flexibility and shall be funded in accordance with that statute.

25 Sec. 218. The department and agencies receiving appropriations
26 in part 1 shall prepare a report on out-of-state travel expenses
27 not later than January 1 of each year. The travel report shall be a

1 listing of all travel by classified and unclassified employees
2 outside this state in the immediately preceding fiscal year that
3 was funded in whole or in part with funds appropriated in the
4 department's budget. The report shall be submitted to the house and
5 senate standing committees on appropriations, the house and senate
6 fiscal agencies, and the state budget director. The report shall
7 include the following information:

8 (a) The dates of each travel occurrence.

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

14 Sec. 219. (1) The department shall provide quarterly reports,
15 beginning October 1, to the subcommittees and the senate and house
16 fiscal agencies, which provide the following data:

17 (a) A list of all major work projects, including a status
18 report of each project.

19 (b) The department's financial status, featuring a report of
20 budgeted versus actual expenditures by part 1 line item including a
21 year-end projection of budget requirements. If projected department
22 budget requirements exceed the allocated budget, the report shall
23 include a plan to reduce overall expenses while still satisfying
24 specified service level requirements.

25 (c) Evidence of efficiencies and management of funds within
26 established appropriations.

27 (d) A list of armory closings during the fiscal quarter and

1 projected armory closings in the subsequent fiscal quarter.

2 (e) A list of property sales.

3 (f) A status of armories, including a list of all maintenance
4 projects completed in the quarter, including the cost of the
5 projects, and a list of all maintenance projects scheduled to begin
6 or be completed in the subsequent quarter, including the projected
7 cost of those projects.

8 (g) The number of active employees at the close of the fiscal
9 quarter by job classification and scheduled program.

10 (h) A summary of claims for veterans benefits as provided in
11 section 401.

12 (i) A summary of the activities of the Michigan veterans
13 affairs agency, including data on claims for veterans benefits
14 presented to the United States department of veterans affairs.

15 (j) A description of the process by which residents and others
16 may file complaints of alleged abuse or neglect at the veterans
17 homes, and summary statistics on the number and type of complaints
18 and final disposition of complaints received.

19 (2) The department shall provide all information necessary to
20 validate that the requirements of this part have been achieved.

21 (3) The department shall provide a corrective action plan
22 within 30 days of a quarterly report under this section for any
23 requirements of this part that have not been achieved. The
24 department shall provide a monthly status of corrective action
25 plans.

26 (4) The department shall provide a summary of fund shifts,
27 that have been approved by the state budget office, that have

1 occurred between items listed in the schedule of programs in part 1
2 on a quarterly basis to the subcommittees and the senate and house
3 fiscal agencies.

4 (5) The department shall provide a corrective action plan for
5 any service metrics that do not meet requirements. The department
6 shall provide a status of correction action plans at the next
7 quarterly review.

8 (6) The Grand Rapids and D.J. Jacobetti veterans' homes shall
9 provide to the subcommittees the results of the veterans' homes
10 annual veterans' affairs inspection and their corrective action
11 plans.

12 Sec. 220. The department shall provide the following data to
13 the subcommittees and the senate and house fiscal agencies on an
14 annual basis:

15 (a) Using information received from the grant recipients in
16 section 401 of this part, a progress report on metric requirements,
17 copies of certified financial audits and tax reports of grant
18 recipients, a listing from grant recipients of expenditures by
19 spending category, including a listing of individual salaries of
20 each officer and administrative staff, a listing of volunteer hours
21 including the hours, series, and donations provided to residents of
22 the Grand Rapids veterans' home and the D.J. Jacobetti veterans'
23 home. The department shall provide within the report a specific
24 notification whether any veterans grant recipients failed to comply
25 with established reporting requirements.

26 (b) The Grand Rapids veterans' home and the D.J. Jacobetti
27 veterans' home shall produce a report including an accounting of

1 member populations and bed space available, a description and
2 accounting of services and activities provided to members,
3 financial information, and current state nursing home licensure
4 status.

5 (c) A detailed report of the Michigan veterans' trust fund
6 that includes information on grants provided from the emergency
7 grant program, including details concerning the methodology of
8 allocations, the selection of emergency grant program authorized
9 agents, including a description of how the emergency grant program
10 is administered in each county, detailed breakdown of trust fund
11 expenditures for that year, including the amount distributed to
12 each county for administrative costs and emergency grants. The
13 report shall also provide an update on the department's efforts to
14 reduce program administrative costs.

15 Sec. 222. The appropriations in part 1 are for the core
16 services, support services, and work projects of the department,
17 including, but not limited to, the following core services:
18 armories and joint forces readiness, maintenance and operation of
19 army national guard training facilities, operation and maintenance
20 of air national guard air bases, the Michigan veterans affairs
21 agency, administration of the veterans trust fund, administration
22 and oversight of veterans advice, advocacy, and assistance grants,
23 training support for county veterans counselors and veterans
24 service organizations, administration of the military family relief
25 fund, the Michigan youth challenge academy program, the Starbase
26 program, and the administration of the Grand Rapids veterans' home
27 and the D.J. Jacobetti veterans' home.

1 Sec. 225. Funds appropriated in part 1 shall not be used by
2 the department to hire a person to provide legal services that are
3 the responsibility of the attorney general. This prohibition does
4 not apply to legal services for bonding activities and for those
5 activities that the attorney general authorizes.

6 Sec. 227. The department shall not exclude public employee
7 unions from the bid process for contract services.

8 Sec. 228. Not later than November 15, the department shall
9 prepare and transmit a report that provides for estimates of the
10 total general fund/general purpose appropriations lapses at the
11 close of the fiscal year. This report shall summarize the projected
12 year-end general fund/general purpose appropriations lapses by
13 major departmental program or program areas. The report shall be
14 transmitted to the office of the state budget, the chairpersons of
15 the senate and house standing committees on appropriations, and the
16 senate and house fiscal agencies.

17 Sec. 229. Within 14 days after the release of the executive
18 budget recommendation, the department shall provide the state
19 budget director, the senate and house appropriations chairs, the
20 subcommittees and the senate and house fiscal agencies with an
21 annual report on estimated state restricted fund balances, state
22 restricted fund projected revenues, and state restricted fund
23 expenditures for the fiscal year ending September 30, 2014.

24 Sec. 230. 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 **HEADQUARTERS AND ARMORIES**

2 Sec. 300. (1) From the funds appropriated in part 1, there is
3 funding to support unclassified employee positions as authorized by
4 section 5 of article XI of the state constitution of 1963. These
5 positions include the following: department director - the adjutant
6 general for Michigan; assistant adjutant general - army; assistant
7 adjutant general - installations; assistant adjutant general - air;
8 director - Michigan veterans affairs agency; deputy director -
9 installations command; director - strategy and policy; senior
10 policy executive - Michigan veterans affairs agency and director -
11 public safety project.

12 (2) Not less than 30 days prior to the department submitting a
13 request for an additional unclassified employee position from the
14 civil service commission, or for any substantive change to the
15 duties of an existing unclassified employee position, the
16 department shall notify the senate and house appropriations
17 subcommittees on state police and military affairs and the senate
18 and house fiscal agencies.

19 Sec. 302. (1) The department shall operate and maintain
20 national guard armories.

21 (2) The department shall provide resources necessary to ensure
22 that armories are maintained in accordance with army regulations.

23 (3) The department shall evaluate armories for consolidation,
24 energy, and utility efficiency, identify work projects that would
25 improve this efficiency, and submit a quarterly report on the
26 status and activities of the armories as provided in section 219.

1 (4) The department shall establish a system that measures the
2 condition and adequacy of armory facilities using both quality and
3 functionality criteria based off the installation status report-
4 infrastructure inspections that are conducted annually as a
5 requirement set forth by the national guard.

6 Sec. 304. (1) The department shall provide army national guard
7 forces, when directed, for state and local emergencies and in
8 support of national military requirements, and operate and maintain
9 army national guard training facilities, including Fort Custer and
10 Camp Grayling.

11 (2) Using individual facility assessments, the department
12 shall improve the adequacy of utilities and infrastructure of the
13 army national guard training facilities. The department shall
14 maintain a system that measures the condition and adequacy of air
15 facilities using both quality and functionality criteria.

16 Sec. 306. (1) The department shall provide air national guard
17 forces, when directed, for state and local emergencies and in
18 support of national military requirements, and operate and maintain
19 air national guard bases, including Selfridge air national guard
20 base, Battle Creek air national guard base, and Alpena combat
21 readiness training center.

22 (2) Using individual facility assessments, the department
23 shall improve the adequacy of utilities and infrastructure of the
24 air national guard bases. The department shall improve the quality
25 rating at the facilities based on the number of faults corrected
26 and dollars available (spent) during the fiscal year.

1 **VETERANS AND COMMUNITY OUTREACH**

2 Sec. 401. (1) The department shall provide advice, advocacy,
3 and assistance services to Michigan veterans.

4 (2) The department shall maintain the staffing and resources
5 necessary to develop and operate a program that will provide
6 benefits counseling and representation to veterans of this state
7 for the purpose of assisting veterans to obtain United States
8 department of veteran affairs health, financial, and memorial
9 benefits for which they are eligible. In association with the
10 development and operation of the department's program, the
11 department shall also maintain staffing and resources necessary to
12 assist veterans in securing professional assistance, advocacy, and
13 counseling regarding claims management issues.

14 (3) On a quarterly basis, grant recipients in this section
15 shall submit a report to the department on the number of claims
16 filed for veterans in this state with the United States department
17 of veterans affairs, the number of fully developed claims, and the
18 number of actual claims awarded. The department shall provide a
19 summary of claims activities on a quarterly basis as provided in
20 section 219.

21 (4) The department shall create a 5-member advisory board
22 consisting of presidents/commanders from 2 large veterans service
23 organizations, 2 medium veterans service organizations, and 1 small
24 veterans service organization. The board shall meet no less than
25 twice a year, without reimbursement by the department, and have the
26 following duties:

27 (a) Assist the department in establishing criteria for grant

1 awards. The department, while utilizing advice provided by the
2 board in establishing grant criteria, is solely responsible for
3 determination of the amounts and recipients of the grants.

4 (b) Serve as a liaison between the grant recipients, the
5 department, and the legislature.

6 (c) Assist the department in developing plans, reviewing
7 service delivery, and identifying goals to better assist veterans
8 in applying for and receiving benefits from the federal, state, and
9 local governments.

10 (d) Provide a forum regarding veterans' issues, including
11 suggesting changes in department programs that address veterans'
12 changing needs.

13 (5) Of the appropriation in part 1 for veterans advice,
14 advocacy, and assistance, grants shall be distributed by the
15 department in the form of 5 grants for the period beginning October
16 1, 2013, including 1 specialized grant. The specialized grant shall
17 be awarded to a group specializing in advocacy for paralyzed
18 veterans.

19 (6) Money used for grants shall be used only for salaries,
20 wages, related personnel costs, in-state training, and equipment
21 for accredited veteran service advocacy officers and necessary
22 support and managerial staff.

23 (7) The department shall take steps to improve the
24 coordination of veterans' benefits counseling in the state to
25 maximize the effective and efficient use of taxpayer dollars in
26 this goal and to ensure that every veteran is served.

27 (8) As provided in section 406, the department shall increase

1 its responsibility in the administration, management, oversight,
2 and outreach of the delivery of services to veterans by working
3 with grant recipients, the veterans advisory board, county veterans
4 counselors, and representatives from the Michigan veterans trust
5 fund to identify, implement, and evaluate steps to do all the
6 following:

7 (a) Improve national standing with regard to veterans affairs
8 benefits granted per veteran, including veterans education
9 benefits.

10 (b) Increase the percentage of veterans in this state who
11 become aware of their eligibility for service-connected disability
12 or pension benefits from the United States department of veterans
13 affairs.

14 (c) Increase the percentage of veterans in this state who
15 become aware of their eligibility for enrollment in the veterans
16 affairs health care system.

17 (d) Expand training opportunities for veteran service
18 organization service officers.

19 (e) Increase the percentage of veterans in this state who
20 become aware of their eligibility for education benefits under the
21 post-9/11 veterans education assistance improvements act of 2010,
22 P.L. 111-377.

23 (f) Increase the percentage of veterans in this state who
24 become aware of job training and job placement opportunities.

25 Sec. 402. (1) The Michigan veterans' trust fund board together
26 with the department shall provide emergency grants for disbursement
27 from the Michigan veterans' trust fund.

1 (2) The Michigan veterans' trust fund board together with the
2 department shall maintain the staffing and resources necessary to
3 provide outreach to veterans who may need and qualify for veterans
4 trust fund emergency grants.

5 (3) The Michigan veterans' trust fund board shall work to
6 increase the percentage of grant applications that are approved and
7 received by eligible families by 5% over those approved and
8 received by eligible families in fiscal year 2010-2011.

9 Sec. 404. (1) The department shall provide training support
10 for county veterans counselors and veterans service organizations.

11 (2) The department shall provide resources necessary to
12 provide county veterans counselors and veterans service
13 organizations with training to ensure quality services to veterans.

14 (3) The department shall work with counties towards the goal
15 of having at least 1 county veterans counselor in every county in
16 this state.

17 (4) The Michigan veterans' affairs agency and the Michigan
18 veterans' trust fund administration shall take steps to assist the
19 county veterans counselors and veterans service organizations of
20 this state to obtain training necessary for the execution of their
21 duties. The department shall provide a report on the steps taken
22 under this subsection.

23 (5) From the funds appropriated in part 1, the department
24 shall allocate up to \$50,000.00 for training support for county
25 veterans counselors.

26 (6) The department shall implement an Internet-based data
27 system, in collaboration with the Michigan association of county

1 veterans counselors, to ensure that Michigan's veterans and their
2 families receive professional assistance, advocacy, and counseling
3 to obtain and receive the benefits to which they are entitled.

4 Sec. 405. (1) Appropriations in part 1 for veterans service
5 enhancements shall be used to establish and implement a college
6 campus initiative, in collaboration with the United States
7 department of veterans affairs vocational rehabilitation program,
8 to assist veterans on campus with enrolling in the veterans affairs
9 health care system or with filing claims for disabilities with the
10 United States department of veterans affairs.

11 (2) The department shall report by December 1, 2013 to the
12 subcommittees providing a summary of activities for this initiative
13 completed in the prior fiscal year and shall report by December 1,
14 2014 providing a summary of activities for this initiative
15 completed in the fiscal year.

16 Sec. 406. The Michigan veterans affairs agency shall submit a
17 strategic plan to the senate and house standing committees on
18 appropriations, the senate and house fiscal agencies, and the state
19 budget office by December 1, 2013 that includes the following:

20 (a) A plan to serve as the coordinating office for all
21 executive branch departments responsible for programs that provide
22 services to veterans.

23 (b) A plan to identify opportunities to improve the provision
24 of services to veterans by state agencies and to improve the
25 oversight of grants to veterans service organizations.

26 (c) A plan to reengineer the current veterans' service
27 delivery system in a manner that ensures the efficient and

1 effective utilization and allocation of resources, programs, and
2 services among state agencies, local government agencies, veterans
3 service organizations, and nonprofit organizations.

4 (d) Quantifiable performance measures and outcomes of veterans
5 service programs, with a goal of increasing veterans' and the
6 public's awareness of services available to veterans and their
7 families and increasing the number of verified fully developed
8 claims for veterans benefits submitted to the United States
9 department of veterans affairs. Identified measures should include
10 outcomes for programs affecting veterans' education, health,
11 economic, and quality of life well-being. These goals shall
12 include, among other things, a goal that 100% of benefit claims
13 presented to the United States department of veterans affairs shall
14 be fully developed.

15 (e) Immediate, short-term, and long-term initiatives that
16 assist the agency in achieving the performance measures and
17 outcomes identified in subsection (d).

18 Sec. 407. The Michigan veterans affairs agency shall submit a
19 report to the senate and house standing committees on
20 appropriations, the senate and house fiscal agencies, and the state
21 budget office by December 1, 2013 that includes the following:

22 (a) A description of the current programs, activities, roles,
23 and responsibilities of, and interrelationships among, state
24 agencies, local government agencies, veterans' service
25 organizations and other nonprofit organizations to provide services
26 and outreach to veterans, including providing assistance with the
27 preparation and presentation of claims for benefits to the United

1 States department of veterans affairs.

2 (b) A description of the activities, roles, and
3 responsibilities of, and interrelationships among, state agencies,
4 local government agencies, veterans' service organizations and
5 other nonprofit organizations undertaken under the reengineered
6 veterans' service delivery system identified in the strategic plan
7 developed pursuant to section 406.

8 Sec. 408. (1) The department shall provide grants for
9 disbursement from the military family relief fund.

10 (2) The department shall maintain the staffing and resources
11 necessary to provide outreach to the Michigan families of members
12 of the reserve component of the armed forces called into active
13 duty.

14 (3) The department shall work to increase the percentage of
15 military family relief grant applications that are approved and
16 received by eligible families by 5% over those approved and
17 received by eligible families in fiscal year 2010-2011.

18 Sec. 409. (1) The department shall maintain the Michigan youth
19 challenge academy to provide values, skills, education, and self-
20 discipline instruction for at-risk youth.

21 (2) The department shall ensure that at least 65% of the
22 cadets who enroll in the Michigan youth challenge academy meet the
23 requirement for graduation from the academy.

24 (3) The department shall take steps to recruit candidates to
25 the challenge program from economically disadvantaged areas,
26 including those with low-income and high-unemployment backgrounds.

27 (4) The department shall partner with the department of human

1 services to identify youth who may be eligible for the challenge
2 program from those youth served by department of human services
3 programs. These eligible youth shall be given priority for
4 enrollment in the program.

5 (5) The funds appropriated in part 1 for private donations to
6 the Michigan youth challenge program shall be considered state
7 restricted revenue, and unexpended funds remaining at the close of
8 the fiscal year shall not lapse to the general fund but shall be
9 carried forward to the subsequent fiscal year.

10 Sec. 410. From the funds appropriated in part 1, the
11 department shall continue the process to digitize all medical
12 records and military discharge documents which are currently on
13 paper and microfilm.

14 HOMES

15 Sec. 601. (1) The department shall provide compassionate,
16 quality interdisciplinary care at the state's Grand Rapids and D.J.
17 Jacobetti veterans' homes so that members can achieve their highest
18 potential 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 38 CFR part 51.

22 (3) The Grand Rapids and D.J. Jacobetti veterans' homes shall
23 ensure that their medical staffing is in accordance with 38 CFR
24 part 51.

25 (4) The Grand Rapids and D.J. Jacobetti veterans' homes shall
26 ensure that transportation is assured for each resident for every

1 medical appointment outside the veterans' home.

2 (5) The Grand Rapids and D.J. Jacobetti veterans' homes shall
3 ensure that each member resident receives daily laundry service.

4 (6) The Grand Rapids and D.J. Jacobetti veterans' homes shall
5 ensure that maintenance and custodial services are provided for
6 each home in accordance with applicable local, state, and federal
7 standards.

8 (7) The Grand Rapids and D.J. Jacobetti veterans' homes shall
9 ensure that each resident receives a medical and care assessment
10 including a dietary plan upon admission to the home, with meals and
11 snacks provided in accordance with the plan and R 325.20803 of the
12 Michigan administrative code.

13 (8) The money appropriated in part 1 for the boards of
14 managers shall be expended in a manner consistent with 38 CFR part
15 51 and may be expended for purposes to protect the health, safety,
16 or welfare of those members served by the Grand Rapids and D.J.
17 Jacobetti veterans' homes.

18 (9) Appropriations in part 1 for the Grand Rapids and D.J.
19 Jacobetti veterans' homes shall not be used for any purpose other
20 than for veterans and veterans' families.

21 (10) The department shall, prior to altering the spending plan
22 by the board of managers of post and posthumous funds, report to
23 the subcommittees 30 days prior to that action and shall indicate
24 the rationale for that decision.

25 (11) Any contractor providing competency evaluated nursing
26 assistants (CENA) to the Grand Rapids and D.J. Jacobetti veterans'
27 homes shall ensure that each CENA has at least 8 hours of training

1 on information provided by the veterans' home.

2 (12) Any contractor providing competency evaluated nursing
3 assistants to the Grand Rapids and D.J. Jacobetti veterans' homes
4 shall ensure that each CENA has at least 1 eight-hour shift of
5 shadowing at the veterans' home.

6 (13) Any contractor providing competency evaluated nursing
7 assistants to the Grand Rapids and D.J. Jacobetti veterans' homes
8 shall ensure that each CENA is competent in the basic skills needed
9 to perform his or her assigned duties at the veterans' home.

10 (14) Any contractor providing competency evaluated nursing
11 assistants to the Grand Rapids and D.J. Jacobetti veterans' homes
12 shall ensure that each CENA has at least 1 year of experience in
13 long-term care.

14 (15) The Grand Rapids and D.J. Jacobetti veterans' homes shall
15 provide each CENA at least 12 hours of in-service training once
16 that individual has been assigned to the veterans' home.

17 (16) The Grand Rapids and D.J. Jacobetti veterans' homes shall
18 ensure that care services are provided to each resident of the
19 veterans' homes in accordance with 38 CFR part 51.

20 Sec. 602. (1) Funding in part 1 for the interdepartmental
21 grant to the legislative council shall be expended for the
22 establishment of the office of the Michigan veterans' facility
23 ombudsman within the legislative council. The ombudsman shall be
24 appointed by and serve at the pleasure of the legislative council.

25 (2) The legislative council shall establish procedures for
26 approving the budget of the office, for expending funds of the
27 office, and for the employment of personnel for the office.

1 (3) The purpose of the ombudsman is to conduct investigations,
2 when deemed necessary, upon his or her own initiative or upon
3 receipt of a complaint from a resident veteran, family member of a
4 resident veteran, or legislator who files a complaint concerning an
5 action, omission, decision, recommendation, practice, or other
6 procedure of the department of military and veterans affairs or a
7 condition existing at a Michigan veterans' facility that is alleged
8 to be contrary to law or departmental policy or that poses a
9 significant health or safety issue for which there is no effective
10 administrative remedy.

11 (4) Subject to approval of the legislative council, the
12 ombudsman shall establish procedures for receiving and processing
13 complaints, conducting investigations, holding hearings, and
14 reporting the findings resulting from the investigations.

15 (5) Upon request and without the requirement of any release,
16 the ombudsman shall be given access to all information, records,
17 and documents in the possession of the department of military and
18 veterans affairs or a Michigan veterans' facility that the
19 ombudsman deems necessary in an investigation.

20 (6) Upon request and without notice, the ombudsman shall be
21 granted entrance to inspect at any time any Michigan veterans'
22 facility.

23 (7) The ombudsman may hold informal hearings and may request
24 that any person appear before the ombudsman or at a hearing and
25 give testimony or produce documentary or other evidence that the
26 ombudsman deems relevant to an investigation.

27 (8) The ombudsman shall advise a complainant to pursue all

1 administrative remedies open to the complainant. The ombudsman may
2 request and shall receive from the department of military and
3 veterans affairs or from a Michigan veterans' facility a progress
4 report concerning the administrative processing of a complaint.
5 After administrative action on a complaint, the ombudsman may
6 conduct further investigation on the request of a complainant or on
7 his or her own initiative.

8 (9) The ombudsman is not required to conduct an investigation
9 on a complaint brought before the ombudsman. A complainant is not
10 entitled as a right to be heard by the ombudsman.

11 (10) Upon receiving a complaint and deciding to investigate
12 the complaint, the ombudsman shall notify the complainant, the
13 resident veteran or resident veterans affected, and the department
14 of military and veterans affairs. If the ombudsman declines to
15 investigate, the ombudsman shall notify the complainant, in
16 writing, and inform the resident veteran or veterans affected of
17 the reasons for the ombudsman's decision.

18 (11) Correspondence between the ombudsman and a complainant is
19 confidential and is privileged communication. A report prepared and
20 recommendations made by the ombudsman and submitted to the
21 legislative council are exempt from disclosure under the freedom of
22 information act, 1976 PA 442, MCL 15.231 to 15.246.

23 (12) The ombudsman shall prepare and submit a report of the
24 findings of an investigation and make recommendations to the
25 legislative council within 30 days after completing the
26 investigation if the ombudsman finds any of the following:

27 (a) A matter that should be considered by the department.

1 (b) An act that should be modified or canceled.

2 (c) A statute or rule that should be altered.

3 (d) Acts for which justification is necessary.

4 (e) Significant resident veteran health and safety issues as
5 determined by the council.

6 (f) Any other significant concerns as determined by the
7 council.

8 (13) Before announcing a conclusion or recommendation that
9 expressly or by implication criticizes a person or Michigan
10 veterans' facility or the department of military and veterans
11 affairs, the ombudsman shall consult with that person or facility
12 or the department.

13 (14) The ombudsman may request to be notified by a person or
14 Michigan veterans' facility or the department of military and
15 veterans affairs, within a specified time, of any action taken on
16 any recommendation presented. The ombudsman shall notify the
17 complainant of the actions taken by the person, the facility, or
18 the department of military and veterans affairs.

19 (15) The ombudsman shall submit to the legislative council and
20 the legislature an annual report on the conduct of the office.

21 (16) A resident veteran shall not be penalized in any way by a
22 person or Michigan veterans' facility or the department of military
23 and veterans affairs as a result of filing a complaint, complaining
24 to a legislator, or cooperating with the ombudsman in investigating
25 a complaint. A person or facility or the department shall not
26 hinder the lawful actions of the ombudsman or employees of the
27 office or willfully refuse to comply with any lawful demand of the

1 office.

2 **CAPITAL OUTLAY**

3 Sec. 701. (1) The director shall allocate lump-sum
4 appropriations made in this article consistent with statutory
5 provisions and the purposes for which funds were appropriated.
6 Lump-sum allocations shall address priority program or facility
7 needs and may include, but are not limited to, design,
8 construction, remodeling and addition, special maintenance, major
9 special maintenance, energy conservation, and demolition.

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

17 Sec. 702. The appropriations in part 1 for capital outlay
18 shall be carried forward at the end of the fiscal year consistent
19 with section 248 of the management and budget act, 1984 PA 431, MCL
20 18.1248.

21 Sec. 703. (1) Appropriations in part 1 for special maintenance
22 at the Grand Rapids veterans' home and the D.J. Jacobetti veterans'
23 home shall be used for maintenance and information technology needs
24 at the homes. Maintenance includes improvements to the mechanical,
25 electrical, plumbing, and security systems, roof repairs and
26 replacements, energy conservation measures, lighting upgrades,

1 repair and replacement of floors, pipe insulation, windows,
2 boilers, new and upgraded fire detection and suppression systems.

3 (2) The Grand Rapids veterans' home and the D.J. Jacobetti
4 veterans' home shall report by November 1 to the subcommittees on
5 their plans for expending special maintenance appropriations
6 contained in part 1, and report by December 1, 2014 a list of
7 projects, and their respective costs, completed in fiscal year
8 2013-2014.

9 **ONE-TIME APPROPRIATIONS**

10 Sec. 801. The 1-time appropriations in part 1 for county
11 counselor education and training expenses are in addition to the
12 allocation made in section 404(5).

13 PART 2A

14 PROVISIONS CONCERNING ANTICIPATED APPROPRIATIONS

15 FOR FISCAL YEAR 2014-2015

16 **GENERAL SECTIONS**

17 Sec. 1201. It is the intent of the legislature to provide
18 appropriations for the fiscal year ending on September 30, 2015 for
19 the line items listed in part 1. The fiscal year 2014-2015
20 appropriations are anticipated to be the same as those for fiscal
21 year 2013-2014, excluding appropriations designated as 1-time
22 appropriations and adjusting for changes in caseload and related
23 costs, federal fund match rates, economic factors, and available
24 revenue. These adjustments will be determined after the January
25 2014 consensus revenue estimating conference.

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ARTICLE XV

DEPARTMENT OF NATURAL RESOURCES

PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. There is appropriated for the department of natural resources for the fiscal year ending September 30, 2014, from the following funds:

DEPARTMENT OF NATURAL RESOURCES

APPROPRIATION SUMMARY

Full-time equated unclassified positions.....	6.0		
Full-time equated classified positions.....	2,083.3		
GROSS APPROPRIATION.....		\$	335,579,500
Interdepartmental grant revenues:			
Total interdepartmental grants and intradepartmental transfers			1,412,300
ADJUSTED GROSS APPROPRIATION.....		\$	334,167,200
Federal revenues:			
Total federal revenues.....			67,127,300
Special revenue funds:			
Total local revenues.....			0
Total private revenues.....			7,237,200
Total other state restricted revenues.....			241,873,000
State general fund/general purpose.....		\$	17,929,700

FUND SOURCE SUMMARY

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

1	Full-time equated classified positions.....	2,083.3	
2	GROSS APPROPRIATION.....		\$ 335,579,500
3	Interdepartmental grant revenues:		
4	IDG, land acquisition services to work orders.....		225,000
5	IDG, MacMullan conference center revenue.....		1,187,300
6	Total interdepartmental grants and intradepartmental		
7	transfers		1,412,300
8	ADJUSTED GROSS APPROPRIATION.....		\$ 334,167,200
9	Federal revenues:		
10	Federal funds.....		67,127,300
11	Total federal revenues.....		67,127,300
12	Special revenue funds:		
13	Private funds.....		7,222,200
14	Private - Mann house trust fund.....		15,000
15	Total private revenues.....		7,237,200
16	Aircraft fees.....		306,400
17	Cervidae licensing and inspection fees.....		134,200
18	Clean Michigan initiative fund.....		28,500
19	Commercial forest fund.....		26,200
20	Forest development fund.....		31,011,500
21	Forest land user charges.....		324,900
22	Forest recreation account.....		2,168,500
23	Game and fish protection fund.....		71,385,700
24	Game and fish protection fund - deer habitat reserve .		2,174,600
25	Game and fish protection fund - fisheries settlement .		938,000
26	Game and fish protection fund - turkey permit fees ...		1,066,600
27	Game and fish protection fund - waterfowl fees.....		95,200

1	Game and fish protection fund - wildlife resource	
2	protection fund	1,118,900
3	Game and fish protection fund - youth hunting and	
4	fishing education and outreach fund.....	30,800
5	History fees fund.....	225,000
6	Land exchange facilitation fund.....	5,980,800
7	Local public recreation facilities fund.....	859,500
8	Mackinac Island state park fund.....	1,810,200
9	Mackinac Island state park operation fund.....	190,000
10	Marine safety fund.....	3,509,000
11	Michigan heritage publications fund.....	53,100
12	Michigan natural resources trust fund.....	1,233,500
13	Michigan state parks endowment fund.....	26,875,500
14	Michigan state waterways fund.....	20,774,100
15	Michigan trailways fund.....	15,000
16	Museum operations fund.....	579,700
17	Nongame wildlife fund.....	519,900
18	Off-road vehicle safety education fund.....	199,500
19	Off-road vehicle trail improvement fund.....	5,942,300
20	Park improvement fund.....	43,730,700
21	Permanent snowmobile trail easement fund.....	700,000
22	Public use and replacement deed fees.....	30,000
23	Recreation improvement account.....	1,020,100
24	Recreation passport fees.....	6,285,100
25	Snowmobile registration fee revenue.....	1,464,600
26	Snowmobile trail improvement fund.....	9,034,700
27	Sportsmen against hunger fund.....	30,700

1	Total other state restricted revenues	241,873,000
2	State general fund/general purpose	\$ 17,929,700
3	Sec. 102. EXECUTIVE OPERATIONS	
4	Full-time equated unclassified positions..... 6.0	
5	Full-time equated classified positions..... 11.6	
6	Unclassified salaries--6.0 FTE positions	\$ 707,000
7	Executive direction--11.6 FTE positions	2,109,000
8	Natural resources commission.....	<u>77,100</u>
9	GROSS APPROPRIATION.....	\$ 2,893,100
10	Appropriated from:	
11	Special revenue funds:	
12	Forest development fund.....	341,100
13	Forest land user charges.....	4,900
14	Forest recreation account.....	18,000
15	Game and fish protection fund.....	1,234,600
16	Game and fish protection fund - deer habitat reserve .	26,200
17	Game and fish protection fund - turkey permit fees ...	14,200
18	Game and fish protection fund - waterfowl fees	400
19	Game and fish - wildlife resource protection fund....	15,200
20	Land exchange facilitation fund.....	18,700
21	Marine safety fund.....	27,900
22	Michigan natural resources trust fund.....	1,400
23	Michigan state parks endowment fund.....	209,400
24	Michigan state waterways fund.....	168,000
25	Nongame wildlife fund.....	5,400
26	Off-road vehicle trail improvement fund.....	67,500
27	Park improvement fund.....	432,300

1	Recreation improvement account.....		3,400
2	Snowmobile registration fee revenue.....		12,400
3	Snowmobile trail improvement fund.....		20,400
4	Sportsmen against hunger fund.....		100
5	State general fund/general purpose.....	\$	271,600
6	Sec. 103. DEPARTMENT INITIATIVES		
7	Great Lakes restoration initiative.....	\$	<u>5,500,000</u>
8	GROSS APPROPRIATION.....	\$	5,500,000
9	Appropriated from:		
10	Special revenue funds:		
11	Federal funds.....		5,500,000
12	State general fund/general purpose.....	\$	0
13	Sec. 104. DEPARTMENT SUPPORT SERVICES		
14	Full-time equated classified positions..... 105.5		
15	Finance and operations--101.5 FTE positions.....	\$	16,573,900
16	Legal services--4.0 FTE positions.....		571,100
17	Building occupancy charges.....		3,105,300
18	Gifts and pass-through transactions.....		5,000,000
19	Rent - privately owned property.....		488,400
20	Accounting service center.....		<u>1,423,300</u>
21	GROSS APPROPRIATION.....	\$	27,162,000
22	Appropriated from:		
23	Interdepartmental grant revenues:		
24	IDG, land acquisition services to work orders.....		225,000
25	Federal revenues:		
26	Federal funds.....		228,200
27	Special revenue funds:		

1	Private funds.....	5,000,000
2	Clean Michigan initiative fund.....	28,500
3	Forest development fund.....	2,235,000
4	Forest land user charges.....	11,400
5	Forest recreation account.....	61,800
6	Game and fish protection fund.....	6,414,500
7	Game and fish protection fund - deer habitat reserve .	194,900
8	Game and fish protection fund - turkey permit fees ...	118,400
9	Game and fish protection fund - waterfowl fees.....	3,300
10	Game and fish - wildlife resource protection fund....	34,400
11	Land exchange facilitation fund.....	5,839,900
12	Local public recreation facilities fund.....	88,200
13	Marine safety fund.....	362,500
14	Michigan natural resources trust fund.....	1,210,400
15	Michigan state parks endowment fund.....	585,400
16	Michigan state waterways fund.....	497,800
17	Nongame wildlife fund.....	18,700
18	Off-road vehicle trail improvement fund.....	72,300
19	Park improvement fund.....	1,181,400
20	Public use and replacement deed fees.....	30,000
21	Recreation improvement account.....	16,800
22	Snowmobile registration fee revenue.....	71,300
23	Snowmobile trail improvement fund.....	135,700
24	Sportsmen against hunger fund.....	400
25	State general fund/general purpose.....	\$ 2,495,800
26	Sec. 105. COMMUNICATIONS AND CUSTOMER SERVICES	
27	Full-time equated classified positions.....	129.3

1	Marketing and outreach--79.3 FTE positions	\$	13,779,900
2	Michigan historical center--35.0 FTE positions		3,667,700
3	Special programs (Mann house)--1.0 FTE positions		25,500
4	Museum stores--6.0 FTE positions		579,700
5	Archives--8.0 FTE positions		<u>857,200</u>
6	GROSS APPROPRIATION	\$	18,910,000
7	Appropriated from:		
8	Federal revenues:		
9	Federal funds		2,055,700
10	Special revenue funds:		
11	Private funds		383,200
12	Private - Mann house trust fund		15,000
13	Forest development fund		128,200
14	Forest recreation account		15,900
15	Game and fish protection fund		8,574,900
16	Game and fish - youth hunting and fishing education		
17	and outreach fund		30,200
18	History fees fund		225,000
19	Land exchange facilitation fund		44,600
20	Marine safety fund		34,500
21	Michigan heritage publications fund		53,100
22	Michigan state parks endowment fund		86,400
23	Michigan state waterways fund		142,600
24	Museum operations fund		579,700
25	Nongame wildlife fund		10,400
26	Off-road vehicle safety education fund		56,600
27	Off-road vehicle trail improvement fund		30,000

1	Park improvement fund.....		2,520,200
2	Recreation passport fees.....		23,000
3	Snowmobile registration fee revenue.....		61,300
4	Snowmobile trail improvement fund.....		43,900
5	Sportsmen against hunger fund.....		29,600
6	State general fund/general purpose.....	\$	3,766,000
7	Sec. 106. WILDLIFE MANAGEMENT		
8	Full-time equated classified positions.....	211.5	
9	Wildlife management--199.5 FTE positions.....	\$	29,015,500
10	Natural resources heritage--9.0 FTE positions.....		986,000
11	State game and wildlife area maintenance--3.0 FTE		
12	positions		<u>757,600</u>
13	GROSS APPROPRIATION.....	\$	30,759,100
14	Appropriated from:		
15	Federal revenues:		
16	Federal funds.....		16,161,700
17	Special revenue funds:		
18	Private funds.....		183,100
19	Cervidae licensing and inspection fees.....		82,700
20	Forest development fund.....		75,200
21	Game and fish protection fund.....		9,392,600
22	Game and fish protection fund - deer habitat reserve .		1,803,700
23	Game and fish protection fund - turkey permit fees ...		868,600
24	Game and fish protection fund - waterfowl fees.....		87,800
25	Nongame wildlife fund.....		447,800
26	State general fund/general purpose.....	\$	1,655,900
27	Sec. 107. FISHERIES MANAGEMENT		

1	Full-time equated classified positions.....	218.0	
2	Aquatic resource mitigation--2.0 FTE positions.....		\$ 938,000
3	Fish production--62.0 FTE positions.....		9,161,400
4	Fisheries resource management--154.0 FTE positions...		19,933,600
5	Cormorant population mitigation program.....		<u>100,000</u>
6	GROSS APPROPRIATION.....		\$ 30,133,000
7	Appropriated from:		
8	Federal revenues:		
9	Federal funds.....		11,262,200
10	Special revenue funds:		
11	Private funds.....		131,200
12	Game and fish protection fund.....		17,701,600
13	Game and fish protection fund - fisheries settlement.		938,000
14	State general fund/general purpose.....		\$ 100,000
15	Sec. 108. LAW ENFORCEMENT		
16	Full-time equated classified positions.....	217.0	
17	General law enforcement--217.0 FTE positions.....		\$ <u>31,587,200</u>
18	GROSS APPROPRIATION.....		\$ 31,587,200
19	Appropriated from:		
20	Federal revenues:		
21	Federal funds.....		5,726,700
22	Special revenue funds:		
23	Cervidae licensing and inspection fees.....		51,500
24	Forest development fund.....		43,700
25	Forest recreation account.....		70,000
26	Game and fish protection fund.....		19,218,600
27	Game and fish - wildlife resource protection fund....		1,015,700

1	Marine safety fund.....		1,538,000
2	Michigan state parks endowment fund.....		68,600
3	Michigan state waterways fund.....		20,700
4	Off-road vehicle safety education fund.....		93,800
5	Off-road vehicle trail improvement fund.....		1,597,000
6	Park improvement fund.....		70,000
7	Snowmobile registration fee revenue.....		766,400
8	State general fund/general purpose.....	\$	1,306,500
9	Sec. 109. PARKS AND RECREATION DIVISION		
10	Full-time equated classified positions.....	877.9	
11	MacMullan conference center--15.0 FTE positions.....		\$ 1,187,300
12	Recreational boating--163.5 FTE positions.....		16,774,300
13	State parks--651.4 FTE positions.....		57,183,100
14	Forest recreation--48.0 FTE positions.....		5,613,100
15	State park improvement revenue bonds - debt service..		<u>1,157,000</u>
16	GROSS APPROPRIATION.....		\$ 81,914,800
17	Appropriated from:		
18	Interdepartmental grant revenues:		
19	IDG, MacMullan conference center revenue.....		1,187,300
20	Federal revenues:		
21	Federal funds.....		3,188,100
22	Special revenue funds:		
23	Private funds.....		411,900
24	Forest recreation account.....		1,933,800
25	Michigan state parks endowment fund.....		19,041,400
26	Michigan state waterways fund.....		14,183,800
27	Michigan trailways fund.....		14,900

1	Off-road vehicle safety education fund.....		7,100
2	Off-road vehicle trail improvement fund.....		1,383,300
3	Park improvement fund.....		38,286,900
4	Recreation improvement account.....		322,800
5	Recreation passport fees.....		262,100
6	Snowmobile registration fee revenue.....		15,200
7	Snowmobile trail improvement fund.....		1,405,800
8	State general fund/general purpose.....	\$	270,400
9	Sec. 110. MACKINAC ISLAND STATE PARK COMMISSION		
10	Full-time equated classified positions.....	15.0	
11	Historical facilities system--13.0 FTE positions....		\$ 1,810,200
12	Mackinac Island park operations--2.0 FTE positions ...		<u>190,000</u>
13	GROSS APPROPRIATION.....		\$ 2,000,200
14	Appropriated from:		
15	Special revenue funds:		
16	Mackinac Island state park fund.....		1,810,200
17	Mackinac Island state park operation fund.....		190,000
18	State general fund/general purpose.....		\$ 0
19	Sec. 111. FOREST RESOURCES DIVISION		
20	Full-time equated classified positions.....	297.5	
21	Adopt-a-forest program.....		\$ 25,000
22	Cooperative resource programs--10.0 FTE positions....		1,196,500
23	Forest fire equipment.....		81,500
24	Forest management and timber market development--148.0		
25	FTE positions		23,798,400
26	Forest management initiatives--8.5 FTE positions....		813,900
27	Minerals management--23.0 FTE positions.....		3,027,700

1	Wildfire protection--108.0 FTE positions	<u>13,762,000</u>
2	GROSS APPROPRIATION.....	\$ 42,705,000
3	Appropriated from:	
4	Federal revenues:	
5	Federal funds.....	3,033,400
6	Special revenue funds:	
7	Private funds.....	1,012,800
8	Aircraft fees.....	306,400
9	Commercial forest fund.....	23,700
10	Forest development fund.....	26,742,900
11	Forest land user charges.....	270,800
12	Game and fish protection fund.....	2,150,800
13	Michigan state parks endowment fund.....	2,552,400
14	Michigan state waterways fund.....	48,800
15	State general fund/general purpose.....	\$ 6,563,000
16	Sec. 112. GRANTS	
17	Dam management grant program.....	\$ 350,000
18	Deer habitat improvement partnership initiative.....	50,000
19	Federal - clean vessel act grants.....	400,000
20	Federal - forest stewardship grants.....	3,125,000
21	Federal - land and water conservation fund payments..	2,566,900
22	Federal - rural community fire protection.....	300,000
23	Federal - urban forestry grants.....	3,024,000
24	Grants to communities - federal oil, gas, and timber	
25	payments	3,450,000
26	Grants to counties - marine safety.....	3,124,700
27	National recreational trails.....	3,900,000

1	Off-road vehicle safety training grants	29,200
2	Off-road vehicle trail improvement grants	2,776,400
3	Recreation improvement fund grants	657,100
4	Recreation passport local grants	771,300
5	Snowmobile law enforcement grants	495,100
6	Snowmobile local grants program	7,340,400
7	Sustainable forestry initiative grant	100
8	Trail easements	700,000
9	Fisheries habitat improvement grants	1,255,600
10	Wildlife habitat improvement grants	941,700
11	Wildlife habitat improvement grants in state forests .	<u>313,900</u>
12	GROSS APPROPRIATION	\$ 35,571,400
13	Appropriated from:	
14	Federal revenues:	
15	Federal funds	18,333,300
16	Special revenue funds:	
17	Private funds	100,000
18	Forest development fund	100
19	Game and fish protection fund	2,511,200
20	Game and fish protection fund - deer habitat reserve .	50,000
21	Local public recreation facilities fund	771,300
22	Marine safety fund	1,457,300
23	Off-road vehicle safety education fund	29,200
24	Off-road vehicle trail improvement fund	2,776,400
25	Permanent snowmobile trail easement fund	700,000
26	Recreation improvement account	657,100
27	Snowmobile registration fee revenue	495,100

1	Snowmobile trail improvement fund.....	7,340,400
2	State general fund/general purpose.....	\$ 350,000
3	Sec. 113. INFORMATION TECHNOLOGY	
4	Information technology services and projects.....	\$ <u>10,028,100</u>
5	GROSS APPROPRIATION.....	\$ 10,028,100
6	Appropriated from:	
7	Special revenue funds:	
8	Commercial forest fund.....	2,500
9	Forest development fund.....	1,445,300
10	Forest land user charges.....	37,800
11	Forest recreation account.....	69,000
12	Game and fish protection fund.....	4,186,900
13	Game and fish protection fund - deer habitat reserve .	99,800
14	Game and fish protection fund - turkey permit fees ...	65,400
15	Game and fish protection fund - waterfowl fees.....	3,700
16	Game and fish - wildlife resource protection fund....	53,600
17	Game and fish protection fund - youth hunting and	
18	fishing education and outreach.....	600
19	Land exchange facilitation fund.....	77,600
20	Marine safety fund.....	88,800
21	Michigan natural resources trust fund.....	21,700
22	Michigan state parks endowment fund.....	831,900
23	Michigan state waterways fund.....	434,800
24	Michigan trailways fund.....	100
25	Nongame wildlife fund.....	37,600
26	Off-road vehicle safety education fund.....	12,800
27	Off-road vehicle trail improvement fund.....	15,800

1	Park improvement fund.....		1,239,900
2	Recreation improvement account.....		20,000
3	Snowmobile registration fee revenue.....		42,900
4	Snowmobile trail improvement fund.....		88,500
5	Sportsmen against hunger fund.....		600
6	State general fund/general purpose.....	\$	1,150,500
7	Sec. 114. CAPITAL OUTLAY		
8	(a) STATE PARK AND FOREST AREA IMPROVEMENTS		
9	State parks repair and maintenance.....	\$	<u>9,500,000</u>
10	GROSS APPROPRIATION.....	\$	9,500,000
11	Appropriated from:		
12	Federal revenues:		
13	Special revenue funds:		
14	Michigan state parks endowment fund.....		3,500,000
15	Recreation passport fees.....		6,000,000
16	State general fund/general purpose.....	\$	0
17	(b) WATERWAYS BOATING PROGRAM		
18	State harbors and boating access sites:		
19	State infrastructure improvement and land acquisition	\$	2,540,900
20	Selfridge boating access site, Macomb County, phase		
21	II, stormwater management improvements, new		
22	entrance and parking lot/traffic flow		
23	reconfigurations (total authorized cost is increased		
24	from \$2,000,000 to \$3,300,000; federal share is		
25	increased from \$1,500,000 to \$1,988,000; state share		
26	in increased from \$500,000 to \$1,312,000).....		1,300,000
27	Fayette state park, snail shell harbor, Delta County,		

1	continuation of phase I to expand existing	
2	broadside dock (total authorized cost is increased	
3	from \$400,000 to \$850,000; federal share is	
4	increased from \$300,000 to \$500,000; state share is	
5	increased from \$100,000 to \$350,000).....	450,000
6	South Higgins state park, Roscommon County, new	
7	entrance, launch ramp, maneuver area, and parking	
8	lot/traffic flow configurations (total authorized	
9	cost is increased from \$250,900 to \$1,000,000; state	
10	share is increased from \$250,900 to \$1,000,000).....	749,100
11	Local harbors and boating access sites:	
12	Infrastructure improvements - local projects.....	737,000
13	Manistique, Schoolcraft County, marina improvements,	
14	floating docks, replacement of bin-walls, phase III	
15	(total authorized cost is increased from \$2,660,000	
16	to \$3,660,000; state share is increased from	
17	\$1,330,000 to \$1,830,000; local share is increased	
18	from \$1,330,000 to \$1,830,000).....	500,000
19	Presque Isle, Marquette County, marina improvements,	
20	removal and reconstruction of existing boat launch,	
21	phase I (total authorized cost is increased from	
22	\$201,200 to \$402,400; state share is increased from	
23	\$0 to \$201,200; local share \$201,200).....	201,200
24	Munising, Alger County, extension of east breakwall,	
25	dredging and shoreline restoration, phase I (total	
26	authorized cost is increased from \$437,400 to	
27	\$874,800; state share is increased from \$0 to	

1	\$437,400; local share is \$437,400).....	437,400
2	GROSS APPROPRIATION.....	\$ 6,915,600
3	Appropriated from:	
4	Federal revenues:	
5	Federal funds.....	1,638,000
6	Special revenue funds:	
7	Michigan state waterways fund.....	5,277,600
8	State general fund/general purpose.....	\$ 0

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 \$259,802,700.00 and state spending from state resources to be paid to local units of government for fiscal year 2013-2014 is \$5,109,400.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF NATURAL RESOURCES

GRANTS

22	Dam management grant program.....	\$ 175,000
23	Grants to counties - marine safety.....	1,457,300
24	Off-road vehicle safety training grants.....	29,200
25	Off-road vehicle trail improvement grants.....	240,200

1	Recreation improvement fund grants.....	65,700
2	Recreation passport local grants.....	771,300
3	Snowmobile law enforcement grants.....	495,100
4	CAPITAL OUTLAY	
5	Waterways boating program.....	\$ <u>1,875,600</u>
6	TOTAL.....	\$ 5,109,400

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

10 Sec. 203. As used in this article:

- 11 (a) "Commission" means the natural resources commission.
- 12 (b) "Department" means the department of natural resources.
- 13 (c) "FTE" means full-time equated.
- 14 (d) "IDG" means interdepartmental grant.
- 15 (e) "IDT" means intradepartmental transfer.

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

21 Sec. 205. Unless otherwise specified, the department shall use
22 the Internet to fulfill the reporting requirements of this part.
23 This requirement may include transmission of reports via electronic
24 mail to the recipients identified for each reporting requirement,
25 or it may include placement of reports on an Internet or Intranet
26 site.

27 Sec. 206. Appropriations of state restricted game and fish

1 protection funds have been made in the following amounts to the
 2 following departments and agencies in their respective
 3 appropriation articles:

4	Legislative auditor general.....	\$	29,300
5	Attorney general.....		838,000
6	Department of treasury.....		2,337,400

7 Sec. 207. Pursuant to section 43703(3) of the natural
 8 resources and environmental protection act, 1994 PA 451, MCL
 9 324.43703, there is appropriated from the game and fish protection
 10 trust fund to the game and fish protection account of the Michigan
 11 conservation and recreation legacy fund, \$6,000,000.00 for the
 12 fiscal year ending September 30, 2014.

13 Sec. 208. From the funds appropriated in part 1 for
 14 information technology, departments and agencies shall pay user
 15 fees to the department of technology, management, and budget for
 16 technology-related services and projects. The user fees shall be
 17 subject to provisions of an interagency agreement between the
 18 department and agencies and the department of technology,
 19 management, and budget.

20 Sec. 210. Funds appropriated in part 1 shall not be used for
 21 the purchase of foreign goods or services, or both, if
 22 competitively priced and of comparable quality American goods or
 23 services, or both, are available. Preference shall be given to
 24 goods or services, or both, manufactured or provided by Michigan
 25 businesses if they are competitively priced and of comparable
 26 quality. In addition, preference should be given to goods or
 27 services, or both, that are manufactured or provided by Michigan

1 businesses owned and operated by veterans, if they are
2 competitively priced and of comparable quality.

3 Sec. 211. The director of the department shall take all
4 reasonable steps to ensure businesses in deprived and depressed
5 communities compete for and perform contracts to provide services
6 or supplies, or both. The director shall strongly encourage firms
7 with which the department contracts to subcontract with certified
8 businesses in depressed and deprived communities for services,
9 supplies, or both.

10 Sec. 212. 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. 214. Funds appropriated in part 1 shall not be used by a
14 principal executive department, state agency, or authority to hire
15 a person to provide legal services that are the responsibility of
16 the attorney general. This prohibition does not apply to legal
17 services for bonding activities and for those outside services that
18 the attorney general authorizes.

19 Sec. 215. (1) In addition to the funds appropriated in part 1,
20 there is appropriated an amount not to exceed \$3,000,000.00 for
21 federal contingency funds. These funds are not available for
22 expenditure until they have been transferred to another line item
23 in part 1 under section 393(2) of the management and budget act,
24 1984 PA 431, MCL 18.1393.

25 (2) In addition to the funds appropriated in part 1, there is
26 appropriated an amount not to exceed \$10,000,000.00 for state
27 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 \$100,000.00 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 \$1,000,000.00 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. 216. Amounts appropriated in part 1 for information
17 technology may be designated as work projects and carried forward
18 to support technology projects under the direction of the
19 department of technology, management, and budget. Funds designated
20 in this manner are not available for expenditure until approved as
21 work projects under section 451a of the management and budget act,
22 1984 PA 431, MCL 18.1451a.

23 Sec. 217. The department and agencies receiving appropriations
24 in part 1 shall receive and retain copies of all reports funded
25 from appropriations in part 1. Federal and state guidelines for
26 short-term and long-term retention of records shall be followed.
27 The department may electronically retain copies of reports unless

1 otherwise required by federal and state guidelines.

2 Sec. 218. The departments and agencies receiving
3 appropriations in part 1 shall prepare a report on out-of-state
4 travel expenses not later than January 1 of each year. The travel
5 report shall be a listing of all travel by classified and
6 unclassified employees outside this state in the immediately
7 preceding fiscal year that was funded in whole or in part with
8 funds appropriated in the department's budget. The report shall be
9 submitted to the house and senate standing committees on
10 appropriations, the house and senate fiscal agencies, and the state
11 budget director. The report shall include the following
12 information:

13 (a) The dates of each travel occurrence.

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

19 Sec. 220. Not later than November 15, the state budget office
20 shall prepare and transmit a report that provides for estimates of
21 the total general fund/general purpose appropriation lapses at the
22 close of the fiscal year. This report shall summarize the projected
23 year-end general fund/general purpose appropriation lapses by major
24 departmental program or program areas. The report shall be
25 transmitted to the chairpersons of the senate and house of
26 representatives standing committees on appropriations and the
27 senate and house fiscal agencies.

1 Sec. 222. Within 14 days after the release of the executive
2 budget recommendation, the department shall cooperate with the
3 state budget office to provide the senate and house appropriations
4 chairs, the senate and house appropriations subcommittees on
5 natural resources, and the senate and house fiscal agencies with an
6 annual report on estimated state restricted fund balances, state
7 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. 223. Before January 31, 2014, the department, in
11 cooperation with the Michigan state waterways commission, shall
12 provide to the state budget director, the senate and house
13 appropriations subcommittees on natural resources, and the senate
14 and house fiscal agencies a list of projects completed by the
15 commission in fiscal year 2012-2013, including the county and
16 municipality in which each project is located.

17 Sec. 233. On a quarterly basis, the department shall report on
18 the number of FTEs in pay status by civil service classification to
19 the senate and house appropriations subcommittees on natural
20 resources and environment and the senate and house fiscal agencies.

21 Sec. 234. The department shall cooperate with the department
22 of technology, management, and budget to maintain a searchable
23 website accessible by the public at no cost that includes, but is
24 not limited to, all of the following:

- 25 (a) Fiscal year-to-date expenditures by category.
26 (b) Fiscal year-to-date expenditures by appropriation unit.
27 (c) Fiscal year-to-date payments to a selected vendor,

1 including the vendor name, payment date, payment amount, and
2 payment description.

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

5 (e) Job specifications and wage rates.

6 Sec. 235. The department shall maintain, on a publicly
7 accessible website, a department scorecard that identifies, tracks,
8 and regularly updates key metrics that are used to monitor and
9 improve the agency's performance.

10 **DEPARTMENT SUPPORT SERVICES**

11 Sec. 302. The department may charge land acquisition projects
12 appropriated for the fiscal year ending September 30, 2014, and for
13 prior fiscal years, a standard percentage fee to recover actual
14 costs, and may use the revenue derived to support the land
15 acquisition service charges provided for in part 1.

16 Sec. 303. As appropriated in part 1, the department may charge
17 both application fees and transaction fees related to the exchange
18 or sale of state-owned land or rights in land authorized by part 21
19 of the natural resources and environmental protection act, 1994 PA
20 451, MCL 324.2101 to 324.2162. The fees shall be set by the
21 director of the department at a rate which allows the department to
22 recover its costs for providing these services.

23 **COMMUNICATION AND CUSTOMER SERVICES**

24 Sec. 404. For the purposes of administering the museum store
25 as provided in section 7a of 1913 PA 271, MCL 399.7a, the

1 department is exempt from section 261 of the management and budget
2 act, 1984 PA 431, MCL 18.1261.

3 Sec. 405. As appropriated in part 1, proceeds in excess of
4 costs incurred in the conduct of auctions, sales, or transfers of
5 artifacts no longer considered suitable for the collections of the
6 state historical museum may be expended upon receipt for additional
7 material for the collection. The department shall notify the
8 chairpersons, vice chairpersons, and minority vice chairpersons of
9 the senate and house appropriations subcommittees on natural
10 resources 1 week prior to any auctions or sales. Any unexpended
11 funds may be carried forward into the next succeeding fiscal year.

12 Sec. 406. As appropriated in part 1, funds collected by the
13 department for historical markers; document reproduction and
14 services; conferences, admissions, workshops, and training classes;
15 and the use of specialized equipment, facilities, exhibits,
16 collections, and software shall be used for expenses necessary to
17 provide the required services. The department may charge fees for
18 the aforementioned services, including admission fees. It is the
19 intent of the legislature that if sufficient revenues are
20 available, as a condition of the expenditure of revenue from
21 admission fees to the Michigan historical museum, admission to the
22 museum shall be free for children under 18 years of age. The
23 department may accept voluntary admissions contributions of \$2.00
24 for children under 18 years of age. Any unexpended funds may be
25 carried forward into the next succeeding fiscal year.

26 Sec. 408. By October 21, 2013, the department shall submit to
27 the senate and house appropriations subcommittees on natural

1 resources a report on all land transactions approved by the
2 commission in the fiscal year ending September 30, 2013. For each
3 land transaction, the report shall include the size of the parcel,
4 the county and municipality in which the parcel is located, the
5 dollar amount of the transaction, the fund source affected by the
6 transaction, and whether the transaction is by purchase, public
7 auction, transfer, exchange, or conveyance.

8 Sec. 409. By January 1, 2014, the department shall produce a
9 report identifying active oil and gas leases entered into before
10 July 1995 which are larger than 160 acres in size and where the
11 acreage held in a producing unit is less than or equal to 1/4 of
12 the total lease acreage.

13 **WILDLIFE DIVISION**

14 Sec. 503. From the funds appropriated in part 1, the
15 department shall produce a report detailing any efforts undertaken
16 to enforce the invasive species order on swine raised under the
17 husbandry of residents of this state. The report shall include fund
18 sources used and the amount of expenditures and shall be submitted
19 to the legislature by December 31, 2013.

20 Sec. 504. From the funds appropriated in part 1, the
21 department shall provide a report to the legislature on the use of
22 registration fees collected from privately owned cervid operations.
23 Appropriations in part 1 from cervidae licensing and inspection
24 fees shall not be used for anything other than work directly
25 related to the regulation of privately owned cervids in this state.

1 **FISHERIES DIVISION**

2 Sec. 601. (1) From the appropriation in part 1 for aquatic
3 resource mitigation, not more than \$758,000.00 shall be allocated
4 for grants to watershed councils, resource development councils,
5 soil conservation districts, local governmental units, and other
6 nonprofit organizations for stream habitat stabilization and soil
7 erosion control.

8 (2) The fisheries division in the department shall develop
9 priority and cost estimates for all projects recommended for grants
10 under subsection (1).

11 Sec. 602. As a condition of expenditure of fisheries
12 management appropriations under part 1, the department of natural
13 resources shall not impede the certification process for water
14 control structures on Michigan waterways. The department of natural
15 resources shall fund from funds appropriated in part 1 all non-
16 water-quality studies or requirements that the department requests
17 of either of the following:

18 (a) The department of environmental quality as a condition for
19 issuance of a certification under section 401 of the federal water
20 pollution control act, 33 USC 1341.

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

23 Sec. 603. The department shall provide a quarterly report to
24 the legislature on use of funding provided for cormorant
25 management. The department shall use general fund/general purpose
26 revenue for this purpose and submit revenue appropriated in part 1
27 for cormorant management to the United States department of

1 agriculture animal and plant health inspection service to allow for
2 increased taking of cormorants and their nests.

3 **PARKS AND RECREATION DIVISION**

4 Sec. 702. The department shall notify the house and senate
5 appropriations subcommittees on natural resources and the house and
6 senate fiscal agencies if it intends to reduce operations or reduce
7 recreation opportunities in any state park or recreation area.

8 **FOREST RESOURCES DIVISION**

9 Sec. 802. Of the funds appropriated in part 1, the department
10 shall, subject to the forest certification process, prescribe
11 treatment on 79,000 acres, prepare appropriate treatment for not
12 less than 67,500 acres at the current average rate of 12.5 to 15
13 cords per acre, and offer those cords for sale in the 2013-2014
14 fiscal year, provided that the department shall take into
15 consideration the impact of timber harvesting on wildlife habitat
16 and recreation uses. The department shall, subject to the forest
17 certification process, increase marking or treatment of hardwood
18 timber for sale and harvest by 10% over 2012-2013 fiscal year
19 levels. In addition, the department shall take into consideration
20 silvicultural analysis and report annually to the legislature on
21 plans and efforts to address factors limiting management of timber.
22 The department shall increase the number of prepared acres if it
23 appears that regional market demand requires increased volumes of
24 harvested timber. The department shall provide quarterly reports on
25 the number of acres treated, pursuant to this section, to the

1 senate and house appropriations subcommittees on natural resources
2 and the standing committees of the senate and house of
3 representatives with primary responsibility for natural resources
4 issues. The department shall complete and deliver these reports no
5 later than 45 days after the end of the fiscal quarter.

6 Sec. 803. In addition to the money appropriated in part 1, the
7 department may receive and expend money from federal sources for
8 the purpose of providing response to wildfires as required by a
9 compact with the federal government. If additional expenditure
10 authorization is required, the department shall notify the state
11 budget office that expenditure under this section is required. The
12 department shall notify the house and senate appropriations
13 subcommittees on natural resources and the house and senate fiscal
14 agencies of the expenditures under this section by November 1,
15 2014.

16 Sec. 804. The department shall continue to work cooperatively
17 with horseback riding interests to maximize riding opportunities in
18 the state.

19 Sec. 805. The department shall spend amounts appropriated in
20 part 1 for forest-related activities to employ or contract for
21 sufficient foresters to mark timber, pursuant to section 802.

22 Sec. 807. (1) In addition to the funds appropriated in part 1,
23 there is appropriated from the disaster and emergency contingency
24 fund up to \$500,000.00 to cover costs related to any disaster as
25 defined in section 2 of the emergency management act, 1976 PA 390,
26 MCL 30.402.

27 (2) Funds appropriated under subsection (1) shall not be

1 expended unless the state budget director recommends the
2 expenditure and the department notifies the house and senate
3 committees on appropriations. By December 1 each year, the
4 department shall provide a report to the senate and house fiscal
5 agencies and the state budget office on the use of the disaster and
6 emergency contingency fund during the prior fiscal year.

7 (3) If federal emergency management agency (FEMA)
8 reimbursement is approved for costs paid from the disaster and
9 emergency contingency fund, the federal revenue shall be deposited
10 into the disaster and emergency contingency fund.

11 (4) Unexpended and unencumbered funds remaining in the
12 disaster and emergency contingency fund at the close of the fiscal
13 year shall not lapse to the general fund and shall be carried
14 forward and be available for expenditures in subsequent fiscal
15 years.

16 Sec. 808. (1) From the funds appropriated in part 1 for
17 wildfire protection, at least \$6,446,900.00 shall be appropriated
18 from the state general fund and \$5,069,500.00 shall be appropriated
19 from the forest development fund established under section 50507 of
20 the natural resources and environmental protection act, 1994 PA
21 451, MCL 324.50507.

22 (2) From the funds appropriated in part 1 for forest
23 management and timber market development, \$20,262,100.00 shall be
24 appropriated from the forest development fund.

25 **LAW ENFORCEMENT**

26 Sec. 901. The appropriation in part 1 for snowmobile law

1 enforcement grants shall be used by the department to provide
2 grants to county law enforcement agencies to enforce part 821 of
3 the natural resources and environmental protection act, 1994 PA
4 451, MCL 324.82101 to 324.82160, including rules promulgated under
5 that part and ordinances enacted pursuant to that part. The
6 department shall consider the number of enforcement hours and the
7 number of miles of snowmobile trails in each county in allocating
8 these grants. Any funds not distributed to counties revert back to
9 the snowmobile registration fee subaccount created under section
10 82111 of the natural resources and environmental protection act,
11 1994 PA 451, MCL 324.82111. Counties shall provide semiannual
12 reports to the department on the use of grant money received under
13 this section.

14 Sec. 902. The department shall provide a report on the marine
15 safety grant program to the senate and house appropriations
16 subcommittees on natural resources and the senate and house fiscal
17 agencies by December 1, 2013. The report shall include the
18 following information for the preceding year: the total amount of
19 revenue received for watercraft registrations, the amount deposited
20 into the marine safety fund, and the expenditures made from the
21 marine safety fund, including the amounts expended for department
22 administration, other state agencies, the law enforcement division,
23 and grants to counties. The report shall also include the
24 distribution methodology used by the department to distribute the
25 marine safety grants and a list of the grants and the amounts
26 awarded by county.

GRANTS

2 Sec. 1001. Federal pass-through funds to local institutions
3 and governments that are received in amounts in addition to those
4 included in part 1 for grants to communities - federal oil, gas,
5 and timber payments and that do not require additional state
6 matching funds are appropriated for the purposes intended. By
7 November 30, 2013, the department shall report to the senate and
8 house appropriations subcommittees on natural resources, the senate
9 and house fiscal agencies, and the state budget director on all
10 amounts appropriated under this section during the fiscal year
11 ending September 30, 2013.

12 Sec. 1002. Subject to part 811 of the natural resources and
13 environmental protection act, 1994 PA 451, MCL 324.81101 to
14 324.81150, from the funds appropriated in part 1 for off-road
15 vehicle trail improvements grants, not less than \$980,000.00 shall
16 be spent on the development of new trails in accordance with the
17 off-road vehicle trail expansion plan submitted to the legislature
18 pursuant to section 807 of article 14 of 2005 PA 154.

19 Sec. 1003. (1) The appropriation in part 1 for the dam
20 management grant program shall be used by the department to provide
21 grants for the maintenance, repair, or removal of failing dams. The
22 department shall require each grant application to include a
23 written long-term plan for each dam that is covered by the
24 application.

25 (2) The unexpended funds appropriated in part 1 for the dam
26 management grant program are considered work project
27 appropriations, and any unencumbered or unallotted funds are

1 carried forward into the succeeding fiscal year. The following is
2 in compliance with section 451a(1) of the management and budget
3 act, 1984 PA 431, MCL 18.1451a:

4 (a) The purpose of the projects to be carried forward is to
5 provide for maintenance, repair, or removal of dams.

6 (b) The projects will be accomplished by contract.

7 (c) The total estimated cost of all projects is \$2,000,000.00.

8 (d) The tentative completion date is September 30, 2017.

9 Sec. 1004. It is the intent of the legislature to provide
10 grant funding to a qualified nonprofit nongovernmental unit for a
11 pilot program to work with public and private forestland owners to
12 conduct site visits and prepare an analysis and audit of statewide
13 best management practices for water quality and related forest
14 ecosystem, native plant and animal species, and wildlife habitat.

15 **CAPITAL OUTLAY**

16 Sec. 1101. The appropriation made in part 1 for the harbors
17 and docks program is for the purpose of participating with the
18 federal government and assisting local units of government, public
19 colleges and universities, or other governmental entities in this
20 state with the construction and improvement of recreational boating
21 facilities within this state. Subject to the approval of the state
22 administrative board, this money shall be allocated by the
23 department to the federal government, or to the governmental
24 entities involved in the particular projects. An allocation shall
25 not exceed the state portion as listed with each project
26 description. The department shall take the steps necessary to match

1 federal money available for the construction and improvement of
2 recreational boating facilities within the state, and to meet
3 requirements of the federal government.

4 Sec. 1102. (1) The director of the department shall allocate
5 lump-sum appropriations to the department made in part 1 consistent
6 with statutory provisions and the purposes for which funds were
7 appropriated. Lump-sum allocations shall address priority program
8 or facility needs and may include, but are not limited to, design,
9 construction, remodeling and addition, special maintenance, major
10 special maintenance, energy conservation, and demolition.

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

18 Sec. 1103. The appropriations in part 1 for capital outlay
19 shall be carried forward at the end of the fiscal year consistent
20 with the provisions of section 248 of the management and budget
21 act, 1984 PA 431, MCL 18.1248.

22 Sec. 1104. The department of natural resources shall seek
23 reimbursement from the United States army corps of engineers for
24 costs related to any dredging of harbors under the jurisdiction of
25 the corps of engineers. If the corps of engineers reimburses the
26 state for any costs incurred from the appropriation for any
27 dredging, the federal revenue shall be deposited in the Michigan

1 state waterways fund.

2 PART 2A
3 PROVISIONS CONCERNING ANTICIPATED APPROPRIATIONS
4 FOR FISCAL YEAR 2014-2015

5 GENERAL SECTIONS

6 Sec. 1201. It is the intent of the legislature to provide
7 appropriations for the fiscal year ending on September 30, 2015 for
8 the line items listed in part 1. The fiscal year 2014-2015
9 appropriations are anticipated to be the same as those for fiscal
10 year 2013-2014, except that the line items will be adjusted for
11 changes in caseload and related costs, federal fund match rates,
12 economic factors, and available revenue. These adjustments will be
13 determined after the January 2014 consensus revenue estimating
14 conference.

15 ARTICLE XVI
16 DEPARTMENT OF STATE POLICE
17 PART 1
18 LINE-ITEM APPROPRIATIONS

19 Sec. 101. Subject to the conditions set forth in this article,
20 the amounts listed in this part for the department of state police
21 are appropriated for the fiscal year ending September 30, 2014,
22 from the funds indicated in this part. The following is a summary
23 of the appropriations in this part:

1 **DEPARTMENT OF STATE POLICE**

2 APPROPRIATION SUMMARY

3	Full-time equated unclassified positions.....	3.0	
4	Full-time equated classified positions.....	2,914.0	
5	GROSS APPROPRIATION.....		\$ 601,186,900
6	Total interdepartmental grants and intradepartmental		
7	transfers		25,219,700
8	Schedule of interdepartmental grant revenue sources:		
9	IDG-MDOC, contract	183,900	
10	IDG-MDOS	360,700	
11	IDG-MDOT, state trunkline fund.....	11,258,700	
12	IDG-MDTR, casino gaming fees	5,956,900	
13	IDG-MDTR, emergency telephone fund		
14	coordinator	665,400	
15	IDG-MDTR, emergency telephone fund		
16	operations	721,200	
17	IDG, training academy changes.....	2,711,600	
18	IDT, auto theft funds	716,600	
19	IDT, Michigan justice training fund.....	1,050,000	
20	IDT, truck safety fund	1,594,700	
21	ADJUSTED GROSS APPROPRIATION.....		\$ 575,967,200
22	Total federal revenues.....		98,846,100
23	Schedule of federal revenue sources:		
24	DHS	51,755,800	
25	DOJ	13,909,000	
26	DOJ interest bearing	8,139,400	
27	DOT	23,467,100	

1	Federal investigations - reimbursed	
2	services	1,060,800
3	Federal narcotics investigation revenues.....	514,000
4	Total local revenues.....	6,967,500
5	Schedule of local revenue sources:	
6	Local-AFIS fees	81,400
7	Local-LEIN fees	1,016,600
8	Local-MPSCS subscriber and maintenance	
9	fees	2,183,000
10	Local-reimbursed services	2,012,500
11	Local-school bus revenue	1,674,000
12	Total private revenues.....	239,700
13	Schedule of private revenue sources:	
14	Private donations	239,700
15	Total other state restricted revenues.....	122,041,400
16	Schedule of restricted revenue sources:	
17	Auto theft prevention fund	7,289,400
18	Concealed weapons enforcement fee.....	100,000
19	CJIC service fees	18,303,500
20	Drunk driving prevention and training fund.	1,402,200
21	Forensic science reimbursement fees.....	1,483,300
22	Forfeiture funds	93,500
23	Hazardous materials training center fees...	1,167,100
24	Highway safety fund	12,906,800
25	Licensing fees	9,100
26	Michigan justice training fund.....	8,459,300
27	Michigan merit award trust fund.....	750,000

1	Motor carrier fees	4,616,900	
2	Narcotics investigation revenue.....	791,600	
3	Nuclear plant emergency planning		
4	reimbursement	2,647,000	
5	Precision driving track fees	311,700	
6	Reimbursed services	640,600	
7	Rental of department aircraft.....	57,600	
8	Secondary road patrol and training fund...	12,261,200	
9	Sex offenders registration fund.....	300,900	
10	State forensic laboratory fund.....	1,721,300	
11	State police service fees	2,197,900	
12	State services fee fund	11,666,600	
13	Tobacco tax revenue	4,190,700	
14	Traffic crash revenue	332,900	
15	Traffic law enforcement and safety fund...	26,321,600	
16	Trooper school recruitment fund.....	1,100	
17	Truck driver safety fund	2,017,600	
18	State general fund/general purpose.....	\$	347,872,500
19	State general fund/general purpose schedule:		
20	Ongoing state general fund/general purpose.....		342,310,600
21	One-time state general fund/general purpose.....		5,561,900
22	Sec. 102. EXECUTIVE DIRECTION		
23	Full-time equated unclassified positions.....	3.0	
24	Full-time equated classified positions.....	37.0	
25	Unclassified positions.....	\$	707,000
26	Executive direction.....		<u>5,399,100</u>
27	GROSS APPROPRIATION.....	\$	6,106,100

1	Appropriated from:	
2	Interdepartmental grant revenues	43,400
3	State restricted revenues	847,700
4	State general fund/general purpose	\$ 5,215,000
5	Schedule of programs:	
6	Executive directions	2,969,100
7	Special operations and events	2,430,000
8	Sec. 103. SCIENCE, TECHNOLOGY, AND TRAINING BUREAU	
9	Full-time equated classified positions	200.0
10	Science, technology, and training bureau	\$ <u>75,636,900</u>
11	GROSS APPROPRIATION	\$ 75,636,900
12	Appropriated from:	
13	Interdepartmental grant revenues	5,581,500
14	Federal revenues	4,828,000
15	Local revenues	3,239,600
16	State restricted revenues	28,470,800
17	State general fund/general purpose	\$ 33,517,000
18	Schedule of programs:	
19	Criminal justice information center	
20	division	12,874,300
21	Criminal records improvement	1,276,900
22	Traffic safety	1,865,400
23	Standards and training/justice training	
24	grants	9,137,200
25	Concealed weapons enforcement training	100,000
26	Training only to local units	642,800
27	Public safety officers benefit program	150,100

1	Training administration	5,398,100	
2	Information technology services and		
3	projects	23,028,800	
4	Michigan public safety communications		
5	system	14,637,700	
6	In-service training-law enforcement		
7	distribution	450,000	
8	In-service training-competitive.....	600,000	
9	Traffic services	5,475,600	
10	Sec. 104. FORENSIC SCIENCES		
11	Full-time equated classified positions.....	265.0	
12	Forensic sciences.....		\$ <u>43,027,000</u>
13	GROSS APPROPRIATION.....		\$ 43,027,000
14	Appropriated from:		
15	Federal revenues.....		5,168,100
16	State restricted revenues.....		14,588,200
17	State general fund/general purpose.....		\$ 23,270,700
18	Schedule of programs:		
19	Laboratory operations	32,845,900	
20	DNA analysis program	10,181,100	
21	Sec. 105. UNIFORM SERVICES		
22	Full-time equated classified positions.....	1,543.0	
23	Uniform services.....		\$ <u>220,003,400</u>
24	GROSS APPROPRIATION.....		\$ 220,003,400
25	Appropriated from:		
26	State restricted revenues.....		41,081,000
27	State general fund/general purpose.....		\$ 178,922,400

1	Schedule of programs:		
2	Uniform services	49,471,100	
3	Capitol security guards	736,600	
4	At-post troopers	164,743,300	
5	Reimbursed services	2,197,900	
6	Public safety initiative	2,854,500	
7	Sec. 106. SPECIALIZED SERVICES		
8	Full-time equated classified positions.....	699.0	
9	Specialized services.....		\$ <u>107,927,400</u>
10	GROSS APPROPRIATION.....		\$ 107,927,400
11	Appropriated from:		
12	Interdepartmental grant revenues.....		18,688,300
13	Federal revenues.....		14,076,800
14	Local revenues.....		3,663,400
15	Private revenues.....		239,700
16	State restricted revenues.....		10,489,600
17	State general fund/general purpose.....		\$ 60,769,600
18	Schedule of programs:		
19	Narcotics investigation funds.....	265,100	
20	Operational support	23,896,500	
21	Aviation program	1,840,800	
22	Criminal investigations	34,723,600	
23	Federal antidrug initiative	11,319,400	
24	Reimbursed services, materials, and		
25	equipment	3,073,300	
26	Auto theft prevention	1,188,100	
27	Casino gaming oversight	5,784,500	

1	Fire investigations	1,978,900	
2	Parole absconder sweeps	12,700	
3	Motor carrier enforcement	12,744,100	
4	Truck safety enforcement team operations...	1,548,800	
5	Safety inspections	6,357,300	
6	School bus inspections	1,650,900	
7	Safety projects	1,543,400	
8	Sec. 107. SUPPORT SERVICES		
9	Full-time equated classified positions.....	170.0	
10	Support services.....		\$ <u>142,924,200</u>
11	GROSS APPROPRIATION.....		\$ 142,924,200
12	Appropriated from:		
13	Interdepartmental grant revenues.....		906,500
14	Federal revenues.....		74,773,200
15	Local revenues.....		64,500
16	State restricted revenues.....		26,564,100
17	State general fund/general purpose.....		\$ 40,615,900
18	Schedule of programs:		
19	Auto theft prevention	7,271,900	
20	Special maintenance and utilities.....	402,800	
21	Rent and building occupancy charges.....	8,890,600	
22	Worker's compensation	3,195,000	
23	Fleet leasing	19,671,600	
24	Management services	6,893,300	
25	Office of justice program grants.....	8,545,200	
26	State 9-1-1 administration	636,200	
27	Accounting service center	1,071,000	

House Bill No. 4328 (H-1) as amended April 23, 2013

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 \$469,913,900.00 and state
4 spending from state resources to be paid to local units of
5 government for fiscal year 2013-2014 is [\$15,537,600.00]. The
6 itemized statement below identifies appropriations from which
7 spending to local units of government will occur:

8 DEPARTMENT OF STATE POLICE

9 Science, technology, and training bureau..... \$ 3,930,700

10 Schedule of programs:

11 Standards and training/justice training
12 grants 3,747,600

13 Training only to local units 183,100

14 Specialized services..... \$ 653,300

15 Schedule of programs:

16 Operational support 653,300

17 Support services..... 10,953,600

18 Schedule of programs:

19 Operational support 10,953,600

20 [.....]

21 TOTAL..... [\$ 15,537,600]

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:

26 (a) "AFIS" means the automated fingerprint identification
27 system.

1 (b) "CJIC" means the criminal justice information center.

2 (c) "Department" means the department of state police.

3 (d) "DHS" means the United States department of homeland
4 security.

5 (e) "DNA" means deoxyribonucleic acid.

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

7 (g) "DOT" means the United States department of
8 transportation.

9 (h) "DTMB" means the department of technology, management, and
10 budget.

11 (i) "FEMA" means the federal emergency management agency.

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

13 (k) "IDG" means interdepartmental grant.

14 (l) "IDT" means intradepartmental transfer.

15 (m) "LEIN" means the law enforcement information network.

16 (n) "MCOLES" means Michigan commission on law enforcement
17 standards.

18 (o) "MDCH" means the Michigan department of community health.

19 (p) "MDOC" means the Michigan department of corrections.

20 (q) "MDOS" means the Michigan department of state.

21 (r) "MDOT" means the Michigan department of transportation.

22 (s) "MDTR" means the Michigan department of treasury.

23 (t) "MPSCS" means Michigan public safety communications
24 system.

25 (u) "Subcommittees" means all members of the subcommittees of
26 the senate and house standing committees on appropriations with
27 jurisdiction over the budget for the department.

1 (v) "Work project" means a group of activities featuring a
2 fixed duration, budget, and scope that is expected to cause a
3 measurable change in the delivery, efficiency, or effectiveness of
4 1 or more operations.

5 Sec. 205. (1) The following shall constitute the
6 appropriations from part 1 for interdepartmental grant funds made
7 from the department to other departments: \$1,484,800.00 to the
8 department of environmental quality; \$150,100.00 to the department
9 of attorney general - justice training competitive grant;
10 \$800,500.00 to the judiciary - justice training competitive grant;
11 \$352,700.00 to the department of attorney general - operations;
12 \$650,000.00 to the department of military and veterans affairs -
13 homeland security grant; \$23,028,800.00 to DTMB - information
14 technology services and projects; and \$14,637,700.00 to DTMB -
15 Michigan public safety communications systems.

16 (2) Based on the availability of federal funding and the
17 demonstrated need as indicated by applications submitted to the
18 state court administrative office, the department shall provide
19 \$1,500,000.00 in Byrne justice assistance grant program funding to
20 the judiciary by interdepartmental grant.

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 \$3,500,000.00 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 \$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 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 \$200,000.00 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 maintain a searchable website
19 accessible by the public at no cost that includes, but is not
20 limited to, all of the following:

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

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

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

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

1 (e) Job specifications and wage rates.

2 Sec. 208. Unless otherwise specified, the departments shall
3 use the Internet to fulfill the reporting requirements of this
4 part. This requirement may include transmission of reports via
5 electronic mail to the recipients identified for each reporting
6 requirement, or it may include placement of reports on an Internet
7 or Intranet site.

8 Sec. 209. Funds appropriated in part 1 shall not be used for
9 the purchase of foreign goods or services, or both, if
10 competitively priced and of comparable quality American goods or
11 services, or both, are available. Preference shall be given to
12 goods or services, or both, manufactured or provided by Michigan
13 businesses, if they are competitively priced and of comparable
14 quality. In addition, preference shall be given to goods or
15 services, or both, that are manufactured or provided by Michigan
16 businesses owned and operated by veterans, if they are
17 competitively priced and of comparable quality. In addition,
18 preference shall be given to goods or services, or both, that are
19 manufactured or provided by Michigan small businesses that have
20 veterans compose at least 35% of their total workforce. As used in
21 this section, "veteran" means that term as defined in section 261
22 of the management and budget act, 1984 PA 431, MCL 18.1261. As used
23 in this section, "small business" means that term as defined in
24 section 7a of the administrative procedures act of 1969, 1969 PA
25 306, MCL 24.207a.

26 Sec. 211. Amounts appropriated in part 1 for information
27 technology may be designated as work projects and carried forward

1 to support technology projects under the direction of the
2 department of technology, management, and budget. Funds designated
3 in this manner are not available for expenditure until approved as
4 work projects under section 451a of the management and budget act,
5 1984 PA 431, MCL 18.1451a.

6 Sec. 212. 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. 214. From the funds appropriated in part 1 for
13 information technology, departments and agencies shall pay user
14 fees to the department of technology, management, and budget for
15 technology-related services and projects. The user fees shall be
16 subject to provisions of an interagency agreement between the
17 department and agencies and the department of technology,
18 management, and budget.

19 Sec. 215. The department shall not take disciplinary action
20 against an employee for communicating with a member of the
21 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. 218. The department and agencies receiving appropriations
7 in part 1 shall prepare a report on out-of-state travel expenses
8 not later than January 1 of each year. The travel report shall be a
9 listing of all travel by classified and unclassified employees
10 outside this state in the immediately preceding fiscal year that
11 was funded in whole or in part with funds appropriated in the
12 department's budget. The report shall be submitted to the house and
13 senate standing committees on appropriations, the house and senate
14 fiscal agencies, and the state budget director. The report shall
15 include the following information:

16 (a) The dates of each travel occurrence.

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

22 Sec. 219. (1) The department shall provide quarterly reports,
23 beginning October 1, to the subcommittees and the senate and house
24 fiscal agencies, which provide the following data:

25 (a) A list of major work projects, including the status of
26 each project.

27 (b) The department's financial status, featuring a report of

1 budgeted versus actual expenditures by part 1 line item including a
2 year-end projection of budget requirements. If projected department
3 budget requirements exceed the allocated budget, the report shall
4 include a plan to reduce overall expenses while still satisfying
5 specified service level requirements.

6 (c) Forensic laboratory system staffing levels and vacancies
7 and backlogs in all disciplines.

8 (2) The department shall provide all information necessary to
9 validate that the requirements of this part have been achieved.

10 (3) The department shall provide a corrective action plan
11 within 30 days of a quarterly report under this section for any
12 requirements of this part that have not been achieved. The
13 department shall provide a monthly status of correction action
14 plans.

15 (4) The department shall provide a summary of fund shifts,
16 that have been approved by the state budget office, that have
17 occurred between items listed in the schedule of programs mentioned
18 in part 1 on a quarterly basis to the subcommittees and the senate
19 and house fiscal agencies.

20 Sec. 220. The department shall provide the following data to
21 the subcommittees and the senate and house fiscal agencies on an
22 annual basis:

23 (a) As it pertains to inspections conducted by the traffic
24 safety division, all of the following:

25 (i) The number of buses and vehicles inspected by the
26 department.

27 (ii) The number of buses and vehicles passing and failing

1 inspection.

2 (iii) The estimated number of buses and vehicles not inspected.

3 (b) A report on the status of assessments collected and
4 authorized under section 629e of the Michigan vehicle code, 1949 PA
5 300, MCL 257.629e, for the purpose of supporting the secondary road
6 patrol grant program. The report shall contain updated information
7 on collection levels, revised projected grant allotments to
8 counties for the year, a comparison of projected collections and
9 grant distribution levels with the funds appropriated in part 1 for
10 the secondary road patrol program, and the extent collection levels
11 have exceeded or failed to meet appropriated levels for the current
12 fiscal year or expenditure levels from the previous fiscal year.

13 (c) A report regarding the department's activities related to
14 casino gaming oversight. The report shall contain the following:

15 (i) The amount of money received and expended.

16 (ii) The nature and structure of the casino gaming oversight
17 unit.

18 (iii) The positions and classifications of employees assigned.

19 (iv) The number of full-time and part-time employees and the
20 aggregate number of FTEs.

21 (v) The duties and responsibilities of the assigned employees.

22 Sec. 221. The appropriations in part 1 are for the core
23 services, support services, and work projects of the department,
24 including, but not limited to, the following core services: traffic
25 safety and enforcement, complaint and criminal investigations, fire
26 investigation, sex offender registry and enforcement, specialty
27 teams, civil disorder response - mobilization, capitol security,

1 hazardous materials response training, intelligence gathering and
2 dissemination, state emergency operations center, criminal history
3 system, fingerprint and background checks, the law enforcement
4 information network, forensics, training and recruiting, public
5 awareness campaigns, and establishing and monitoring law
6 enforcement standards.

7 Sec. 222. The department shall notify the subcommittees, the
8 chairpersons of the senate and house standing committees on
9 appropriations, and the senate and house fiscal agencies not less
10 than 90 days before recommending to close or consolidate any state
11 police posts. The notification shall include a local and state
12 impact study of the proposed post closure or consolidation.

13 Sec. 224. Funds appropriated in part 1 shall not be used by
14 the department to hire a person to provide legal services that are
15 the responsibility of the attorney general. This prohibition does
16 not apply to legal services for bonding activities and for those
17 activities that the attorney general authorizes.

18 Sec. 226. (1) It is the intent of the legislature that the
19 department shall not provide any subsidy for contractual services
20 it provides.

21 (2) When the department provides contractual services to a
22 local unit of government, the department shall be reimbursed for
23 all costs incurred in providing the services, including, but not
24 limited to, retirement and overtime costs.

25 (3) The department shall define service cost models for those
26 services requiring reimbursement.

27 (4) Contractual services provided to an entity other than a

1 local unit of government may be provided by department personnel,
2 but only on an overtime basis outside the normal work schedule of
3 the personnel.

4 (5) This section does not apply to state agencies.

5 Sec. 227. The department shall define interoperability
6 standards to ensure effective communication between state, local,
7 regional, and federal agencies under public safety scenarios. The
8 department shall monitor compliance with these interoperability
9 standards by the agencies and notify the legislature and pertinent
10 agency management of noncompliance within 30 days of this
11 determination.

12 Sec. 228. Not later than November 15, the department shall
13 prepare and transmit a report that provides for estimates of the
14 total general fund/general purpose appropriation lapses at the
15 close of the fiscal year. This report shall summarize the projected
16 year-end general fund/general purpose appropriation lapses by major
17 departmental program or program areas. The report shall be
18 transmitted to the office of the state budget, the chairpersons of
19 the senate and house of representatives standing committees on
20 appropriations, and the senate and house fiscal agencies.

21 Sec. 229. Within 14 days after the release of the executive
22 budget recommendation, the department shall provide the state
23 budget director, the senate and house appropriations chairs, the
24 subcommittees, respectively, and the senate and house fiscal
25 agencies with an annual report on estimated state restricted fund
26 balances, state restricted fund projected revenues, and state
27 restricted fund expenditures for the fiscal year ending September

1 30, 2014.

2 Sec. 230. The department shall maintain, on a publicly
3 accessible website, a department scorecard that identifies, tracks,
4 and regularly updates key metrics that are used to monitor and
5 improve the department's performance.

6 Sec. 231. The department, in keeping with its role as the
7 general law enforcement agency of the state and as the law
8 enforcement agency of last resort for communities that are either
9 without local law enforcement resources or are seriously
10 underserved by local law enforcement resources, shall provide
11 general law enforcement assistance to those communities until
12 adequate law enforcement services can be provided to those
13 communities by other means.

14 Sec. 232. The department shall serve as an active liaison
15 between the department of technology, management, and budget and
16 local public safety agencies to facilitate the use of the MPSCS
17 towers by those local public safety agencies that have an interest
18 in using the towers as a part of their communication system.

19 **SCIENCE, TECHNOLOGY, AND TRAINING BUREAU**

20 Sec. 301. (1) The department shall develop and deliver
21 professional, innovative, and quality training that supports the
22 enforcement and public safety efforts of the criminal justice
23 community.

24 (2) The department shall maintain the staffing and resources
25 necessary to provide educational opportunities for personal and
26 professional growth to a minimum of 10,000 state and local law

1 enforcement employees and other public safety partners.

2 (3) The department shall maintain the staffing and resources
3 necessary to provide educational opportunities for personal and
4 professional growth to a minimum of 3,000 community members.

5 (4) The department shall define and implement methods with a
6 goal of reducing the cost of training services delivery by 20%.
7 These methods may include the pursuit of technology to reach
8 students throughout the state utilizing distance learning.

9 (5) The department shall place emphasis on recruiting MCOLES-
10 certified police officers for the trooper recruit school. Emphasis
11 shall be given in the hiring process to those officers who are on
12 layoff and possess valid MCOLES certification. Any emphasis given
13 in the recruiting and selection process shall be consistent with
14 the department's hiring standards and in accordance with civil
15 service rules.

16 (6) The department shall place emphasis on recruiting and
17 hiring veterans, particularly for any trooper recruit school
18 convened. Any emphasis given in the recruiting and selection
19 process shall be consistent with the department's hiring standards
20 and in accordance with civil service rules.

21 (7) Beginning October 1, the department shall submit a report
22 to the subcommittees within 60 days of the conclusion of any
23 trooper recruit school. The report shall include the following:

24 (a) The number of veterans and the number of MCOLES-certified
25 police officers who commenced that trooper recruit school.

26 (b) The number of veterans and the number of MCOLES-certified
27 police officers who concluded that trooper recruit school.

1 (c) The devices or campaigns that were used to specifically
2 recruit veterans and MCOLES-certified police officers for that
3 trooper recruit school.

4 Sec. 302. (1) MCOLES shall establish standards for the
5 selection, employment, training, education, licensing, and
6 revocation of all law enforcement officers.

7 (2) MCOLES shall maintain the staffing and resources necessary
8 to provide the basic law enforcement training curriculum for law
9 enforcement training programs statewide.

10 (3) MCOLES shall maintain a minimum 98% passing rate from the
11 MCOLES licensing exam without lowering academic standards to
12 achieve this rate.

13 Sec. 303. (1) The department shall maintain a criminal history
14 system and the state accident data collection system in the support
15 of public safety and law enforcement communities in this state.

16 (2) The department shall maintain the staffing and resources
17 necessary to adhere to 1925 PA 289, MCL 28.241 to 28.248.

18 (3) The department shall improve the accuracy, timeliness, and
19 completeness of criminal history information by conducting 30
20 outreach activities targeted to criminal justice agencies.

21 (4) The department shall maintain the state accident data
22 collection system and make this information available to the public
23 at a reasonable cost. For bulk access to the accident records in
24 which the vehicle identification number has been collected and
25 computerized, the department shall make those records available to
26 the public at cost, provided that the name and address have been
27 excluded.

1 Sec. 304. (1) The department shall provide fingerprint and
2 background check services in support of public safety and law
3 enforcement communities in this state.

4 (2) The department shall maintain the staffing and resources
5 necessary to process fingerprint and background check services
6 commensurate with fiscal year 2010-2011.

7 (3) The department shall maintain resources and educational
8 outreach for the electronic submission of fingerprint information
9 from local law enforcement agencies and maintain at least a 97%
10 submission rate.

11 (4) The department shall define and maintain a cost model
12 pertaining to providing fingerprint check services and provide for
13 the following:

14 (a) Fingerprint service fees shall be commensurate with the
15 actual costs of delivering this service.

16 (b) The department shall pursue means of reducing the expenses
17 associated with delivering this service.

18 Sec. 305. (1) The department shall maintain the law
19 enforcement information network in support of public safety and law
20 enforcement communities in this state.

21 (2) The department shall maintain the staffing and resources
22 necessary to adhere to the C.J.I.S. policy council act, 1974 PA
23 163, MCL 28.211 to 28.215.

24 (3) The department shall audit criminal justice agencies as
25 required by federal guidelines.

26 Sec. 306. (1) The department shall oversee the sex offender
27 registry and its enforcement in this state.

1 (2) The department shall maintain the staff and resources
2 necessary to enforce the provision of the sex offenders
3 registration act, 1994 PA 295, MCL 28.721 to 28.736.

4 (3) The department shall maintain the staffing and resources
5 necessary to perform activities to maintain a 93% compliance rate
6 for reporting by registered sex offenders.

7 **FORENSIC SCIENCES**

8 Sec. 401. (1) The department shall provide forensic testing
9 services to aid in criminal investigations.

10 (2) The department shall maintain the staffing and resources
11 necessary to provide forensic evidence with an average turnaround
12 time of 55 days assuming an annual caseload volume commensurate
13 with that received in fiscal year 2010-2011.

14 (3) The department shall implement improved methods with the
15 intent of reaching an average 30-day turnaround for forensic
16 evidence.

17 (4) If changes are made to the department's protocol for
18 retaining and purging DNA analysis samples and records, the
19 department shall post a copy of the protocol changes on the
20 department's website.

21 **UNIFORM SERVICES**

22 Sec. 501. (1) The department shall oversee traffic safety and
23 enforcement in this state.

24 (2) The department shall maintain the staffing and resources
25 necessary to make traffic contacts per patrol hours commensurate

1 with the service level and contact areas exhibited in fiscal year
2 2010-2011. There shall be no degradation of road patrol services to
3 any region of this state.

4 (3) The department shall maintain the staffing and resources
5 necessary to continually work to enhance traffic safety throughout
6 the state.

7 Sec. 502. Department enlisted personnel who are employed to
8 enforce traffic laws as provided in section 629e of the Michigan
9 vehicle code, 1949 PA 300, MCL 257.629e, shall not be prohibited
10 from responding to crimes in progress or other emergency situations
11 and are responsible for protecting every citizen of this state from
12 harm.

13 Sec. 503. The department shall dedicate a minimum of 24,000
14 patrol hours in distressed cities in this state.

15 Sec. 505. (1) The department shall provide security services
16 at the state capitol building.

17 (2) The department shall maintain the staff and resources
18 necessary to respond to emergencies at the house office building,
19 Farnum building, capitol parking lot, Townsend parking ramp, and
20 Roosevelt parking ramp.

21 (3) The department shall pursue federal grants to improve the
22 security at the capitol building.

23 (4) The department may develop a phased approach for improving
24 security at the capitol building.

25 Sec. 506. The department shall submit a report on or before
26 December 1 to the subcommittees and the senate and house fiscal
27 agencies regarding the cities in distress public safety initiative

1 and any measures relative to the law enforcement enhancement
2 scheduled program contained in part 1. The report shall include,
3 but is not limited to, the following information for the prior
4 fiscal year:

5 (a) Statistics regarding relevant trooper schools, including
6 the number of applications, the number of troopers graduated, and
7 the cities or posts in which each of these troopers is assigned or
8 stationed.

9 (b) Statistics regarding criminal activity, including the
10 number of arrests made by troopers assigned to the cities in
11 distress, the number of traffic stops made by troopers assigned to
12 cities in distress, the number of parole or probation violators
13 arrested by troopers assigned to cities in distress, the number of
14 violent and assaultive crimes committed in the cities in distress,
15 the number of illegal drug and narcotic crimes committed in the
16 cities in distress, and the number of property crimes committed in
17 the cities in distress.

18 (c) Where reasonably available, statistics regarding the
19 number of local law enforcement officers employed by the cities in
20 distress and the number of criminal prosecutions in the counties in
21 which the cities in distress are located.

22 SPECIALIZED SERVICES

23 Sec. 601. (1) The department shall provide specialty services
24 to citizens of this state in accordance with all applicable state
25 and federal laws and regulations.

26 (2) The department shall maintain the staffing and resources

1 necessary to provide training to maintain readiness to respond
2 appropriately to at least the number of requests for specialty
3 services which occurred in fiscal year 2010-2011.

4 (3) The canine unit shall be available for call out statewide
5 100% of the time.

6 (4) The bomb squad unit shall be available for call out
7 statewide 100% of the time.

8 (5) The emergency support teams shall be available for call
9 out statewide 100% of the time.

10 (6) The underwater recovery unit shall be available for call
11 out statewide 100% of the time.

12 (7) Aviation services shall be available for call out
13 statewide 100% of the time, unless prohibited by weather or
14 unexpected mechanical breakdowns.

15 (8) Money privately donated to the department is appropriated
16 under part 1 to be used for the purposes designated by the donor of
17 the money. Money privately donated to the department's canine unit
18 shall be used to purchase equipment and other items to enhance the
19 operation of the canine unit.

20 Sec. 602. (1) The department shall identify and apprehend
21 criminals through criminal investigations in this state.

22 (2) The department shall maintain the staffing and resources
23 necessary to devote a comparable number of hours investigating
24 crimes as those performed in fiscal year 2010-2011.

25 (3) The department shall maintain the staffing and resources
26 necessary to annually meet or exceed a case clearance rate of 56%.

27 (4) The department shall provide protection to this state, its

1 economy, welfare, and vital state-sponsored programs through the
2 prevention and suppression of organized smuggling of untaxed
3 tobacco products in the state, through enforcement of the tobacco
4 products tax act, 1993 PA 327, MCL 205.421 to 205.436, and other
5 laws pertaining to combating criminal activity in this state, by
6 maintaining a tobacco tax enforcement unit that will dedicate a
7 minimum of 8,320 hours to tobacco tax enforcement.

8 (5) The department shall submit an annual report on or by
9 October 15 to the subcommittees, the senate and house
10 appropriations subcommittees on general government, and the senate
11 and house fiscal agencies, which details expenditures related to
12 tax enforcement activities for the prior fiscal year.

13 Sec. 603. (1) The department shall provide fire investigation
14 services to citizens of this state through investigative assistance
15 to local law enforcement agencies.

16 (2) The department shall maintain the staffing and resources
17 necessary to maintain readiness to respond appropriately to at
18 least the number of requests for service which occurred in fiscal
19 year 2010-2011.

20 (3) The fire investigation unit shall be available for call
21 out statewide 100% of the time.

22 Sec. 604. The department shall inspect all black and yellow
23 school buses annually.

24 Sec. 605. The department shall maintain the staffing and
25 resources necessary to annually inspect at least 53,000 commercial
26 vehicles.

1 **SUPPORT SERVICES**

2 Sec. 701. (1) The department shall respond to civil disorders
3 and natural disasters.

4 (2) The department shall, at a minimum, maintain readiness
5 including training and equipment to respond to civil disorders and
6 natural disasters commensurate with the capabilities of fiscal year
7 2010-2011.

8 Sec. 702. (1) The department shall operate the Michigan
9 intelligence operation center as the state's federally recognized
10 fusion center.

11 (2) 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 (3) The department shall seek to increase the number of public
19 and private sector contacts which receive vital homeland security
20 information and intelligence in order to enhance the safety and
21 security for citizens of this state.

22 Sec. 703. (1) The department shall provide hazardous materials
23 response training.

24 (2) The department shall maintain the staffing and resources
25 necessary to serve approximately 110 local emergency management
26 preparedness programs and 88 local emergency planning committees in
27 this state.

1 (3) The department shall conduct a minimum of 3 training
2 sessions to enhance safe response in the event of natural or
3 manmade incidents, emergencies, or disasters.

4 (4) The department's emergency management division shall make
5 every effort to ensure both of the following:

6 (a) That homeland security grants offered by the federal
7 government and channeled through the department are allocated to
8 first responder entities in the highest percentage possible.

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

12 Sec. 704. (1) The department shall operate and maintain the
13 state's emergency operations center and provide command and control
14 in support of emergency response services.

15 (2) The department shall maintain readiness, including
16 training and equipment to respond to civil disorders and natural
17 disasters.

18 (3) The state director of emergency management may expend
19 money appropriated under this article to call upon any agency or
20 department of the state or any resource of the state to protect
21 life or property or to provide for the health or safety of the
22 population in any area of the state in which the governor proclaims
23 a state of emergency or state of disaster under 1945 PA 302, MCL
24 10.31 to 10.33, or under the emergency management act, 1976 PA 390,
25 MCL 30.401 to 30.421. The state director of emergency management
26 may expend the amounts the director considers necessary to
27 accomplish these purposes. The director shall submit to the state

1 budget director as soon as possible a complete report of all
2 actions taken under the authority of this section. The report shall
3 contain, as a separate item, a statement of all money expended that
4 is not reimbursable from federal money. The state budget director
5 shall review the expenditures and submit recommendations to the
6 legislature in regard to any possible need for a supplemental
7 appropriation.

8 (4) In addition to the money appropriated in this article, the
9 department may receive and expend money from local, private,
10 federal, or state sources for the purpose of providing emergency
11 management training to local or private interests and for the
12 purpose of supporting emergency preparedness, response, recovery,
13 and mitigation activity. If additional expenditure authorization in
14 the Michigan administrative information network is approved by the
15 state budget office under this section, the department and the
16 state budget office shall notify the subcommittees and the senate
17 and house fiscal agencies within 10 days after the approval. The
18 notification shall include the amount and source and the additional
19 authorization, the date of its approval, and the projected use of
20 funds to be expended under the authorization.

21 Sec. 705. (1) The department shall conduct public awareness
22 campaigns regarding various public safety issues.

23 (2) The department shall provide resources and technical
24 assistance to train child passenger safety technicians to promote
25 public education and awareness to parents.

26 Sec. 706. (1) In addition to the funds appropriated in part 1,
27 there is appropriated from the disaster and emergency contingency

House Bill No. 4328 (H-1) as amended April 23, 2013

1 fund up to [\$500,000.00] to cover costs related to any disaster as
2 defined in the emergency management act, 1976 PA 390, MCL 30.401 to
3 30.421.

4 (2) Funds shall not be expended unless the state budget
5 director recommends the expenditure and the department notifies the
6 house and senate standing committees on appropriations. No later
7 than December 1, the department shall provide an annual report to
8 the senate and house appropriations committees, the senate and
9 house fiscal agencies, and the state budget office on the use of
10 the disaster and emergency contingency fund during the prior fiscal
11 year.

12 (3) In the event that federal emergency management agency
13 (FEMA) reimbursement is approved for costs paid from the disaster
14 and emergency contingency fund, the federal revenue shall be
15 deposited into the disaster and emergency contingency fund.

16 (4) Unexpended and unencumbered funds remaining in the
17 disaster and emergency contingency fund at the close of the fiscal
18 year shall not lapse to the general fund and shall be carried
19 forward and be available for expenditure in subsequent fiscal
20 years.

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PART 2A
PROVISIONS CONCERNING ANTICIPATED APPROPRIATIONS
FOR FISCAL YEAR 2014-2015

GENERAL SECTIONS

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Sec. 1201. It is the intent of the legislature to provide appropriations for the fiscal year ending on September 30, 2015 for the line items listed in part 1. The fiscal year 2014-2015 appropriations are anticipated to be the same as those for fiscal year 2013-2014, excluding appropriations designated as 1-time appropriations and adjusting for changes in caseload and related costs, federal fund match rates, economic factors, and available revenue. These adjustments will be determined after the January 2014 consensus revenue estimating conference.

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ARTICLE XVII
STATE TRANSPORTATION DEPARTMENT
PART 1
LINE-ITEM APPROPRIATIONS

Sec. 101. Subject to the conditions set forth in part 2, the

1 amounts listed in this part are appropriated for the state
 2 transportation department and certain state purposes for the fiscal
 3 year ending September 30, 2014, from the funds indicated in this
 4 part. The following is a summary of the appropriations in this
 5 part:

6 **STATE TRANSPORTATION DEPARTMENT**

7 APPROPRIATION SUMMARY

8	Full-time equated unclassified positions.....	6.0	
9	Full-time equated classified positions.....	2,912.3	
10	GROSS APPROPRIATION.....		\$ 3,440,968,700
11	Total interdepartmental grants and intradepartmental		
12	transfers		3,625,100
13	ADJUSTED GROSS APPROPRIATION.....		\$ 3,437,343,600
14	Federal revenues:		
15	DOT, federal transit administration.....		44,710,000
16	DOT-FHWA, highway research, planning, and construction		1,072,497,500
17	DOT, federal railroad administration.....		3,100,000
18	DOT, federal aviation administration.....		78,578,000
19	Total federal revenues.....		1,198,885,500
20	Special revenue funds:		
21	Local revenues.....		50,177,100
22	Private revenues.....		100,000
23	Total local and private revenues.....		50,277,100
24	Blue Water Bridge fund.....		46,212,300
25	Comprehensive transportation fund.....		260,840,600
26	Economic development fund.....		42,477,500
27	IRS debt service rebate.....		7,523,400

1	Intercity bus equipment fund.....		140,000
2	Local bridge fund.....		23,787,900
3	Michigan transportation fund.....		989,711,600
4	Other state restricted revenues.....		200
5	Rail freight fund.....		2,000,000
6	State aeronautics fund.....		14,653,000
7	State trunkline fund.....		700,834,500
8	Total other state restricted revenues.....		2,088,181,000
9	State general fund/general purpose.....	\$	100,000,000
10	Sec. 102. DEBT SERVICE		
11	State trunkline.....	\$	199,738,200
12	Economic development.....		10,003,400
13	Local bridge fund.....		2,406,300
14	Blue Water Bridge fund.....		6,962,500
15	Airport safety and protection plan.....		3,892,200
16	Comprehensive transportation.....		<u>19,318,500</u>
17	GROSS APPROPRIATION.....	\$	242,321,100
18	Appropriated from:		
19	Federal revenues:		
20	DOT-FHWA, highway research, planning, and construction		45,912,200
21	Special revenue funds:		
22	Blue Water Bridge fund.....		6,962,500
23	Comprehensive transportation fund.....		19,318,500
24	Economic development fund.....		10,003,400
25	Local bridge fund.....		2,406,300
26	IRS debt service rebate.....		7,523,400
27	State aeronautics fund.....		3,892,200

1	State trunkline fund.....		146,302,600
2	State general fund/general purpose.....	\$	0
3	Sec. 103. COLLECTION, ENFORCEMENT, AND OTHER AGENCY		
4	SUPPORT SERVICES		
5	MTF grant to department of environmental quality.....	\$	1,285,700
6	MTF grant to department of state for collection of		
7	revenue and fees		20,000,000
8	MTF grant to department of treasury.....		2,500,000
9	MTF grant to legislative auditor general.....		296,000
10	STF grant to department of attorney general.....		2,387,000
11	STF grant to civil service commission.....		5,697,000
12	STF grant to department of technology, management, and		
13	budget		1,324,200
14	STF grant to department of state police.....		11,258,700
15	STF grant to department of treasury.....		129,700
16	STF grant to legislative auditor general.....		687,600
17	SAF grant to department of attorney general.....		174,400
18	SAF grant to civil service commission.....		150,000
19	SAF grant to department of technology, management, and		
20	budget		40,000
21	SAF grant to department of treasury.....		71,600
22	SAF grant to legislative auditor general.....		28,300
23	CTF grant to department of attorney general.....		200,900
24	CTF grant to civil service commission.....		200,000
25	CTF grant to department of technology, management, and		
26	budget		46,000
27	CTF grant to department of treasury.....		12,200

1	CTF grant to legislative auditor general		<u>36,400</u>
2	GROSS APPROPRIATION	\$	46,525,700
3	Appropriated from:		
4	Special revenue funds:		
5	Comprehensive transportation fund		495,500
6	Michigan transportation fund		24,081,700
7	State aeronautics fund		464,300
8	State trunkline fund		21,484,200
9	State general fund/general purpose	\$	0
10	Sec. 104. EXECUTIVE DIRECTION		
11	Full-time equated unclassified positions	6.0	
12	Full-time equated classified positions	29.3	
13	Unclassified salaries		\$ 707,000
14	Asset management council		1,626,400
15	Commission audit--29.3 FTE positions		<u>3,298,200</u>
16	GROSS APPROPRIATION	\$	5,631,600
17	Appropriated from:		
18	Special revenue funds:		
19	Michigan transportation fund		1,626,400
20	State trunkline fund		4,005,200
21	State general fund/general purpose	\$	0
22	Sec. 105. BUSINESS SUPPORT		
23	Full-time equated classified positions	76.5	
24	Business support services--67.5 FTE positions		\$ 9,427,700
25	Economic development and enhancement programs--9.0 FTE		
26	positions		1,426,200
27	Property management		8,068,700

1	Worker's compensation.....	<u>2,013,000</u>
2	GROSS APPROPRIATION.....	\$ 20,935,600
3	Appropriated from:	
4	Special revenue funds:	
5	Comprehensive transportation fund.....	1,369,700
6	Economic development fund.....	378,700
7	Michigan transportation fund.....	760,500
8	State aeronautics fund.....	625,400
9	State trunkline fund.....	17,801,300
10	State general fund/general purpose.....	\$ 0
11	Sec. 106. INFORMATION TECHNOLOGY	
12	Information technology services and projects.....	<u>\$ 30,905,000</u>
13	GROSS APPROPRIATION.....	\$ 30,905,000
14	Appropriated from:	
15	Federal revenues:	
16	DOT-FHWA, highway research, planning, and construction	520,500
17	Special revenue funds:	
18	Blue Water Bridge fund.....	52,700
19	Comprehensive transportation fund.....	214,100
20	Economic development fund.....	37,200
21	Michigan transportation fund.....	282,700
22	State aeronautics fund.....	167,100
23	State trunkline fund.....	29,630,700
24	State general fund/general purpose.....	\$ 0
25	Sec. 107. FINANCE, CONTRACTS, AND SUPPORT SERVICES	
26	Full-time equated classified positions.....	186.0
27	Finance, contracts, and support services--	186.0

1	FTE positions	\$	<u>20,896,100</u>
2	GROSS APPROPRIATION.....	\$	20,896,100
3	Appropriated from:		
4	Interdepartmental grant revenues:		
5	IDG for accounting service center user charges		3,625,100
6	Special revenue funds:		
7	Michigan transportation fund.....		1,677,000
8	State trunkline fund.....		15,594,000
9	State general fund/general purpose.....	\$	0
10	Sec. 108. TRANSPORTATION PLANNING		
11	Full-time equated classified positions.....		141.0
12	Transportation planning--141.0 FTE positions	\$	37,794,600
13	Grants to regional planning councils.....		<u>488,800</u>
14	GROSS APPROPRIATION.....	\$	38,283,400
15	Appropriated from:		
16	Federal revenues:		
17	DOT-FHWA, highway research, planning, and construction		20,000,000
18	Special revenue funds:		
19	Comprehensive transportation fund.....		610,500
20	Michigan transportation fund.....		6,941,300
21	State aeronautics fund.....		15,000
22	State trunkline fund.....		10,716,600
23	State general fund/general purpose.....	\$	0
24	Sec. 109. DESIGN AND ENGINEERING SERVICES		
25	Full-time equated classified positions.....		1,500.8
26	Engineering services--701.1 FTE positions	\$	69,781,400
27	Program services--737.7 FTE positions		59,563,000

1	Intelligent transportation systems operations--12.0	
2	FTE positions	10,712,900
3	Welcome center operations--50.0 FTE positions	<u>4,403,900</u>
4	GROSS APPROPRIATION.....	\$ 144,461,200
5	Appropriated from:	
6	Federal revenues:	
7	DOT-FHWA, highway research, planning, and construction	23,529,800
8	Special revenue funds:	
9	Michigan transportation fund.....	8,216,800
10	State trunkline fund.....	112,714,600
11	State general fund/general purpose.....	\$ 0
12	Sec. 110. HIGHWAY MAINTENANCE	
13	Full-time equated classified positions..... 808.7	
14	State trunkline operations--808.7 FTE positions	<u>\$ 275,689,500</u>
15	GROSS APPROPRIATION.....	\$ 275,689,500
16	Appropriated from:	
17	Special revenue funds:	
18	State trunkline fund.....	275,689,500
19	State general fund/general purpose.....	\$ 0
20	Sec. 111. ROAD AND BRIDGE PROGRAMS	
21	State trunkline federal aid and road and bridge	
22	construction	\$ 968,193,500
23	Local federal aid and road and bridge construction ...	240,443,000
24	Grants to local programs.....	33,000,000
25	Rail grade crossing.....	3,000,000
26	Local bridge program.....	21,381,600
27	County road commissions.....	583,032,000

1	Cities and villages.....	325,066,400
2	Commercial corridor fund.....	100
3	Basic industry logistics transportation program.....	<u>100</u>
4	GROSS APPROPRIATION.....	\$ 2,174,116,700
5	Appropriated from:	
6	Federal revenues:	
7	DOT-FHWA, highway research, planning, and construction	982,535,000
8	Special revenue funds:	
9	Local funds.....	30,000,000
10	Blue Water Bridge fund.....	32,907,300
11	Local bridge fund.....	21,381,600
12	Michigan transportation fund.....	944,098,400
13	State trunkline fund.....	63,194,200
14	Commercial corridor fund.....	100
15	Basic industry logistics transportation fund.....	100
16	State general fund/general purpose.....	100,000,000
17	Sec. 112. BLUE WATER BRIDGE	
18	Full-time equated classified positions..... 41.0	
19	Blue Water Bridge operations--41.0 FTE positions.....	\$ <u>6,289,800</u>
20	GROSS APPROPRIATION.....	\$ 6,289,800
21	Appropriated from:	
22	Special revenue funds:	
23	Blue Water Bridge fund.....	6,289,800
24	State general fund/general purpose.....	\$ 0
25	Sec. 113. TRANSPORTATION ECONOMIC DEVELOPMENT	
26	Forest roads.....	\$ 5,000,000
27	Rural county urban system.....	2,500,000

1	Target industries/economic redevelopment	8,029,000
2	Urban county congestion.....	8,264,600
3	Rural county primary.....	<u>8,264,600</u>
4	GROSS APPROPRIATION.....	\$ 32,058,200
5	Appropriated from:	
6	Special revenue funds:	
7	Economic development fund.....	32,058,200
8	State general fund/general purpose.....	\$ 0
9	Sec. 114. AERONAUTICS SERVICES	
10	Full-time equated classified positions.....	54.0
11	Aviation services--54.0 FTE positions.....	\$ 7,354,700
12	Air service program.....	<u>100</u>
13	GROSS APPROPRIATION.....	\$ 7,354,800
14	Appropriated from:	
15	Special revenue funds:	
16	State aeronautics fund.....	7,354,800
17	State general fund/general purpose.....	\$ 0
18	Sec. 115. PUBLIC TRANSPORTATION SERVICES	
19	Full-time equated classified positions.....	36.0
20	Passenger transportation services--36.0 FTE positions	\$ <u>5,662,800</u>
21	GROSS APPROPRIATION.....	\$ 5,662,800
22	Appropriated from:	
23	Federal revenues:	
24	DOT, federal transit administration.....	972,100
25	Special revenue funds:	
26	Comprehensive transportation fund.....	4,651,800
27	Michigan transportation fund.....	38,900

1	State general fund/general purpose	\$	0
2	Sec. 116. BUS TRANSIT DIVISION: STATUTORY OPERATING		
3	Local bus operating	\$	166,624,000
4	Discretionary state operating		5,400,000
5	Nonurban operating/capital		<u>25,187,900</u>
6	GROSS APPROPRIATION	\$	197,211,900
7	Appropriated from:		
8	Federal revenues:		
9	DOT, federal transit administration		23,187,900
10	Special revenue funds:		
11	Comprehensive transportation fund		172,024,000
12	Local funds		2,000,000
13	State general fund/general purpose	\$	0
14	Sec. 117. INTERCITY PASSENGER AND FREIGHT		
15	Full-time equated classified positions..... 39.0		
16	Office of rail--39.0 FTE positions	\$	6,293,700
17	Freight property management		1,000,000
18	Detroit/Wayne County port authority		468,200
19	Intercity services		5,940,000
20	Rural/urban intercity connector		100
21	Rail operations and infrastructure		24,592,000
22	Rail passenger service/Wolverine		100
23	Rail infrastructure assistance		100
24	Marine passenger service		400,000
25	Terminal development		<u>461,000</u>
26	GROSS APPROPRIATION	\$	39,155,200
27	Appropriated from:		

1	Federal revenues:		
2	DOT, federal transit administration.....		4,500,000
3	DOT, federal railroad administration.....		3,100,000
4	Special revenue funds:		
5	Local funds.....		150,000
6	Private funds.....		100,000
7	Comprehensive transportation fund.....		26,477,200
8	Intercity bus equipment fund.....		140,000
9	Rail freight fund.....		2,000,000
10	Michigan transportation fund.....		1,987,900
11	State trunkline fund.....		700,100
12	State general fund/general purpose.....	\$	0
13	Sec. 118. PUBLIC TRANSPORTATION DEVELOPMENT		
14	Specialized services.....	\$	18,028,800
15	Municipal credit program.....		100
16	Transit capital.....		32,145,300
17	Van pooling.....		807,000
18	Service initiatives.....		1,682,900
19	Transportation to work.....		4,700,000
20	Regionalization initiatives.....		100
21	Urban modernization.....		<u>100</u>
22	GROSS APPROPRIATION.....	\$	57,364,300
23	Appropriated from:		
24	Federal revenues:		
25	DOT, federal transit administration.....		16,050,000
26	Special revenue funds:		
27	Local funds.....		5,635,000

1	Comprehensive transportation fund.....		35,679,300
2	State general fund/general purpose.....	\$	0
3	Sec. 119. CAPITAL OUTLAY		
4	(1) BUILDINGS AND FACILITIES		
5	Special maintenance, remodeling, and additions.....	\$	<u>3,001,500</u>
6	GROSS APPROPRIATION.....	\$	3,001,500
7	Appropriated from:		
8	State trunkline fund.....		3,001,500
9	State general fund/general purpose.....		0
10	(2) AIRPORT IMPROVEMENT PROGRAMS		
11	Airport safety, protection and improvement program...	\$	<u>93,104,300</u>
12	GROSS APPROPRIATION.....	\$	93,104,300
13	Appropriated from:		
14	Federal revenues:		
15	DOT, federal aviation administration.....		78,578,000
16	Special revenue funds:		
17	Local funds.....		12,392,100
18	State aeronautics fund.....		2,134,200
19	State general fund/general purpose.....	\$	0

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

1 under part 1 for fiscal year 2013-2014 is \$2,188,181,000.00 and
 2 state spending from state resources to be paid to local units of
 3 government for fiscal year 2013-2014 is \$1,208,386,800.00. The
 4 itemized statement below identifies appropriations from which
 5 spending to local units of government will occur:

6 DEPARTMENT OF TRANSPORTATION

7	Grants to regional planning councils.....	\$	488,800
8	Grants to local programs.....		33,000,000
9	Rail grade crossing.....		3,000,000
10	Local bridge program.....		21,381,600
11	Grants to county road commissions.....		583,032,000
12	Grants to cities and villages.....		325,066,400
13	Economic development fund.....		32,058,200
14	Air service program.....		100
15	Local bus operating.....		166,624,000
16	Discretionary state operating.....		5,400,000
17	Detroit/Wayne County port authority.....		468,200
18	Marine passenger service.....		400,000
19	Terminal development.....		461,000
20	Specialized services.....		3,943,800
21	Municipal credit program.....		100
22	Transit capital.....		25,895,300
23	Service initiatives.....		332,900
24	Regionalization initiatives.....		100
25	Urban modernization.....		100
26	Transportation to work.....		4,700,000
27	Airport improvement program.....		<u>2,134,200</u>

1 Total payments to local units of government \$ 1,208,386,800

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

5 Sec. 203. As used in this article:

6 (a) "AMTRAK" means the national railroad passenger
7 corporation.

8 (b) "CTF" means comprehensive transportation fund.

9 (c) "Department" means the department of transportation.

10 (d) "DOT" means the United States department of
11 transportation.

12 (e) "DOT-FHWA" means DOT, federal highway administration.

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

14 (g) "IRS" means the internal revenue service.

15 (h) "MTF" means Michigan transportation fund.

16 (i) "SAF" means state aeronautics fund.

17 (j) "STF" means state trunkline fund.

18 Sec. 206. (1) In addition to the funds appropriated in part 1,
19 there is appropriated an amount not to exceed \$200,000,000.00 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 pursuant to section 393(2) of the management and budget
23 act, 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 \$40,000,000.00 for state
26 restricted contingency funds. These funds are not available for
27 expenditure until they have been transferred to another line item

1 in part 1 pursuant to section 393(2) of the management and budget
2 act, 1984 PA 431, MCL 18.1393.

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

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

15 Sec. 207. The department shall maintain a searchable website
16 accessible by the public at no cost that includes, but is not
17 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. 208. Unless otherwise specified, the department shall use
27 the Internet to fulfill the reporting requirements of part 1. This

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

4 Sec. 209. 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 of 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 shall be given to goods or
11 services, or both, that are manufactured or provided by Michigan
12 businesses owned and operated by veterans, if they are
13 competitively priced and of comparable quality.

14 Sec. 211. Amounts appropriated in part 1 for information
15 technology may be designated as work projects and carried forward
16 to support technology projects under the direction of the
17 department of technology, management, and budget. Funds designated
18 in this manner are not available for expenditure until approved as
19 work projects under section 451a of the management and budget act,
20 1984 PA 431, MCL 18.1451a.

21 Sec. 212. The department and agencies receiving appropriations
22 in part 1 shall receive and retain copies of all reports funded
23 from appropriations in part 1. Federal and state guidelines for
24 short-term and long-term retention of records shall be followed.
25 The department may electronically retain copies of reports unless
26 otherwise required by federal and state guidelines.

27 Sec. 214. From the funds appropriated in part 1 for

1 information technology, departments and agencies shall pay user
2 fees to the department of technology, management, and budget for
3 technology-related services and projects. The user fees shall be
4 subject to provisions of an interagency agreement between the
5 department and agencies and the department of technology,
6 management, and budget.

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

10 Sec. 228. Not later than November 15, the department shall
11 prepare and transmit a report that provides for estimates of the
12 total general fund/general purpose appropriation lapses at the
13 close of the fiscal year. This report shall summarize the projected
14 year-end general fund/general purpose appropriation lapses by major
15 departmental program or program areas. The report shall be
16 transmitted to the office of the state budget, the chairpersons of
17 the senate and house of representatives standing committees on
18 appropriations, and the senate and house fiscal agencies.

19 Sec. 229. Within 14 days after the release of the executive
20 budget recommendation, the department shall provide the state
21 budget director, the senate and house appropriations chairs, the
22 senate and house appropriations subcommittees on transportation,
23 respectively, 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. 230. By October 31, 2013, the department shall identify
2 10 principal measurable outcomes to be affected by expenditure of
3 the funds appropriated in part 1 and submit a report to the house
4 and senate appropriations committees, the house and senate fiscal
5 agencies, and the state budget director that ranks the outcomes by
6 level of importance and contains current data on those outcomes.
7 Beginning on April 1, 2014, the department shall provide biannual
8 updates to the house and senate appropriations committees on
9 changes in those measurable outcomes and departmental efforts to
10 improve the outcomes.

11 Sec. 260. (1) Due to the current budgetary problems in this
12 state, out-of-state travel shall be limited to situations in which
13 1 or more of the following conditions apply:

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

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

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

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

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

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

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

6 (3) Not later than January 1 of each year, each department
7 shall prepare a travel report listing all travel by classified and
8 unclassified employees outside this state in the immediately
9 preceding fiscal year that was funded in whole or in part with
10 funds appropriated in the department's budget. The report shall be
11 submitted to the chairs and members of the house and senate
12 appropriations committees, the fiscal agencies, and the state
13 budget director. The report shall include the following
14 information:

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

17 (b) The destination of each travel occurrence.

18 (c) The dates of each travel occurrence.

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

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

1 Sec. 262. Funds appropriated in part 1 shall not be used by a
2 principal executive department, state agency, or authority to hire
3 a person to provide legal services that are the responsibility of
4 the attorney general. This prohibition does not apply to legal
5 services for bonding activities and for those activities that the
6 attorney general authorizes.

7 Sec. 263. (1) The department shall report no later than April
8 1, 2014 on each specific policy change made to implement a public
9 act affecting the department that took effect during the prior
10 calendar year to the house and senate appropriations subcommittees
11 on the budget for the department, the joint committee on
12 administrative rules, and the senate and house fiscal agencies.

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

20 (3) As used in this section:

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

23 (b) "Small business" means that term as defined under section
24 7a of the administrative procedures act of 1969, 1969 PA 306, MCL
25 24.207a.

26 Sec. 270. In order to reduce costs and maintain quality, it is
27 the intent of the legislature that, excluding the fleet of motor

House Bill No. 4328 (H-1) as amended April 23, 2013

1 vehicles for the department of state police, the department will
2 prioritize the utilization of remanufactured parts as the primary
3 means of maintenance and repair for the state of Michigan's fleet
4 of motor vehicles.

[Sec. 275. The following amounts are appropriated to the Michigan transportation fund for the fiscal year ending September 30, 2014, to be distributed to the state trunkline fund, to county road commissions, and to cities and villages as provided in section 10(1)(j) of 1951 PA 51, MCL 247.660:

(a) \$50,000,000.00 from state general fund/general purpose revenue.

(b) An amount equal to total general fund/general purpose appropriation lapses in all state budget areas at the close of the state fiscal year ending September 30, 2013, but not to exceed \$150,000,000.00.]

5 DEPARTMENTAL SECTIONS

6 Sec. 301. (1) The department may establish a fee schedule and
7 collect fees sufficient to cover the costs to issue the permits
8 that the department is authorized by law to issue upon request,
9 unless otherwise stipulated by law. All permit fees are

10 nonrefundable application fees and shall be credited to the
11 appropriate fund to recover the direct and indirect costs of
12 receiving, reviewing, and processing the requests.

13 (2) A bridge authority shall hold 3 public hearings on an
14 increase in any toll charged by the authority at least 30 days
15 before the toll change will become effective. Two of the hearings
16 shall be held within 5 miles of the bridge over which the bridge
17 authority has jurisdiction. One hearing shall be held in Lansing.
18 Public hearings held under this section shall be conducted in
19 accordance with the open meetings act, 1976 PA 267, MCL 15.261 to
20 15.275, and shall be conducted so as to provide a reasonable
21 opportunity for public comment, including both spoken and written
22 comments.

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

1 legislator's legislative district.

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

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

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

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

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

27 (c) Detailed cost allocation methods appropriate to the type

1 of services being provided and the activities financed with
2 transportation funds.

3 (2) Not later than 2 months after publication of the state of
4 Michigan comprehensive annual financial report, each state
5 department receiving funding pursuant to an interdepartment
6 contract with the department shall submit a written report to the
7 department, the state budget director, and the house and senate
8 fiscal agencies stating by spending authorization account the
9 amount of estimated funds contracted with the department, the
10 amount of funds expended, the amount of funds returned to the
11 transportation funds, and any unreimbursed transportation-related
12 costs incurred but not billed to transportation funds. A copy of
13 the report shall be submitted to the auditor general, and the
14 report shall be subject to audit by the auditor general as provided
15 in subsection (3).

16 (3) Biennially, in each even-numbered fiscal year, the auditor
17 general shall conduct an audit of charges to transportation funds
18 by state departments for the 2 preceding fiscal years. The audit
19 shall include both charges governed by interdepartmental contracts
20 as well as miscellaneous charges from other state departments not
21 governed by contracts. The auditor general shall prepare a detailed
22 report, with recommendations and conclusions, including a summary
23 of charges and related services to transportation funds by
24 department, the appropriateness of those charges, the cost
25 allocation methodologies used in determining the level of funding,
26 and any unreimbursed transportation-related costs, if any. The
27 report shall be provided to the senate and house of representatives

1 committees on appropriations, the senate and house fiscal agencies,
2 and the state budget director 9 months after publication of the
3 state of Michigan comprehensive annual financial report.

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

10 Sec. 308. (1) As prescribed in subsection (2), the department
11 shall submit reports to the state budget director, the house and
12 senate appropriations subcommittees on transportation, and the
13 house and senate fiscal agencies on department activities related
14 to the prequalification of construction contractors under 1933 PA
15 170, MCL 123.501 to 123.508, and related administrative rules. The
16 report shall be submitted on or before December 1, 2013.

17 (2) The report submitted under subsection (1) shall include
18 all of the following:

19 (a) A description of the department's processes and procedures
20 for evaluating construction contractor performance on capital
21 construction projects administered by the department, including
22 state trunkline projects, rail infrastructure projects, local
23 agency federal-aid highway projects, and airport improvement
24 projects.

25 (b) Criteria that would cause the department to rate
26 contractor performance as unsatisfactory.

27 (c) The impact, if any, on a contractor's prequalification if

1 given an unsatisfactory performance rating by the department.

2 (d) A description of all department actions related to
3 unsatisfactory contractor performance ratings and restrictions on
4 contractor prequalification during the fiscal year ending September
5 30, 2013.

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

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

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

1 succeeding fiscal year.

2 (3) The department shall submit a report to the state budget
3 director, the house and senate appropriations subcommittees on
4 transportation, and the house and senate fiscal agencies on the
5 status of the state infrastructure bank. The department shall
6 submit the report on or before December 1, 2013. The report shall
7 include all of the following:

8 (a) The balance in the state infrastructure bank at September
9 30, 2013, including a breakdown of the balance by cash and cash
10 equivalents, outstanding loans, and balance available for loan to
11 local agencies.

12 (b) A breakdown of the state infrastructure loan balance by
13 amounts designated as originating from federal sources and the
14 amounts originating from nonfederal sources.

15 (c) A list of outstanding loans by agency, original loan
16 amount, project description, loan term, and amount outstanding.

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

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

27 Sec. 357. When presented with complete local federal aid

1 project submittals, the department shall complete all necessary
2 reviews and inspections required to let local federal aid projects
3 within 120 days of receipt. The department shall implement a system
4 for monitoring the local federal aid project review process.

5 Sec. 375. The department is prohibited from reimbursing
6 contractors or consultants for costs associated with groundbreaking
7 ceremonies, receptions, open houses, or press conferences related
8 to transportation projects funded, in whole or in part, by revenue
9 appropriated in part 1.

10 Sec. 381. The department shall require as a condition of each
11 contract or subcontract for construction, maintenance, or
12 engineering services that the prequalified contractor or
13 prequalified subcontractor agree to use the E-Verify system to
14 verify that all persons hired during the contract term by the
15 contractor or subcontractor are legally present and authorized to
16 work in the United States. The department may verify this
17 information directly or may require contractors and subcontractors
18 to verify the information and submit a certification to the
19 department. The department shall report to the house and senate
20 appropriations committees and the house and senate fiscal agencies
21 by March 1, 2014 describing the processes it has developed and
22 implemented under provisions of this section. As used in this
23 section, "E-Verify" means an Internet-based system operated by the
24 department of homeland security, U.S. citizenship and immigration
25 services in partnership with the social security administration.

26 Sec. 383. (1) The department shall prepare an annual report on
27 all travel by executive branch employees, and others including

1 local public officials, university employees, and other public
2 employees on department-owned aircraft. The report shall include,
3 by department, the name of the traveler, the travel origination
4 location, the travel destination location, type of aircraft, and
5 the total estimated costs associated with the air travel.

6 (2) The report shall be submitted to the senate and house
7 appropriations subcommittees on transportation and the house and
8 senate fiscal agencies no later than July 1.

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

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

18 Sec. 384. (1) As prescribed in subsections (2) and (3), the
19 department shall submit reports to the state budget director, the
20 house and senate appropriations subcommittees on transportation,
21 and the house and senate fiscal agencies on department activities
22 related to the NITC. The initial report shall be submitted on or
23 before December 1, 2013 and shall cover the fiscal year ending
24 September 30, 2013.

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

26 (a) Department costs related to NITC activities incurred in
27 the fiscal year ending September 30, 2013, including employee

1 salaries, wages, benefits, travel, and contractual services.

2 (b) Costs of other executive branch agencies related to NITC
3 activities incurred in the fiscal year ending September 30, 2013,
4 including employee salaries, wages, benefits, travel, and
5 contractual services.

6 (c) A breakdown of the source of funds used for the NITC
7 activities described in subdivisions (a) and (b).

8 (d) A narrative description of the status of the NITC project,
9 including efforts undertaken to implement provisions of the
10 crossing agreement executed June 15, 2012 by representatives of the
11 Canadian government and this state.

12 (3) After submission of the initial report, a subsequent
13 report shall be submitted on March 1, 2014, June 1, 2014, and
14 September 1, 2014 and shall include the same information described
15 in subsection (2) for the applicable previous fiscal quarter.

16 (4) As used in this section, "NITC" means the proposed
17 crossing of the Detroit river between Detroit and Windsor, Ontario,
18 and related highway connections, which is commonly identified as
19 the new international trade crossing.

20 Sec. 385. (1) The department shall use all available toll
21 credits, as provided by private toll facilities in this state and
22 certified by the federal highway administration, to match available
23 federal aid highway funds.

24 (2) The department shall not use toll credits generated by a
25 private tolled bridge crossing to finance, design, plan, construct,
26 operate, or maintain any international bridge crossing within 5
27 miles of that privately tolled bridge.

FEDERAL

1 Sec. 401. Within 30 days of receiving the applicable fiscal
2 year authorization from the federal government to commit
3 transportation funds, the department shall notify local agency
4 representatives, the senate and house of representatives
5 appropriations transportation subcommittees, the senate and house
6 fiscal agencies, and the state budget director regarding the amount
7 of federal aid for categorical allocations to state and local
8 agency programs not specifically allocated in either federal or
9 state law.
10

11 Sec. 402. A portion of the federal DOT-FHWA highway research,
12 planning, and construction funds made available to the state shall
13 be allocated to transportation programs administered by local
14 jurisdictions in accordance with section 10o of 1951 PA 51, MCL
15 247.660o. A local road agency, with respect to a project approved
16 for federal aid funding in a state transportation improvement
17 program, may enter into a voluntary buyout agreement with the
18 department or with another local road agency to exchange the
19 federal aid with state restricted transportation funds as agreed to
20 by the respective parties. The state restricted transportation
21 funds received in exchange for federal aid funds shall be used for
22 the same purpose as the federal aid funds were originally intended.

MICHIGAN TRANSPORTATION FUND

24 Sec. 501. The money received under the motor carrier act, 1933
25 PA 254, MCL 475.1 to 479.43, and not appropriated to the department

1 of licensing and regulatory affairs or the department of state
2 police is deposited in the Michigan transportation fund.

3 Sec. 503. (1) The funds appropriated in part 1 for the
4 economic development and local bridge programs shall not lapse at
5 the end of the fiscal year but shall carry forward each fiscal year
6 for the purposes for which appropriated in accordance with 1987 PA
7 231, MCL 247.901 to 247.913, and section 10(5) of 1951 PA 51, MCL
8 247.660.

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

13 (3) In addition to the funds appropriated in part 1, the
14 department of transportation economic development fund and local
15 bridge fund may receive federal, local, or private funds or
16 restricted source funds such as interest earnings. These funds are
17 appropriated for projects that are consistent with the purposes of
18 the respective funds.

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

22 Sec. 504. Funds from the Michigan transportation fund shall be
23 distributed to the comprehensive transportation fund, the economic
24 development fund, the recreation improvement fund, and the state
25 trunkline fund, in accordance with this article and part 711 of the
26 natural resources and environmental protection act, 1994 PA 451,
27 MCL 324.71101 to 324.71108, and may only be used as specified in

1 this article, 1951 PA 51, MCL 247.651 to 247.675, and part 711 of
2 the natural resources and environmental protection act, 1994 PA
3 451, MCL 324.71101 to 324.71108.

4 **STATE TRUNKLINE FUND**

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

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

24 Sec. 604. At the close of the fiscal year, any unencumbered
25 and unexpended balance in the state trunkline fund shall remain in
26 the state trunkline fund and shall carry forward and is

1 appropriated for federal aid road and bridge programs for projects
2 contained in the annual state transportation program.

3 Sec. 610. The department shall have as a priority the removal
4 of dead deer and other large animal remains from the traveled
5 portion and shoulder of state highways. The department, and
6 counties that perform state highway maintenance under contract,
7 shall remove animal remains, wherever practicable and when funds
8 are available, away from the traveled portion and shoulder of state
9 highways.

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

24 Sec. 660. (1) The legislature encourages the department to
25 examine the use of alternative road surface materials, including
26 recycled materials, and to develop criteria and specifications for
27 their use in both department-managed and contracted projects.

1 (2) The department shall evaluate the use of a bituminous mix
2 which incorporates crumb rubber from scrap tires.

3 Sec. 661. The appropriation in part 1 of \$100,000,000.00 from
4 the state general fund is appropriated to the state trunkline
5 federal aid and road and bridge construction program and is
6 intended to ensure that the state is able to match all available
7 federal-aid highway funds.

8 **PUBLIC TRANSPORTATION**

9 Sec. 701. The department shall establish an intercity bus
10 equipment and facility fund as a subsidiary fund within the
11 comprehensive transportation fund created under section 10b of 1951
12 PA 51, MCL 247.660b. Proceeds received by the state from the sale
13 of state-owned intercity bus equipment shall be credited to the
14 intercity bus equipment facility fund for the purchase and repair
15 of intercity bus equipment, as appropriated. Security deposits not
16 returned to a lessee of state-owned intercity bus equipment under
17 terms of the lease agreement shall be credited to the intercity bus
18 equipment fund for the repair of intercity bus equipment, as
19 appropriated. Money received by the department from lease payments
20 for state-owned intercity bus equipment, and facility maintenance
21 charges under terms of leases of state-owned intercity facilities,
22 shall be credited to the intercity bus equipment facility fund for
23 the purchase and repair of intercity bus equipment or for the
24 maintenance and rehabilitation of state-owned intercity facilities,
25 as appropriated. At the close of the fiscal year, any funds
26 remaining in the intercity bus equipment facility fund shall remain

1 in the fund and be carried forward into the succeeding fiscal year.

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

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

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

26 Sec. 711. (1) From the funds appropriated in part 1 from the
27 comprehensive transportation fund for rail passenger service, the

1 department shall negotiate with a rail carrier to provide rail
2 service between Grand Rapids and Chicago and between Port Huron and
3 Chicago, consistent with the other provisions of this section.

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

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

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

21 (5) For rail passenger service supported in any part through
22 capital or operating assistance from funds appropriated in part 1,
23 the department shall work with the rail carrier to identify ways in
24 which reasonable transport of bicycles by passengers can be
25 accommodated.

26 (6) The department shall report to the house and senate
27 appropriations subcommittees on transportation and the house and

1 senate fiscal agencies, not later than July 1, 2014, on the status
2 of capital grants related to rail passenger service in Michigan.
3 The report shall identify, and describe the status of, capital
4 improvement projects related to higher train speeds, reduced travel
5 time, station renovations, and other service improvements. The
6 report shall also identify actual or anticipated costs of these
7 projects, funding sources, and anticipated costs and funding
8 sources required to maintain the improvements.

9 Sec. 712. (1) Of the funds appropriated in part 1 for rail
10 operations and infrastructure, \$19,292,000.00 is appropriated from
11 the CTF. Expenditure of CTF revenue appropriated for rail
12 operations and infrastructure shall be subject to the following
13 limitations:

14 (a) An amount not to exceed \$8,667,000.00 to support rail
15 passenger service between Port Huron and Chicago (Blue Water) and
16 between Grand Rapids and Chicago (Pere Marquette).

17 (b) An amount not to exceed \$10,625,000.00 to support capital
18 improvements to state rail infrastructure, including capital
19 projects in support of rail freight and rail passenger service in
20 this state, and including matching funds for federal rail capital
21 grants.

22 (c) CTF revenue shall not be expended to support operating
23 costs related to AMTRAK service between Pontiac, Detroit, and
24 Chicago, including intermediate stations, commonly identified as
25 the Wolverine.

26 (2) State operating support for AMTRAK rail passenger service
27 between Pontiac, Detroit, and Chicago, including intermediate

1 stations, commonly identified as the Wolverine, shall only be
2 funded from the part 1 appropriation line item, rail passenger
3 service/Wolverine. As used in this subsection, state operating
4 support includes any state cost participation required by contract
5 between this state and AMTRAK associated with Wolverine service.

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

9 Sec. 735. For the fiscal year ending September 30, 2014, the
10 appropriation to a street railway pursuant to section 10e(22) of
11 1951 PA 51, MCL 247.660e, is \$0.

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

17 **STATE AERONAUTICS FUND**

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

25 **CAPITAL OUTLAY**

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

9 (2) Political entities and subdivisions shall provide not less
10 than 5% of the cost of any project under this section, unless a
11 total nonfederal share greater than 10% is otherwise specified in
12 federal law. State money shall not be allocated until local money
13 is allocated. State money for any 1 project shall not exceed 1/3 of
14 the total appropriation in part 1 from state funds for airport
15 improvement programs.

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

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

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

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

21 (2) The state budget director may authorize that funds
22 appropriated for lump-sum appropriations and designated as work
23 project appropriations shall be available for no more than 3 fiscal
24 years following the fiscal year in which the original appropriation
25 was made. Any remaining balance from allocations made in this
26 section shall lapse to the fund from which it was appropriated
27 pursuant to the lapsing of funds as provided in the management and

1 budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

2 PART 2A
3 PROVISIONS CONCERNING ANTICIPATED APPROPRIATIONS
4 FOR FISCAL YEAR 2014-2015

5 **GENERAL SECTIONS**

6 Sec. 1201. It is the intent of the legislature to provide
7 appropriations for the fiscal year ending on September 30, 2015 for
8 the line items listed in part 1. The fiscal year 2014-2015
9 appropriations are anticipated to be the same as those for fiscal
10 year 2013-2014, except that the line items will be adjusted for
11 changes in caseload and related costs, federal fund match rates,
12 economic factors, and available revenue. These adjustments will be
13 determined after the January 2014 consensus revenue estimating
14 conference.