

**No. 89**  
**STATE OF MICHIGAN**  
**Journal of the Senate**  
**100th Legislature**  
**REGULAR SESSION OF 2019**

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Senate Chamber, Lansing, Tuesday, September 24, 2019.

10:00 a.m.

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

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

Alexander—present  
Ananich—present  
Barrett—present  
Bayer—present  
Bizon—present  
Brinks—present  
Bullock—present  
Bumstead—present  
Chang—present  
Daley—present  
Geiss—present  
Hertel—present  
Hollier—present

Horn—present  
Irwin—present  
Johnson—present  
LaSata—present  
Lauwers—present  
Lucido—present  
MacDonald—present  
MacGregor—present  
McBroom—present  
McCann—present  
McMorrow—present  
Moss—present  
Nesbitt—present

Outman—present  
Polehanki—present  
Runestad—present  
Santana—present  
Schmidt—present  
Shirkey—present  
Stamas—present  
Theis—present  
VanderWall—present  
Victory—present  
Wojno—present  
Zorn—present

Reverend Dr. Andrew Pomerville of Alma College of Alma offered the following invocation:

Gracious, loving, and giving God, we are so thankful to live, work, and serve in a state that includes people from diverse backgrounds, abilities, inclinations, and faith traditions. With this sense of unity in our plurality, we ask You, Lord, to bind us together across all the divides that we create to separate ourselves from our sisters and brothers. Provide us with clear paths for cooperation, mutual respect, and shared enthusiasm for the well-being of our remarkable state. Let us live and lead in such a way that we are an inspiration to our 49 partner states around this great country. Embolden our Senators to serve with integrity, compassion, and conviction. We thank You for their willingness to be the voice of all people in Michigan, as they seek to do the best for our community. In this moment, we are thankful for the freedom to choose how we will lead and how we will be led.

God who provides faith, hope, and love for all people, we offer our gratitude to You for the wealth of resources we enjoy in Michigan, but especially that great resource of our people. May all Michiganders enthusiastically look forward to a bright future filled with peace and grace for all. May the Michigan Senate be a place of hope for all. With peace and with love we pray now and always. Amen.

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

### Motions and Communications

Senators Ananich, Bullock and Hertel entered the Senate Chamber.

Senator MacGregor moved that the Committee on Natural Resources be discharged from further consideration of the following bill:

**Senate Bill No. 431, entitled**

A bill to amend 2006 PA 110, entitled “Michigan zoning enabling act,” by amending section 205 (MCL 125.3205), as amended by 2018 PA 366.

The motion prevailed, a majority of the members serving voting therefor, and the bill was placed on the order of General Orders.

Senator MacGregor moved that the bill be referred to the Committee on Transportation and Infrastructure. The motion prevailed.

The following communication was received and read:

Office of the Auditor General

September 13, 2019

Enclosed is a copy of the following report:

- Performance audit report on the Michigan Cyber Civilian Corps, Department of Technology, Management, and Budget (071-0519-19)

Sincerely,  
Doug Ringler  
Auditor General

The audit report was referred to the Committee on Oversight.

The following communications were received:

Department of State

Administrative Rules  
Notices of Filing

June 4, 2019

In accordance with the requirements of Section 46 of Act No. 306 of the Public Acts of 1969, being MCL 24.246, and paragraph 16 of Executive Order 1995-6, this is to advise you that the Michigan Office of Administrative Hearings and Rules filed Administrative Rule #2019-005-LR (Secretary of State Filing #19-06-01) on this date at 3:00 p.m. for the Department of Licensing and Regulatory Affairs entitled, “General Industry Safety and Health Standard, Part 6. Fire Exits.”

These rules take effect immediately upon filing with the Secretary of State unless adopted under sections 33, 44, or 45a(6) of the administrative procedures act of 1969, 1969 PA 306, MCL 24.233, 24.244, or 24.245a. Rules adopted under these sections become effective 7 days after filing with the Secretary of State.

June 4, 2019

In accordance with the requirements of Section 46 of Act No. 306 of the Public Acts of 1969, being MCL 24.246, and paragraph 16 of Executive Order 1995-6, this is to advise you that the Michigan Office of Administrative Hearings and Rules filed Administrative Rule #2019-006-LR (Secretary of State Filing #19-06-02) on this date at 3:00 p.m. for the Department of Licensing and Regulatory Affairs entitled, "General Industry Safety and Health Standard, Part 7. Guards for Power Transmission."

These rules take effect immediately upon filing with the Secretary of State unless adopted under sections 33, 44, or 45a(6) of the administrative procedures act of 1969, 1969 PA 306, MCL 24.233, 24.244, or 24.245a. Rules adopted under these sections become effective 7 days after filing with the Secretary of State.

June 4, 2019

In accordance with the requirements of Section 46 of Act No. 306 of the Public Acts of 1969, being MCL 24.246, and paragraph 16 of Executive Order 1995-6, this is to advise you that the Michigan Office of Administrative Hearings and Rules filed Administrative Rule #2019-007-LR (Secretary of State Filing #19-06-03) on this date at 3:00 p.m. for the Department of Licensing and Regulatory Affairs entitled, "General Industry Safety and Health Standard, Part 14, Conveyors."

These rules take effect immediately upon filing with the Secretary of State unless adopted under sections 33, 44, or 45a(6) of the administrative procedures act of 1969, 1969 PA 306, MCL 24.233, 24.244, or 24.245a. Rules adopted under these sections become effective 7 days after filing with the Secretary of State.

June 4, 2019

In accordance with the requirements of Section 46 of Act No. 306 of the Public Acts of 1969, being MCL 24.246, and paragraph 16 of Executive Order 1995-6, this is to advise you that the Michigan Office of Administrative Hearings and Rules filed Administrative Rule #2019-008-LR (Secretary of State Filing #19-06-04) on this date at 2:59 p.m. for the Department of Licensing and Regulatory Affairs entitled, "General Industry Safety and Health Standard, Part 17, Refuse Packer Units."

These rules take effect immediately upon filing with the Secretary of State unless adopted under sections 33, 44, or 45a(6) of the administrative procedures act of 1969, 1969 PA 306, MCL 24.233, 24.244, or 24.245a. Rules adopted under these sections become effective 7 days after filing with the Secretary of State.

Sincerely,  
 Jocelyn Benson  
 Secretary of State  
 Evelyn Quiroga, Departmental Supervisor  
 Office of the Great Seal

The communications were referred to the Secretary for record.

### Messages from the Governor

The following message from the Governor was received:

Date: September 23, 2019

Time: 8:28 a.m.

To the President of the Senate:

Sir—I have this day approved and signed

**Enrolled Senate Bill No. 362 (Public Act No. 50), being**

An act to amend 1939 PA 280, entitled "An act to protect the welfare of the people of this state; to provide general assistance, hospitalization, infirmary and medical care to poor or unfortunate persons; to provide for compliance by this state with the social security act; to provide protection, welfare and services to aged persons, dependent children, the blind, and the permanently and totally disabled; to administer programs and services for the prevention and treatment of delinquency, dependency and neglect of children; to create a state department of social services; to prescribe the powers and duties of the department; to provide for the interstate and intercounty transfer of dependents; to create county and district departments of social services; to create within certain county departments, bureaus of social aid and certain divisions and offices thereunder; to prescribe the powers and duties of the departments, bureaus and officers; to provide for appeals

in certain cases; to prescribe the powers and duties of the state department with respect to county and district departments; to prescribe certain duties of certain other state departments, officers, and agencies; to make an appropriation; to prescribe penalties for the violation of the provisions of this act; and to repeal certain parts of this act on specific dates,” by amending section 107b (MCL 400.107b), as added by 2018 PA 208.

(Filed with the Secretary of State on September 23, 2019 at 10:40 a.m.)

Respectfully,  
Gretchen Whitmer  
Governor

The following message from the Governor was received:

September 23, 2019

Today I sign Enrolled Senate Bill 362.

The Healthy Michigan Plan was a landmark bipartisan accomplishment, extending coverage to more than 680,000 people, increasing primary care usage, reducing emergency room reliance, and bolstering our economy.

The “work requirements” added to the Healthy Michigan Plan in 2018, before I became governor, undermine this progress. We know from other states that many people lose health care simply because they struggle to navigate complex and unduly burdensome requirements. Moreover, while the supposed rationale is to promote employment, the result is a loss of health care coverage, and that itself is an obstacle to employment.

The legislation I sign today is an important step in addressing work requirements’ shortcomings. This bill gives the beneficiary time to verify compliance with the law and exempts the beneficiary from reporting workforce engagement if the state can verify compliance through other available data. These changes will reduce the number of people who must jump hurdles to provide proof of what they are already doing. Many thanks to the bipartisan cosponsors of this legislation, Senate Majority Leader Mike Shirkey and Senator Curtis Hertel, Jr.

My administration is doing everything in its power to facilitate compliance with the work requirements. The Michigan Department of Health and Human Services is partnering closely with health plans, providers, and community organizations to communicate with program participants wherever they are. The Department has also revamped its approach to written correspondence to speak as plainly and clearly as possible. With the encouragement of numerous stakeholders, the Department will defer implementation of new healthy behavior and premium requirements until October 1, 2020, in order to focus on successful implementation of the work requirements.

At the same time, we must recognize realities. The loss of health benefits caused by work requirements creates another employment barrier for many people who are trying to work, but find it difficult to do so because of a lack of support and opportunity. It’s not difficult to see why. Sickness is a barrier to finding and retaining work: you need health care to find a job and to keep one. Adding complicated reporting and compliance requirements to maintain a vital component of employability—access to health care—will not promote employment. As the first major study to examine Medicaid work requirements recently concluded, these requirements are associated with a loss of coverage and no significant change in employment. (N. Eng. J. of Med., 9/12/19).

We also must pay attention to the troubling experience with work requirements from around the country. Arkansas saw 18,000 people lose health insurance in 3 months due to work requirements. In New Hampshire, the number of people on track to lose coverage was so large that a governor who had previously supported work requirements—Gov. Chris Sununu (R)—agreed to suspend implementation. Seeing results elsewhere, Indiana Gov. Eric Holcomb (R) is now implementing work requirements with significantly less severe reporting and more exemptions than in Michigan.

Even with the improvement in the bill I sign today, Michigan has the most onerous work requirements in the nation. Earlier this year, independent analysis based on Arkansas’ experience suggested that as many as 183,000 people would lose coverage from Michigan’s requirements. While SB 362 meaningfully reduces the potential impact, the likely coverage loss under this legislation remains enormous.

Additionally, the legislature’s planned budget makes a bad situation worse. I requested \$10 million this year for the Michigan Department of Health and Human Services to implement work requirements. One key use of these funds, among others, was to be a public information campaign about these requirements. As noted above, experience in Arkansas and New Hampshire shows that individuals often fail to comply with work requirements because they do not know about them or do not know how to comply with them. My budget would also have funded training and referral services to help individuals who need jobs get them. Yet the pending budget bill provides none of the new resources I requested, and in fact does not even adequately fund the basic administration costs for the Healthy Michigan Plan. At the same time, the bill funds dozens of legislators’ earmarks totaling tens of millions of dollars.

Accordingly, it now appears that Republican legislative leaders are less interested in giving Michiganders the facts and tools to comply with work requirements than in taking away Michiganders' health insurance. As a result, tens of thousands of Michiganders stand to lose needed health care and suffer medical and economic harms that responsible leaders could easily have avoided.

It is not too late to change course. I urge the legislature to put health care for hard-working Michiganders ahead of rigid ideology. The legislature should appropriate the funding I requested. And it should enact a provision that automatically suspends work requirements if data early in 2020 show that significant numbers of Michiganders are on track to lose their health care due to the new compliance requirements.

I believe in the values of hard work and responsibility. But imposing complex, inadequately funded, bureaucratic rules that cause thousands of Michiganders to lose health insurance and face new obstacles to work runs headlong against these values and undermines the very goal these rules aim to achieve. I ask the legislature to work with me to prevent this outcome.

Sincerely,  
Gretchen Whitmer  
Governor

The following messages from the Governor were received and read:

September 20, 2019

I respectfully submit to the Senate the following appointments to office pursuant to Public Act 207 of 1941, MCL 29.3b:

**State Fire Safety Board**

Mr. Patrick R. Phelan of 418 S. Belle River Avenue, Marine City, Michigan 48039, county of Saint Clair, succeeding Lynn Artman whose term has expired, appointed to represent registered professional engineers, for a term commencing September 20, 2019 and expiring July 15, 2023.

Mr. Dylan Rogers of 1105 ½ S. Washington Avenue, Lansing, Michigan 48910, county of Ingham, succeeding Cassandra Renneberg whose term has expired, appointed to represent people who own a place of public assemblage, for a term commencing September 20, 2019 and expiring July 15, 2023.

September 20, 2019

I respectfully submit to the Senate the following appointments to office pursuant to Public Act 96 of 1987, MCL 125.2303 and Executive Reorganization Order No. 2010-5, MCL 125.2291:

**Manufactured Housing Commission**

Honorable Andy Schor of 2210 Moores River Drive, Lansing, Michigan 48911, county of Ingham, succeeding Patti Jo Schafer whose term has expired, appointed to represent elected officials of local government, for a term commencing September 20, 2019 and expiring May 9, 2022.

Mrs. Margaret K. Burns of 2535 Iroquois Street, Detroit, Michigan 48214, county of Wayne, reappointed to represent operators of licensed manufactured housing parks, for a term commencing September 20, 2019 and expiring May 9, 2022.

Mrs. Alicia A. Dashevskiy of 16430 Park Lake Road, Lot 76, East Lansing, Michigan 48823, county of Clinton, reappointed to represent residents of a licensed manufactured housing park, for a term commencing September 20, 2019 and expiring May 9, 2022.

September 20, 2019

I respectfully submit to the Senate the following appointments to office pursuant to Executive Order No. 2019-13, MCL 125.1998:

**Unemployment Insurance Appeals Commission**

Ms. Alejandra Del Pino of 2559 Martina Drive, #4, Holt, Michigan 48842, county of Ingham, appointed to represent an attorney licensed to practice in Michigan courts for five years or more, for a term commencing September 20, 2019 and expiring July 31, 2023.

Ms. Debra Lynn Morison of 26165 Cathedral, Redford, Michigan 48239, county of Wayne, appointed to represent an attorney licensed to practice in Michigan courts for five years or more, for a term commencing September 20, 2019 and expiring July 31, 2022.

Mr. Lester A. Owczarski of 5817 Glen Eagles Drive, West Bloomfield, Michigan 48323, county of Oakland, appointed to represent an attorney licensed to practice in Michigan courts for five years or more, for a term commencing September 20, 2019 and expiring July 31, 2021.

Ms. Julie A. Petrik of 13156 Winchester Avenue, Huntington Woods, Michigan 48070, county of Oakland, appointed to represent an attorney licensed to practice in Michigan courts for five years or more, for a term commencing September 20, 2019 and expiring July 31, 2021.

Ms. Andrea C. Rossi of 915 Main Street, Fenton, Michigan 48430, county of Genesee, appointed to represent an attorney licensed to practice in Michigan courts for five years or more, for a term commencing September 20, 2019 and expiring July 31, 2023.

Mr. William J. Runco of 100 N. Brady Road, Dearborn, Michigan 48124, county of Wayne, appointed to represent an attorney licensed to practice in Michigan courts for five years or more, for a term commencing September 20, 2019 and expiring July 31, 2020.

Mr. Neal A. Young of 1136 Cadillac Drive, S.E., Grand Rapids, Michigan 49506, county of Kent, appointed to represent an attorney licensed to practice in Michigan courts for five years or more, for a term commencing September 20, 2019 and expiring July 31, 2022.

September 20, 2019

I respectfully submit to the Senate the following appointments to office pursuant to Executive Order No. 2019-13, MCL 125.1998:

**Workers' Disability Compensation Appeals Commission**

Mr. Daryl Royal of 35443 Glenwood Road, Wayne, Michigan 48184, county of Wayne, appointed to represent an attorney with five or more years of experience in workers' compensation law, for a term commencing September 20, 2019 and expiring July 31, 2023.

Mr. Granner Ries of 41454 Lore Drive, Clinton Township, Michigan 48038, county of Macomb, appointed to represent an attorney with five or more years of experience in workers' compensation law, for a term commencing September 20, 2019 and expiring July 31, 2022.

Mr. Duncan A. McMillan of 1901 San Lu Rae, East Grand Rapids, Michigan 49506, county of Kent, appointed to represent an attorney with five or more years of experience in workers' compensation law, for a term commencing September 20, 2019 and expiring July 31, 2021.

Respectfully,  
Gretchen Whitmer  
Governor

The appointments were referred to the Committee on Advice and Consent.

**Messages from the House**

**Senate Bill No. 447, entitled**

A bill to amend 1994 PA 451, entitled "Natural resources and environmental protection act," by amending sections 3118, 3120, 30104, 30109, 32312, and 32513 (MCL 324.3118, 324.3120, 324.30104, 324.30109, 324.32312, and 324.32513), section 3118 as amended by 2017 PA 40, section 3120 as amended by 2015 PA 82, and sections 30104, 30109, 32312, and 32513 as amended by 2015 PA 76.

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

The Senate agreed to the full title.

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

**Senate Bill No. 448, entitled**

A bill to amend 1994 PA 451, entitled "Natural resources and environmental protection act," by amending sections 17303 and 17317 (MCL 324.17303 and 324.17317), as amended by 2015 PA 82.

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

The Senate agreed to the full title.

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

**Senate Bill No. 450, entitled**

A bill to amend 1937 PA 284, entitled "An act to prevent the spread of infectious and contagious diseases of livestock; to require persons, associations, partnerships and corporations engaged in the buying, receiving, selling, transporting, exchanging, negotiating, or soliciting sale, resale, exchange or transportation of livestock to be licensed and bonded by the department of agriculture; to keep a producers' proceeds account; to provide for the refusal, suspension or revocation of such licenses; to provide for weighmasters; to provide

for the inspection and disinfection of yards, premises and vehicles; and to provide penalties for the violation of this act,” by amending section 3 (MCL 287.123), as amended by 2015 PA 69.

The House of Representatives has passed the bill and ordered that it be given immediate effect. The bill was referred to the Secretary for enrollment printing and presentation to the Governor.

**Senate Bill No. 451, entitled**

A bill to amend 2012 PA 615, entitled “Michigan energy assistance act,” by amending section 6 (MCL 400.1236), as amended by 2016 PA 147.

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

The Senate agreed to the full title.

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

Senator MacGregor moved that rule 3.902 be suspended to allow the guest of Senator Hertel admittance to the Senate floor, including the center aisle.

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

Senator MacGregor moved that rule 3.901 be suspended to allow filming and photographs to be taken from the Senate Gallery.

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

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

The motion prevailed.

Senator Hertel’s statement is as follows:

It is with great honor that we salute a dedicated state employee who is retiring after 30 years of service, safeguarding all those who work, assemble at, and visit the Michigan State Capitol. Sergeant Jeff Held has served with the Michigan State Police State Security Operations since 1989. At the time he started, policing looked very different than it does today. DNA testing, cell phones, internet, tasers, and many other modern-day conveniences were not invented yet. In fact, we were just talking, and he remembers myself as a small child playing hide-and-go-seek in the Capitol. He may have admonished me a few times.

Back then carbon copies were still used to create and complete police forms. Early in Sergeant Held’s career, he made his first arrest at the civic center, which is now the location of Constitution Hall, during a Journey concert. Sergeant Held never stopped believing in public service. He also provided security surveillance during George H.W. Bush’s presidential campaign. This was the start of his exciting career serving and protecting the citizens and history of Michigan.

During his career, Sergeant Held has taken part in planning and protecting hundreds of events and demonstrations at the Capitol, including eight gubernatorial inaugurations, dozens of State of the State Addresses, and numerous Silver Bells. Due to the devotion and commitment of Sergeant Held, the well-being of hundreds of thousands of visitors and employees have been safeguarded over the past three decades. Today we commend Sergeant Held on his exemplary career and we present to him this special tribute in recognition and appreciation of his service to the people of the state of Michigan. Please join us in congratulating Sergeant Held upon his retirement and for his 30 years of dedicated service to the people of Michigan.

Senator Bullock’s statement is as follows:

Behold how good and how pleasant it is for brothers to dwell together in unity. If you’ve noticed my weekly purple attire—purple and gold attire—it is out of the love for my brotherhood, my fraternity, the greatest fraternity in the world. The Omega Psi Phi Fraternity, Inc. was the first international fraternal organization founded on the campus of a historically black college—Howard University—located in Washington, D.C.

We the members are linked by our motto, “Friendship is essential to the soul.” Manhood, scholarship, perseverance, and uplift were adopted as our cardinal principles, which guide us. We are a national, nonprofit, and nonpartisan brotherhood and public service organization that has stood the test of time, celebrating our 108th anniversary this year, and is represented by over 800 chapters throughout the United States, England, China, Germany, the Bahamas, and the Republic of Korea, including numerous chapters within the state of Michigan, which has thousands of members.

Today I am hosting Ques at the Capitol to educate and stimulate our members regarding public policy and advocacy, so that the fraternity may remain politically engaged and advocate in policy implementation here in the state of Michigan as well as nationally. We are promoting awareness for important legislative issues impacting our communities and working towards broadening education, behavioral health, civil rights, and other issues that create a more informed and engaged electorate.

So I bring greetings on behalf of our international president, Grand Basileus Dr. David Marion, and in the Gallery, many members from chapters here in Michigan. Michigan is part of the talented 10th District, which is led by our District Representative, Brother Derrick Ivory, who presides over the 10th District, which includes Michigan, Minnesota, Wisconsin, Indiana, and Illinois. So with that I say “All of my love, my love, my love, my peace and happiness. We’re gonna to give it to Omega.”

### **Recess**

Senator MacGregor moved that the Senate recess subject to the call of the Chair.  
The motion prevailed, the time being 10:19 a.m.

11:34 a.m.

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

### **Recess**

Senator Lauwers moved that the Senate recess until 12:00 noon.  
The motion prevailed, the time being 11:35 a.m.

The Senate reconvened at the expiration of the recess and was called to order by the President, Lieutenant Governor Gilchrist.

By unanimous consent the Senate proceeded to the order of  
**General Orders**

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

The motion prevailed, and the President, Lieutenant Governor Gilchrist, designated Senator VanderWall as Chairperson.

After some time spent therein, the Committee arose; and the President, Lieutenant Governor Gilchrist, having resumed the Chair, the Committee reported back to the Senate, favorably and without amendment, the following bills:

#### **Senate Bill No. 530, entitled**

A bill to amend 1994 PA 451, entitled “Natural resources and environmental protection act,” by amending sections 5501 and 5522 (MCL 324.5501 and 324.5522), section 5501 as amended by 1998 PA 245 and section 5522 as amended by 2015 PA 60.

#### **Senate Bill No. 473, entitled**

A bill to amend 1976 PA 451, entitled “The revised school code,” by amending section 1211 (MCL 380.1211), as amended by 2012 PA 285.

#### **Senate Bill No. 474, entitled**

A bill to amend 1996 PA 160, entitled “Postsecondary enrollment options act,” by amending section 4 (MCL 388.514), as amended by 2012 PA 134.



**Senate Bill No. 475, entitled**

A bill to amend 1984 PA 431, entitled “The management and budget act,” by amending section 367b (MCL 18.1367b), as amended by 2018 PA 613.

**Senate Bill No. 476, entitled**

A bill to amend 2000 PA 258, entitled “Career and technical preparation act,” by amending section 4 (MCL 388.1904), as amended by 2012 PA 133.

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

Senator MacGregor moved that the rules be suspended and that the following bills, now on Third Reading of Bills, be placed on their immediate passage:

**Senate Bill No. 530**

**Senate Bill No. 473**

**Senate Bill No. 474**

**Senate Bill No. 475**

**Senate Bill No. 476**

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

By unanimous consent the Senate returned to the order of

**Conference Reports**

Senator MacGregor moved that the Senate proceed to consideration of the following bill:

**Senate Bill No. 138**

The motion prevailed.

Senator Stamas submitted the following:

FIRST CONFERENCE REPORT

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

**Senate Bill No. 138, entitled**

A bill to make appropriations for the legislature, the executive, the department of the attorney general, the department of state, the department of treasury, the department of technology, management, and budget, the department of civil rights, the department of talent and economic development, and certain other state purposes for the fiscal year ending September 30, 2020; to provide for the expenditure of the appropriations; to provide for the disposition of fees and other income received by the state agencies; and to declare the effect of this act.

Recommends:

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

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

A bill to make appropriations for the legislature, the executive, the department of the attorney general, the department of state, the department of treasury, the department of technology, management, and budget, the department of civil rights, the department of labor and economic opportunity, and certain other state purposes for the fiscal year ending September 30, 2020; to supplement appropriations for certain state departments and certain other state purposes for the fiscal year ending September 30, 2019; to provide for the expenditure of the appropriations; to provide for the disposition of fees and other income received by the state agencies; to repeal acts and parts of acts; and to declare the effect of this act.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. There is appropriated for the legislature, the executive, the department of the attorney general, the department of state, the department of treasury, the department of technology, management, and budget, the department of civil rights, the department of labor and economic opportunity, and certain state purposes related thereto for the fiscal year ending September 30, 2020, from the following funds:

**TOTAL GENERAL GOVERNMENT**

**APPROPRIATION SUMMARY**

Full-time equated unclassified positions ..... 50.0

For Fiscal Year  
Ending Sept. 30,  
2020

Full-time equated classified positions.....	8,762.1	
GROSS APPROPRIATION.....		\$ 5,257,231,900
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers .....		1,024,884,300
ADJUSTED GROSS APPROPRIATION.....		\$ 4,232,347,600
Federal revenues:		
Total federal revenues .....		808,347,300
Special revenue funds:		
Total local revenues .....		16,037,000
Total private revenues .....		6,255,700
Total other state restricted revenues .....		2,353,503,200
State general fund/general purpose.....		\$ 1,048,204,400

**Sec. 102. DEPARTMENT OF ATTORNEY GENERAL**

**(1) APPROPRIATION SUMMARY**

Full-time equated unclassified positions.....	6.0	
Full-time equated classified positions.....	536.4	
GROSS APPROPRIATION.....		\$ 105,982,800
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers .....		34,373,000
ADJUSTED GROSS APPROPRIATION.....		\$ 71,609,800
Federal revenues:		
Total federal revenues .....		9,713,700
Special revenue funds:		
Total local revenues .....		0
Total private revenues .....		0
Total other state restricted revenues .....		20,159,800
State general fund/general purpose.....		\$ 41,736,300

**(2) ATTORNEY GENERAL OPERATIONS**

Full-time equated unclassified positions.....	6.0	
Full-time equated classified positions.....	536.4	
Attorney general.....		\$ 112,500
Unclassified positions—5.0 FTE positions.....		824,100
Complex litigation.....		25,500
Criminal division—33.0 FTE positions.....		6,367,000
Departmentwide—22.0 FTE positions .....		4,222,700
Criminal appellate division—17.0 FTE positions.....		3,159,200
PACC operations.....		1,900
Health care fraud division—27.0 FTE positions .....		5,150,600
Children and youth services division—2.0 FTE positions.....		254,300
Child support division .....		88,100
Child elder family financial crimes division.....		19,100
Corporate oversight division—20.0 FTE positions .....		3,893,000
Licensing and regulation division—21.0 FTE positions.....		4,059,300
Consumer protection division—13.0 FTE positions.....		2,407,500
Finance division—9.0 FTE positions .....		1,787,500
State operations division—29.0 FTE positions.....		5,522,000
Health education and family services division—53.0 FTE positions.....		10,078,100
Environment, natural resources, and agriculture division—20.0 FTE positions .....		3,851,000
Transportation division—10.0 FTE positions.....		2,000,000
Public administration.....		3,300
Special litigation division—5.0 FTE positions .....		911,400
Labor division—32.0 FTE positions .....		6,156,400
Revenue and tax division—33.0 FTE positions.....		6,308,700
Alcohol and gambling enforcement division—14.0 FTE positions .....		2,643,600
Public service commission—11.0 FTE positions .....		2,029,600
Civil litigation, employment, and elections division—23.0 FTE positions.....		4,439,800

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Civil rights division—4.0 FTE positions.....	779,300
SCFRA and collections division.....	37,200
Executive—10.0 FTE positions.....	1,840,600
Opinions review board—1.0 FTE position.....	222,700
Solicitor general—7.0 FTE positions.....	1,292,200
Human resources—5.0 FTE positions.....	939,900
Fiscal management—6.0 FTE positions.....	1,080,600
Office of legislative affairs—3.0 FTE positions.....	481,700
Office of constituent relations—2.0 FTE positions.....	425,200
Office of communications—2.0 FTE positions.....	379,500
Department of attorney general—14.0 FTE positions.....	2,636,300
Attorney general staff—17.0 FTE positions.....	3,204,300
Human trafficking initiative—2.0 FTE positions.....	390,200
Flint water investigation—14.0 FTE positions.....	2,600,000
Drug unit and opioid enforcement—4.0 FTE positions.....	700,000
Consumer protection initiative—4.0 FTE positions.....	732,300
Elder abuse task force—1.0 FTE position.....	230,000
Auto insurance fraud unit—0.2 FTE position.....	30,000
Conviction integrity unit—1.0 FTE position.....	100,000
Hate crimes unit—0.2 FTE position.....	30,000
Child support enforcement personnel—25.0 FTE positions.....	3,313,400
Child support enforcement program.....	309,200
Ok2Say personnel—2.0 FTE positions.....	350,100
Ok2Say program.....	1,122,200
Prosecuting attorneys coordinating council personnel—12.0 FTE positions.....	1,825,500
Prosecuting attorneys coordinating council program.....	386,900
Public safety initiative personnel—1.0 FTE position.....	110,200
Public safety initiative program.....	796,000
Sexual assault law enforcement personnel—5.0 FTE positions.....	1,393,200
Sexual assault law enforcement program.....	329,700
<b>GROSS APPROPRIATION.....</b>	<b>\$ 104,384,600</b>
Appropriated from:	
Interdepartmental grant revenues:	
IDG from MDOC.....	686,100
IDG from MDE.....	765,500
IDG from MDEGLE.....	2,077,200
IDG from MDHHS, health policy.....	303,600
IDG from MDHHS, human services.....	6,345,400
IDG from MDHHS, medical services administration.....	713,200
IDG from MDHHS, WIC.....	342,900
IDG from MDIFS, financial and insurance services.....	1,191,300
IDG from MDLARA, bureau of marijuana regulatory agency.....	1,442,600
IDG from MDLARA, fireworks safety fund.....	86,000
IDG from MDLARA, health professions.....	3,155,600
IDG from MDLARA, licensing and regulation fees.....	749,600
IDG from MDLARA, Michigan occupational safety and health administration.....	200,000
IDG from MDLARA, remonumentation fees.....	109,900
IDG from MDLARA, securities fees.....	713,100
IDG from MDLARA, unlicensed builders.....	1,101,400
IDG from MDMVA.....	170,000
IDG from MDOS, children’s protection registry.....	45,000
IDG from MDOT, comprehensive transportation fund.....	106,400
IDG from MDOT, state aeronautics fund.....	185,100
IDG from MDOT, state trunkline fund.....	2,076,800
IDG from MDSP.....	269,100
IDG from MDLEO, workforce development agency.....	92,900

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IDG from MDTMB.....	1,266,700
IDG from MDTMB, civil service commission.....	316,200
IDG from MDTMB, risk management revolving fund.....	1,320,700
IDG from Michigan state housing development authority.....	1,195,000
IDG from treasury.....	7,161,500
IDG from MDLEO, Michigan strategic fund.....	184,200
Federal revenues:	
DAG, state administrative match grant/food stamps.....	137,000
Federal funds.....	3,244,000
HHS, medical assistance, medigant.....	396,200
HHS-OS, state Medicaid fraud control units.....	5,815,300
National criminal history improvement program.....	121,200
Special revenue funds:	
Antitrust enforcement collections.....	790,000
Attorney general’s operations fund.....	766,200
Auto repair facilities fees.....	340,300
Franchise fees.....	395,900
Game and fish protection fund.....	640,700
Human trafficking commission fund.....	170,000
Lawsuit settlement proceeds fund.....	2,600,000
Liquor purchase revolving fund.....	1,523,400
Michigan merit award trust fund.....	515,600
Michigan employment security act - administrative fund.....	2,332,500
Michigan state waterways fund.....	143,600
Mobile home code fund.....	258,200
Prisoner reimbursement.....	542,000
Prosecuting attorneys training fees.....	414,300
Public utility assessments.....	2,054,000
Reinstatement fees.....	267,300
Retirement funds.....	1,087,700
Second injury fund.....	621,600
Self-insurers security fund.....	383,200
Silicosis and dust disease fund.....	109,700
State building authority revenue.....	126,500
State casino gaming fund.....	1,847,000
State lottery fund.....	361,800
Student safety fund.....	472,300
Utility consumer representation fund.....	1,014,000
Worker’s compensation administrative revolving fund.....	382,000
State general fund/general purpose.....	\$ 40,138,100
<b>(3) INFORMATION TECHNOLOGY</b>	
Information technology services and projects.....	\$ <u>1,598,200</u>
<b>GROSS APPROPRIATION.....</b>	<b>\$ 1,598,200</b>
Appropriated from:	
State general fund/general purpose.....	\$ 1,598,200
<b>Sec. 103. DEPARTMENT OF CIVIL RIGHTS</b>	
<b>(1) APPROPRIATION SUMMARY</b>	
Full-time equated unclassified positions.....	6.0
Full-time equated classified positions.....	110.0
<b>GROSS APPROPRIATION.....</b>	<b>\$ 16,388,300</b>
Interdepartmental grant revenues:	
Total interdepartmental grants and intradepartmental transfers.....	298,500
<b>ADJUSTED GROSS APPROPRIATION.....</b>	<b>\$ 16,089,800</b>
Federal revenues:	
Total federal revenues.....	2,816,900
Special revenue funds:	
Total local revenues.....	0

	For Fiscal Year Ending Sept. 30, 2020
Total private revenues .....	18,700
Total other state restricted revenues .....	58,500
State general fund/general purpose.....	\$ 13,195,700
<b>(2) CIVIL RIGHTS OPERATIONS</b>	
Full-time equated unclassified positions.....	6.0
Full-time equated classified positions.....	110.0
Unclassified positions—6.0 FTE positions.....	\$ 721,800
Complaint investigation and enforcement—40.0 FTE positions .....	4,850,500
Division on deaf, deafblind, and hard of hearing—6.0 FTE positions.....	722,100
Executive office—24.0 FTE positions .....	3,054,300
Law and policy—28.0 FTE positions .....	3,171,400
Museums support .....	1,500,000
Public affairs—12.0 FTE positions .....	<u>1,631,800</u>
GROSS APPROPRIATION.....	\$ 15,651,900
Appropriated from:	
Interdepartmental grant revenues:	
IDG from DTMB .....	298,500
Federal revenues:	
EEOC, state and local antidiscrimination agency contracts .....	1,227,200
HUD, grant.....	1,574,700
Special revenue funds:	
Private revenues .....	18,700
State restricted indirect funds .....	58,500
State general fund/general purpose.....	\$ 12,474,300
<b>(3) INFORMATION TECHNOLOGY</b>	
Information technology services and projects .....	\$ <u>736,400</u>
GROSS APPROPRIATION.....	\$ 736,400
Appropriated from:	
Federal revenues:	
EEOC, state and local antidiscrimination agency contracts .....	15,000
State general fund/general purpose.....	\$ 721,400
<b>Sec. 104. EXECUTIVE OFFICE</b>	
<b>(1) APPROPRIATION SUMMARY</b>	
Full-time equated unclassified positions.....	10.0
Full-time equated classified positions.....	79.2
GROSS APPROPRIATION.....	\$ 7,114,300
Interdepartmental grant revenues:	
Total interdepartmental grants and intradepartmental transfers .....	0
ADJUSTED GROSS APPROPRIATION.....	\$ 7,114,300
Federal revenues:	
Total federal revenues .....	0
Special revenue funds:	
Total local revenues .....	0
Total private revenues .....	0
Total other state restricted revenues .....	0
State general fund/general purpose.....	\$ 7,114,300
<b>(2) EXECUTIVE OFFICE OPERATIONS</b>	
Full-time equated unclassified positions.....	10.0
Full-time equated classified positions.....	79.2
Governor.....	\$ 159,300
Lieutenant governor .....	111,600
Unclassified positions—8.0 FTE positions.....	1,360,200
Executive office—79.2 FTE positions .....	<u>5,483,200</u>
GROSS APPROPRIATION.....	\$ 7,114,300
Appropriated from:	
State general fund/general purpose.....	\$ 7,114,300

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**Sec. 105. LEGISLATURE**

**(1) APPROPRIATION SUMMARY**

GROSS APPROPRIATION.....	\$	201,425,900
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers .....		6,068,400
ADJUSTED GROSS APPROPRIATION .....	\$	195,357,500
Federal revenues:		
Total federal revenues .....		0
Special revenue funds:		
Total local revenues .....		0
Total private revenues .....		400,000
Total other state restricted revenues .....		6,591,200
State general fund/general purpose.....	\$	188,366,300

**(2) LEGISLATURE**

Senate.....	\$	42,646,900
Senate automated data processing .....		2,731,600
Senate fiscal agency .....		4,050,400
House of representatives .....		62,900,200
House automated data processing.....		2,731,600
House fiscal agency.....		<u>4,050,400</u>
GROSS APPROPRIATION.....	\$	119,111,100
Appropriated from:		
State general fund/general purpose.....	\$	119,111,100

**(3) LEGISLATIVE COUNCIL**

Legislative corrections ombudsman .....	\$	1,006,900
Legislative council .....		14,253,500
Legislative IT systems design project.....		765,000
Legislative service bureau automated data processing .....		1,775,500
Michigan veterans facility ombudsman.....		315,200
National association dues .....		601,800
Worker's compensation.....		<u>151,400</u>
GROSS APPROPRIATION.....	\$	18,869,300
Appropriated from:		
Special revenue funds:		
Private - gifts and bequests revenues.....		400,000
State general fund/general purpose.....	\$	18,469,300

**(4) LEGISLATIVE RETIREMENT SYSTEM**

General nonretirement expenses.....	\$	<u>5,346,200</u>
GROSS APPROPRIATION.....	\$	5,346,200
Appropriated from:		
Special revenue funds:		
Court fees .....		1,225,300
State general fund/general purpose.....	\$	4,120,900

**(5) PROPERTY MANAGEMENT**

Binsfeld Office Building .....	\$	8,436,300
Cora Anderson Building.....		<u>12,365,100</u>
GROSS APPROPRIATION.....	\$	20,801,400
Appropriated from:		
State general fund/general purpose.....	\$	20,801,400

**(6) STATE CAPITOL HISTORIC SITE**

Bond/lease obligations .....	\$	100
General operations .....		4,710,400
Restoration, renewal, and maintenance .....		<u>3,288,800</u>
GROSS APPROPRIATION.....	\$	7,999,300
Appropriated from:		
Special revenue funds:		
Capitol historic site fund .....		3,288,800
State general fund/general purpose.....	\$	4,710,500

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**(7) INDEPENDENT CITIZENS REDISTRICTING COMMISSION**

Independent citizens redistricting commission .....	\$	<u>3,362,800</u>
GROSS APPROPRIATION .....	\$	3,362,800
Appropriated from:		
State general fund/general purpose .....	\$	3,362,800

**(8) OFFICE OF THE AUDITOR GENERAL**

Unclassified positions .....	\$	359,900
Field operations .....		<u>25,575,900</u>
GROSS APPROPRIATION .....	\$	25,935,800

Appropriated from:		
Interdepartmental grant revenues:		
IDG, emp ben div postemployment life insurance benefit .....		20,000
IDG from MDHHS, human services .....		32,500
IDG from MDLARA, liquor purchase revolving fund .....		79,700
IDG from MDLARA, self-insurers security fund .....		84,900
IDG from MDMVA, Michigan veterans facility authority .....		52,000
IDG from MDOT, comprehensive transportation fund .....		41,400
IDG from MDOT, Michigan transportation fund .....		335,000
IDG from MDOT, state aeronautics fund .....		32,300
IDG from MDOT, state trunkline fund .....		778,200
IDG, legislative retirement system .....		31,000
IDG, single audit act .....		2,800,000
IDG, commercial mobile radio system emergency telephone fund .....		39,000
IDG, contract audit administration fees .....		60,000
IDG, deferred compensation funds .....		96,200
IDG, Michigan finance authority .....		312,500
IDG, Michigan economic development corporation .....		120,000
IDG, Michigan education trust fund .....		64,100
IDG, Michigan justice training commission fund .....		43,400
IDG, Michigan strategic fund .....		195,000
IDG, office of retirement services .....		800,000
IDG, other restricted funding sources .....		51,200
Special revenue funds:		
21st century jobs trust fund .....		102,200
Brownfield development fund .....		29,900
Clean Michigan initiative implementation bond fund .....		57,900
Game and fish protection fund .....		33,300
MDTMB, civil service commission .....		176,300
Michigan state housing development authority fees .....		120,500
Michigan veterans' trust fund .....		2,000
Michigan veterans' trust fund income and assessments .....		23,000
Motor transport revolving fund .....		7,800
Office services revolving fund .....		10,700
State disbursement unit, office of child support .....		60,900
State services fee fund .....		1,440,600
Waterways fund .....		12,000
State general fund/general purpose .....	\$	17,790,300

**Sec. 106. DEPARTMENT OF STATE**

**(1) APPROPRIATION SUMMARY**

Full-time equated unclassified positions .....	6.0	
Full-time equated classified positions .....	1,586.0	
GROSS APPROPRIATION .....		\$ 250,393,000
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers .....		20,000,000
ADJUSTED GROSS APPROPRIATION .....		\$ 230,393,000
Federal revenues:		
Total federal revenues .....		1,460,000

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Special revenue funds:	
Total local revenues .....	0
Total private revenues .....	50,100
Total other state restricted revenues .....	215,431,700
State general fund/general purpose .....	\$ 13,451,200
<b>(2) DEPARTMENTAL ADMINISTRATION AND SUPPORT</b>	
Full-time equated unclassified positions .....	6.0
Full-time equated classified positions .....	140.0
Secretary of state .....	\$ 112,500
Unclassified positions—5.0 FTE positions .....	687,400
Executive direction—30.0 FTE positions .....	4,696,200
Operations—110.0 FTE positions .....	25,876,700
Property management .....	9,966,500
Worker’s compensation .....	181,100
<b>GROSS APPROPRIATION .....</b>	<b>\$ 41,520,400</b>
Appropriated from:	
Special revenue funds:	
Abandoned vehicle fees .....	239,800
Auto repair facilities fees .....	131,100
Children’s protection registry fund .....	270,700
Driver fees .....	2,486,500
Driver improvement course fund .....	308,200
Enhanced driver license and enhanced official state personal identification card fund .....	1,977,100
Parking ticket court fines .....	435,000
Personal identification card fees .....	289,800
Reinstatement fees - operator licenses .....	791,700
Scrap tire fund .....	78,600
Transportation administration collection fund .....	33,628,800
State general fund/general purpose .....	\$ 883,100
<b>(3) LEGAL SERVICES</b>	
Full-time equated classified positions .....	105.0
Operations—105.0 FTE positions .....	\$ 15,542,700
<b>GROSS APPROPRIATION .....</b>	<b>\$ 15,542,700</b>
Appropriated from:	
Special revenue funds:	
Auto repair facilities fees .....	3,065,500
Driver fees .....	1,145,000
Enhanced driver license and enhanced official state personal identification card fund .....	1,582,100
Reinstatement fees - operator licenses .....	959,400
Transportation administration collection fund .....	6,654,300
Vehicle theft prevention fees .....	1,108,200
State general fund/general purpose .....	\$ 1,028,200
<b>(4) CUSTOMER DELIVERY SERVICES</b>	
Full-time equated classified positions .....	1,296.0
Branch operations—925.0 FTE positions .....	\$ 91,450,900
Central operations—369.0 FTE positions .....	53,094,000
Motorcycle safety education administration—2.0 FTE positions .....	643,400
Motorcycle safety education grants .....	1,800,000
Organ donor program .....	129,100
<b>GROSS APPROPRIATION .....</b>	<b>\$ 147,117,400</b>
Appropriated from:	
Interdepartmental grant revenues:	
IDG from MDOT, Michigan transportation fund .....	20,000,000
Federal revenues:	
DOT .....	860,000



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OHSP .....	600,000
Special revenue funds:	
Private funds .....	100
Thomas Daley gift of life fund .....	50,000
Abandoned vehicle fees .....	450,900
Auto repair facilities fees .....	777,500
Child support clearance fees .....	363,600
Driver education provider and instructor fund .....	75,000
Driver fees .....	22,623,000
Driver improvement course fund .....	1,228,100
Enhanced driver license and enhanced official state personal identification card fund .....	10,996,200
Expedient service fees .....	2,944,500
Marine safety fund .....	1,542,500
Michigan state police auto theft fund .....	123,700
Mobile home commission fees .....	507,500
Motorcycle safety and education awareness fund .....	300,000
Motorcycle safety fund .....	1,843,400
Off-road vehicle title fees .....	170,700
Parking ticket court fines .....	1,639,600
Personal identification card fees .....	2,373,900
Recreation passport fee revenue .....	1,000,000
Reinstatement fees - operator licenses .....	2,357,300
Snowmobile registration fee revenue .....	390,000
State lottery fund .....	1,015,800
Transportation administration collection fund .....	69,301,200
Vehicle theft prevention fees .....	786,000
State general fund/general purpose .....	\$ 2,796,900
<b>(5) ELECTION REGULATION</b>	
Full-time equated classified positions .....	45.0
County clerk education and training fund .....	\$ 100,000
Election administration and services—45.0 FTE positions .....	7,377,000
Fees to local units .....	<u>109,800</u>
<b>GROSS APPROPRIATION</b> .....	\$ 7,586,800
Appropriated from:	
Special revenue funds:	
Notary education and training fund .....	100,000
Notary fee fund .....	343,500
State general fund/general purpose .....	\$ 7,143,300
<b>(6) INFORMATION TECHNOLOGY</b>	
Information technology services and projects .....	\$ <u>38,625,700</u>
<b>GROSS APPROPRIATION</b> .....	\$ 38,625,700
Appropriated from:	
Special revenue funds:	
Administrative order processing fee .....	11,700
Auto repair facilities fees .....	129,000
Driver fees .....	785,700
Enhanced driver license and enhanced official state personal identification card fund .....	344,300
Expedient service fees .....	1,082,800
Parking ticket court fines .....	88,800
Personal identification card fees .....	172,900
Reinstatement fees - operator licenses .....	591,000
Transportation administration collection fund .....	33,639,200
Vehicle theft prevention fees .....	180,600
State general fund/general purpose .....	\$ 1,599,700

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**Sec. 107. DEPARTMENT OF TECHNOLOGY, MANAGEMENT, AND BUDGET**

**(1) APPROPRIATION SUMMARY**

Full-time equated unclassified positions.....	6.0	
Full-time equated classified positions.....	3,126.0	
<b>GROSS APPROPRIATION.....</b>		<b>\$ 1,527,057,100</b>
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers.....		951,238,800
<b>ADJUSTED GROSS APPROPRIATION.....</b>		<b>\$ 575,818,300</b>
Federal revenues:		
Total federal revenues.....		4,968,400
Special revenue funds:		
Total local revenues.....		2,321,200
Total private revenues.....		131,100
Total other state restricted revenues.....		117,916,800
State general fund/general purpose.....		\$ 450,480,800

**(2) DEPARTMENTAL ADMINISTRATION AND SUPPORT**

Full-time equated unclassified positions.....	6.0	
Full-time equated classified positions.....	846.5	
Unclassified positions—6.0 FTE positions.....		\$ 941,500
Administrative services—160.5 FTE positions.....		21,443,500
Budget and financial management—178.0 FTE positions.....		36,225,500
Building operation services—255.0 FTE positions.....		93,554,900
Bureau of labor market information and strategies—44.0 FTE positions.....		5,674,600
Business support services—104.0 FTE positions.....		10,859,000
Design and construction services—40.0 FTE positions.....		6,722,900
Executive operations—12.0 FTE positions.....		2,400,900
Legislative retirement.....		12,400,000
Motor vehicle fleet—39.0 FTE positions.....		75,949,700
Office of the state employer—14.0 FTE positions.....		1,641,800
Property management.....		<u>8,067,200</u>
<b>GROSS APPROPRIATION.....</b>		<b>\$ 275,881,500</b>

Appropriated from:

Interdepartmental grant revenues:		
IDG from accounting service centers user charges.....		4,384,200
IDG from building occupancy and parking charges.....		95,664,800
IDG from MDHHS, community health.....		499,800
IDG from MDHHS, human services.....		231,400
IDG from MDLARA.....		100,000
IDG from motor transport fund.....		75,949,700
IDG from technology user fees.....		10,460,000
IDG from user fees.....		6,861,800
Federal revenues:		
Federal funds.....		4,968,400
Special revenue funds:		
Local - MPSCS subscriber and maintenance fees.....		22,400
Local funds.....		35,000
Health management funds.....		418,500
Other agency charges.....		1,230,400
Private funds.....		131,100
SIGMA user fees.....		2,167,800
Special revenue, internal service, and pension trust funds.....		17,581,000
State restricted indirect funds.....		3,107,900
State general fund/general purpose.....		\$ 52,067,300

**(3) TECHNOLOGY SERVICES**

Full-time equated classified positions.....	1,639.5	
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	For Fiscal Year Ending Sept. 30, 2020
DEGLE MiWaters data storage, security, and transparency enhancements.....	\$ 1,742,700
DTMB michigan.gov CMS replacement .....	3,200,000
Education services—33.0 FTE positions .....	4,571,800
Enterprise identity management—17.0 FTE positions .....	9,785,200
General services—354.5 FTE positions .....	124,068,700
Health and human services—656.5 FTE positions .....	500,055,000
Homeland security initiative/cyber security—25.0 FTE positions .....	12,355,000
MDARD licensing and inspection systems upgrade.....	5,000,000
Michigan public safety communication system—137.0 FTE positions .....	45,222,600
Public protection—162.5 FTE positions .....	61,836,100
Resources services—154.5 FTE positions.....	21,593,700
Transportation services—99.5 FTE positions.....	38,378,900
Treasury individual income tax and garnishment and levies system replacement .....	<u>10,057,300</u>
<b>GROSS APPROPRIATION.....</b>	<b>\$ 837,867,000</b>
Appropriated from:	
Interdepartmental grant revenues:	
IDG from technology user fees .....	750,504,200
Special revenue funds:	
Local - MPSCS subscriber and maintenance fees.....	2,263,800
State general fund/general purpose.....	<u>\$ 85,099,000</u>
<b>(4) STATEWIDE APPROPRIATIONS</b>	
Professional development fund - AFSCME .....	\$ 50,000
Professional development fund - MPE, SEIU, scientific and engineering unit.....	150,000
Professional development fund - NERE.....	200,000
Professional development fund - UAW.....	<u>700,000</u>
<b>GROSS APPROPRIATION.....</b>	<b>\$ 1,100,000</b>
Appropriated from:	
Interdepartmental grant revenues:	
IDG from employer contributions .....	1,100,000
State general fund/general purpose.....	<u>\$ 0</u>
<b>(5) SPECIAL PROGRAMS</b>	
Full-time equated classified positions.....	181.0
Office of children’s ombudsman—14.0 FTE positions .....	\$ 1,886,900
Property management executive/legislative .....	1,243,600
Public private partnership.....	1,500,000
Regional prosperity grants.....	100
Retirement services—167.0 FTE positions .....	<u>24,572,200</u>
<b>GROSS APPROPRIATION.....</b>	<b>\$ 29,202,800</b>
Appropriated from:	
Special revenue funds:	
Deferred compensation .....	2,800,000
Pension trust funds .....	21,690,200
Public private partnership investment fund .....	1,500,000
State general fund/general purpose.....	<u>\$ 3,212,600</u>
<b>(6) STATE BUILDING AUTHORITY RENT</b>	
State building authority rent - community colleges .....	\$ 34,181,600
State building authority rent - department of corrections.....	20,369,400
State building authority rent - state agencies .....	47,024,300
State building authority rent - universities.....	<u>144,995,300</u>
<b>GROSS APPROPRIATION.....</b>	<b>\$ 246,570,600</b>
Appropriated from:	
State general fund/general purpose.....	<u>\$ 246,570,600</u>
<b>(7) CIVIL SERVICE COMMISSION</b>	
Full-time equated classified positions.....	459.0
Agency services—115.0 FTE positions.....	\$ 17,957,800
Employee benefits—25.0 FTE positions .....	7,732,600
Executive direction—45.0 FTE positions.....	<u>10,359,600</u>

	For Fiscal Year Ending Sept. 30, 2020
Human resources operations—274.0 FTE positions.....	34,578,800
Information technology services and projects .....	<u>3,542,000</u>
GROSS APPROPRIATION.....	\$ 74,170,800
Appropriated from:	
Special revenue funds:	
State restricted funds 1% .....	29,911,800
State restricted indirect funds .....	9,006,700
State sponsored group insurance .....	10,838,900
State general fund/general purpose.....	\$ 24,413,400
<b>(8) CAPITAL OUTLAY</b>	
Enterprisewide special maintenance for state facilities.....	\$ 23,650,000
Major special maintenance, remodeling, and addition for state agencies .....	<u>3,800,000</u>
GROSS APPROPRIATION.....	\$ 27,450,000
Appropriated from:	
Interdepartmental grant revenues:	
IDG from building occupancy charges.....	3,800,000
IDG from department of corrections .....	750,000
State general fund/general purpose.....	\$ 22,900,000
<b>(9) INFORMATION TECHNOLOGY</b>	
Information technology services and projects .....	\$ <u>29,814,100</u>
GROSS APPROPRIATION.....	\$ 29,814,100
Appropriated from:	
Interdepartmental grant revenues:	
IDG from building occupancy and parking charges .....	723,200
IDG from user fees.....	209,700
Special revenue funds:	
Deferred compensation .....	2,600
SIGMA user fees.....	2,481,400
Pension trust funds .....	10,389,100
Special revenue, internal service, and pension trust funds.....	2,706,500
State restricted indirect funds .....	2,083,900
State general fund/general purpose.....	\$ 11,217,700
<b>(10) ONE-TIME APPROPRIATIONS</b>	
Drinking water declaration of emergency.....	\$ 100
Enterprisewide special maintenance for state facilities.....	5,000,000
Capital outlay – university, community college, and state agency planning authorization - Saginaw Valley State University – Brown Hall renovation – for program and planning to be paid for from university resources (estimated total authorized cost \$19,750,000; state share \$12,000,000; university share \$7,750,000) .....	100
Capital outlay – university, community college, and state agency planning authorization – department of health and human services, new northern satellite psychiatric facility – for program and planning to be paid for from state resources ..	<u>100</u>
GROSS APPROPRIATION.....	\$ 5,000,300
Appropriated from:	
Special revenue funds:	
Drinking water declaration of emergency reserve fund .....	100
State general fund/general purpose.....	\$ 5,000,200
<b>Sec. 108. DEPARTMENT OF TREASURY</b>	
<b>(1) APPROPRIATION SUMMARY</b>	
Full-time equated unclassified positions.....	10.0
Full-time equated classified positions.....	1,874.5
GROSS APPROPRIATION.....	\$ 2,051,876,500
Interdepartmental grant revenues:	
Total interdepartmental grants and intradepartmental transfers .....	12,905,600
ADJUSTED GROSS APPROPRIATION.....	\$ 2,038,970,900

	For Fiscal Year Ending Sept. 30, 2020
Federal revenues:	
Total federal revenues .....	27,242,500
Special revenue funds:	
Total local revenues .....	13,215,800
Total private revenues .....	27,500
Total other state restricted revenues .....	1,786,008,300
State general fund/general purpose.....	\$ 212,476,800
<b>(2) DEPARTMENTAL ADMINISTRATION AND SUPPORT</b>	
Full-time equated unclassified positions.....	10.0
Full-time equated classified positions.....	442.5
Unclassified positions—10.0 FTE positions.....	\$ 1,088,400
Collections services bureau—206.0 FTE positions .....	29,597,900
Department services—75.0 FTE positions .....	9,178,300
Executive direction and operations—64.5 FTE positions.....	9,122,800
Office of accounting services—29.0 FTE positions .....	3,652,400
Office of financial services—40.0 FTE positions.....	4,952,200
Property management.....	6,726,600
Unclaimed property—28.0 FTE positions .....	4,941,700
Worker’s compensation.....	143,100
GROSS APPROPRIATION.....	\$ 69,403,400
Appropriated from:	
Interdepartmental grant revenues:	
IDG, data/collection services fees .....	336,600
IDG from accounting service center user charges .....	545,300
IDG from MDHHS, title IV-D .....	800,600
IDG, levy/warrant cost assessment fees .....	3,705,800
IDG, state agency collection fees .....	4,474,200
Federal revenues:	
DED-OPSE, federal lenders allowance .....	479,500
DED-OPSE, higher education act of 1965 insured loans.....	517,300
Special revenue funds:	
Delinquent tax collection revenue .....	34,756,700
Escheats revenue .....	4,941,700
Garnishment fees.....	2,719,400
Justice system fund .....	437,700
Marihuana regulation fund .....	1,287,000
Marihuana regulatory fund.....	190,000
MFA, bond and loan program revenue.....	640,700
State lottery fund.....	300,500
State restricted indirect funds .....	282,300
State services fee fund.....	341,900
Treasury fees .....	47,200
State general fund/general purpose.....	\$ 12,599,000
<b>(3) LOCAL GOVERNMENT PROGRAMS</b>	
Full-time equated classified positions.....	103.0
Bureau operations and general local government services—11.0 FTE positions.....	\$ 1,270,100
Financial independence team/financial review commission—8.0 FTE positions .....	1,693,500
Local finance—18.0 FTE positions.....	2,689,700
Office of fiscal responsibility—9.0 FTE positions .....	1,500,000
Property tax assessor training—1.0 FTE position .....	2,045,900
Supervision of the general property tax law—56.0 FTE positions .....	11,402,900
GROSS APPROPRIATION.....	\$ 20,602,100
Appropriated from:	
Special revenue funds:	
Local - assessor training fees.....	1,045,900
Local - audit charges .....	841,200
Local - equalization study chargebacks .....	40,000

For Fiscal Year  
Ending Sept. 30,  
2020

Local - revenue from local government.....	100,000
Delinquent tax collection revenue .....	1,548,300
Land reutilization fund .....	2,052,000
Municipal finance fees .....	557,300
State general fund/general purpose.....	\$ 14,417,400
<b>(4) TAX PROGRAMS</b>	
Full-time equated classified positions.....	748.0
Bottle act implementation .....	\$ 250,000
Home heating assistance .....	3,099,200
Insurance provider assessment program—13.0 FTE positions .....	2,135,100
Office of revenue and tax analysis—21.0 FTE positions.....	3,924,000
Tax and economic policy—43.0 FTE positions.....	8,965,200
Tax compliance—318.0 FTE positions .....	44,738,800
Tax processing—342.0 FTE positions .....	41,222,800
Tobacco tax enforcement—11.0 FTE positions .....	1,553,700
GROSS APPROPRIATION.....	\$ 105,888,800
Appropriated from:	
Interdepartmental grant revenues:	
IDG from MDOT, Michigan transportation fund .....	2,354,800
IDG from MDOT, state aeronautics fund .....	72,200
Federal revenues:	
HHS-SSA, low-income energy assistance.....	3,099,200
Special revenue funds:	
Bottle deposit fund .....	250,000
Brownfield development fund.....	213,500
Delinquent tax collection revenue .....	72,186,300
Insurance provider fund .....	2,135,100
Marihuana regulation fund .....	1,565,200
Marihuana regulatory fund.....	120,000
Michigan state waterways fund .....	107,100
Tobacco tax revenue.....	4,165,400
State general fund/general purpose.....	\$ 19,620,000
<b>(5) FINANCIAL PROGRAMS</b>	
Full-time equated classified positions.....	167.0
Common cash and debt management—11.0 FTE positions .....	\$ 1,718,300
Dual enrollment payments.....	2,007,600
Investments—81.0 FTE positions .....	21,467,700
John R. Justice grant program .....	288,100
Michigan finance authority - bond finance—53.0 FTE positions .....	24,961,100
Student financial assistance programs—22.0 FTE positions .....	2,794,200
Student loan refinancing program study .....	500,000
GROSS APPROPRIATION.....	\$ 53,737,000
Appropriated from:	
Interdepartmental grant revenues:	
IDG, fiscal agent service fees .....	213,600
Federal revenues:	
DED-OPSE, federal lenders allowance .....	3,310,800
DED-OPSE, higher education act of 1965, insured loans.....	18,915,900
Federal - John R. Justice grant .....	288,100
Special revenue funds:	
Defined contribution administrative fee revenue.....	300,000
Michigan finance authority bond and loan program revenue.....	2,734,400
Michigan merit award trust fund .....	1,203,500
Retirement funds.....	17,806,700
School bond fees .....	879,400
Treasury fees.....	3,583,900
State general fund/general purpose.....	\$ 4,500,700

For Fiscal Year  
Ending Sept. 30,  
2020

**(6) DEBT SERVICE**

Clean Michigan initiative .....	\$	49,027,000
Great Lakes water quality bond .....		38,772,000
Quality of life bond .....		<u>16,536,000</u>
<b>GROSS APPROPRIATION</b> .....	\$	104,335,000

Appropriated from:

State general fund/general purpose .....	\$	104,335,000
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**(7) GRANTS**

Convention facility development distribution .....	\$	105,356,300
Emergency 911 payments .....		48,800,000
Health and safety fund grants .....		1,500,000
Municipal cost sharing grants .....		2,250,000
Recreational marihuana grants .....		20,250,000
Senior citizen cooperative housing tax exemption program .....		<u>10,771,300</u>
<b>GROSS APPROPRIATION</b> .....	\$	188,927,600

Appropriated from:

Special revenue funds:		
Convention facility development fund .....		105,356,300
Emergency 911 fund .....		48,800,000
Health and safety fund .....		1,500,000
Marihuana regulation fund .....		20,250,000
State general fund/general purpose .....	\$	13,021,300

**(8) BUREAU OF STATE LOTTERY**

Full-time equated classified positions .....	196.0	
Lottery information technology services and projects .....		\$ 5,318,800
Lottery operations—196.0 FTE positions .....		<u>26,937,600</u>
<b>GROSS APPROPRIATION</b> .....		\$ 32,256,400

Appropriated from:

Special revenue funds:		
State lottery fund .....		32,256,400
State general fund/general purpose .....	\$	0

**(9) CASINO GAMING**

Full-time equated classified positions .....	143.0	
Casino gaming control operations—113.0 FTE positions .....		\$ 26,833,000
Gaming information technology services and projects .....		2,585,500
Horse racing—10.0 FTE positions .....		2,060,500
Michigan gaming control board .....		50,000
Millionaire party regulation—20.0 FTE positions .....		<u>3,000,000</u>
<b>GROSS APPROPRIATION</b> .....		\$ 34,529,000

Appropriated from:

Special revenue funds:		
Casino gambling agreements .....		972,400
Equine development fund .....		2,184,700
Laboratory fees .....		406,700
State lottery fund .....		3,000,000
State services fee fund .....		27,965,200
State general fund/general purpose .....	\$	0

**(10) PAYMENTS IN LIEU OF TAXES**

Commercial forest reserve .....	\$	3,368,100
Purchased lands .....		8,677,900
Swamp and tax reverted lands .....		<u>15,305,600</u>
<b>GROSS APPROPRIATION</b> .....	\$	27,351,600

Appropriated from:

Special revenue funds:		
Private funds .....		27,500
Game and fish protection fund .....		3,007,400

	For Fiscal Year Ending Sept. 30, 2020
Michigan natural resources trust fund .....	2,064,700
Michigan state waterways fund .....	260,800
State general fund/general purpose.....	\$ 21,991,200
<b>(11) REVENUE SHARING</b>	
City, village, and township revenue sharing.....	\$ 261,024,600
Constitutional state general revenue sharing grants.....	865,441,900
County incentive program .....	43,325,200
County revenue sharing.....	183,182,900
Financially distressed cities, villages, or townships.....	<u>2,500,000</u>
GROSS APPROPRIATION.....	\$ 1,355,474,600
Appropriated from:	
Special revenue funds:	
Sales tax .....	1,355,474,600
State general fund/general purpose.....	\$ 0
<b>(12) STATE BUILDING AUTHORITY</b>	
Full-time equated classified positions.....	3.0
State building authority—3.0 FTE positions .....	\$ <u>754,400</u>
GROSS APPROPRIATION.....	\$ 754,400
Appropriated from:	
Special revenue funds:	
State building authority revenue.....	754,400
State general fund/general purpose.....	\$ 0
<b>(13) CITY INCOME TAX ADMINISTRATION PROGRAM</b>	
Full-time equated classified positions.....	72.0
City income tax administration program—72.0 FTE positions .....	\$ <u>9,951,800</u>
GROSS APPROPRIATION.....	\$ 9,951,800
Appropriated from:	
Special revenue funds:	
Local - city income tax fund.....	9,951,800
State general fund/general purpose.....	\$ 0
<b>(14) INFORMATION TECHNOLOGY</b>	
Treasury operations information technology services and projects .....	\$ <u>38,664,700</u>
GROSS APPROPRIATION.....	\$ 38,664,700
Appropriated from:	
Interdepartmental grant revenues:	
IDG from MDOT, Michigan transportation fund .....	402,500
Federal revenues:	
DED-OPSE, federal lender allowance.....	631,700
Special revenue funds:	
Local - city income tax fund.....	1,236,900
Delinquent tax collection revenue .....	17,698,900
Marihuana regulation fund .....	780,000
Retirement funds.....	792,300
Tobacco tax revenue.....	130,200
State general fund/general purpose.....	\$ <u>16,992,200</u>
<b>(15) ONE-TIME APPROPRIATIONS</b>	
Drinking water declaration of emergency.....	\$ 100
Wrongful imprisonment compensation fund .....	<u>10,000,000</u>
GROSS APPROPRIATION.....	\$ 10,000,100
Appropriated from:	
Special revenue funds:	
Drinking water declaration of emergency reserve fund .....	100
Lawsuit settlement proceeds fund .....	5,000,000
State general fund/general purpose.....	\$ 5,000,000



For Fiscal Year  
Ending Sept. 30,  
2020

**Sec. 109. DEPARTMENT OF LABOR AND ECONOMIC OPPORTUNITY**

**(1) APPROPRIATION SUMMARY**

Full-time equated unclassified positions .....	6.0	
Full-time equated classified positions .....	1,450.0	
<b>GROSS APPROPRIATION</b> .....		\$ 1,096,994,000
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers .....		0
<b>ADJUSTED GROSS APPROPRIATION</b> .....		\$ 1,096,994,000
Federal revenues:		
Total federal revenues .....		762,145,800
Special revenue funds:		
Total local revenues .....		500,000
Total private revenues .....		5,628,300
Total other state restricted revenues .....		207,336,900
State general fund/general purpose .....		\$ 121,383,000

**(2) DEPARTMENTAL ADMINISTRATION AND SUPPORT**

Full-time equated unclassified positions .....	6.0	
Full-time equated classified positions .....	32.0	
Unclassified positions—6.0 FTE positions .....		\$ 1,153,200
Executive direction and operations—32.0 FTE positions .....		7,120,000
<b>GROSS APPROPRIATION</b> .....		\$ 8,273,200
Appropriated from:		
Federal revenues:		
DOL-ETA, unemployment insurance .....		1,759,100
DOL, federal funds .....		3,201,600
Federal funds .....		2,500,000
Special revenue funds:		
Michigan state housing development authority fees and charges .....		608,500
State general fund/general purpose .....		\$ 204,000

**(3) MICHIGAN STRATEGIC FUND**

Full-time equated classified positions .....	157.0	
Administrative services—37.0 FTE positions .....		\$ 3,082,600
Arts and cultural program .....		10,150,000
Business attraction and community revitalization .....		89,379,900
Community college skilled trades equipment program debt service .....		4,600,000
Community development block grants .....		47,000,000
Entrepreneurship ecosystem .....		16,400,000
Facility for rare isotope beams .....		7,300,000
Job creation services—120.0 FTE positions .....		22,293,000
Michigan enhancement grants .....		2,799,000
Protect and grow .....		1,000,000
Pure Michigan .....		37,500,000
<b>GROSS APPROPRIATION</b> .....		\$ 241,504,500

Appropriated from:		
Federal revenues:		
HUD-CPD community development block grant .....		49,773,300
NFAH-NEA, promotion of the arts, partnership agreements .....		1,050,000
Special revenue funds:		
Private - special project advances .....		250,000
Private - Michigan council for the arts fund .....		100,000
21st century jobs trust fund .....		75,000,000
Contingent fund, penalty and interest account .....		4,600,000
Michigan state housing development authority fees and charges .....		4,616,600
State general fund/general purpose .....		\$ 106,114,600

**(4) TALENT INVESTMENT AGENCY**

Full-time equated classified positions .....	962.0	
At-risk youth grants .....		\$ 3,750,000
Community ventures .....		1,000,000
Executive direction—14.0 FTE positions .....		3,498,500
Going pro .....		37,260,900

	For Fiscal Year Ending Sept. 30, 2020
High school equivalency-to-school .....	250,000
Information technology services and projects - TIA.....	22,721,300
Unemployment insurance agency—743.0 FTE positions.....	136,006,400
Unemployment insurance agency - advocacy assistance.....	1,500,000
Workforce development programs .....	379,724,900
Workforce program administration—205.0 FTE positions .....	36,262,100
GROSS APPROPRIATION.....	\$ 621,974,100
Appropriated from:	
Federal revenues:	
DAG, employment and training .....	4,000,400
DED-OESE, GEAR-UP .....	4,730,700
DED-OVAE, adult education.....	20,000,000
DED-OVAE, basic grants to states.....	19,000,000
DOL, federal funds.....	107,401,100
DOL-ETA, unemployment insurance.....	140,242,000
DOL-ETA, workforce investment act .....	173,488,600
Federal funds.....	3,440,200
Social security act, temporary assistance to needy families.....	63,698,800
Special revenue funds:	
Local revenues .....	500,000
Private funds .....	5,278,300
Contingent fund, penalty and interest account.....	65,459,600
Defaulted loan collection fees .....	170,000
State general fund/general purpose.....	\$ 14,564,400
<b>(5) LAND BANK FAST TRACK AUTHORITY</b>	
Full-time equated classified positions.....	9.0
Blight removal grants .....	\$ 500,000
Land bank fast track authority—9.0 FTE positions .....	4,290,800
GROSS APPROPRIATION.....	\$ 4,790,800
Appropriated from:	
Federal revenues:	
Federal revenues .....	1,000,000
Special revenue funds:	
Land bank fast track fund.....	3,290,800
State general fund/general purpose.....	\$ 500,000
<b>(6) MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY</b>	
Full-time equated classified positions.....	290.0
Housing and rental assistance—290.0 FTE positions.....	\$ 46,022,200
Lighthouse preservation program.....	307,500
Michigan state housing development authority technology services and projects .....	3,651,800
Payments on behalf of tenants.....	166,860,000
Property management.....	3,609,900
GROSS APPROPRIATION.....	\$ 220,451,400
Appropriated from:	
Federal revenues:	
HUD, lower income housing assistance .....	166,860,000
Special revenue funds:	
Michigan lighthouse preservation program .....	307,500
Michigan state housing development authority fees and charges .....	53,283,900
State general fund/general purpose.....	\$ 0

PART 1A  
LINE-ITEM APPROPRIATIONS  
FOR FISCAL YEAR 2018-2019

Sec. 151. There is appropriated for the various state departments and agencies to supplement appropriations for the fiscal year ending September 30, 2019, from the following funds:

**APPROPRIATION SUMMARY**

Full-time equated classified positions.....	31.5	
GROSS APPROPRIATION.....		\$ 473,839,400

For Fiscal Year  
Ending Sept. 30,  
2019

Interdepartmental grant revenues:	
Total interdepartmental grants and intradepartmental transfers .....	1,372,500
ADJUSTED GROSS APPROPRIATION .....	\$ 472,466,900
Federal revenues:	
Total federal revenues .....	280,144,600
Special revenue funds:	
Total local revenues .....	2,972,100
Total private revenues .....	2,142,200
Total other state restricted revenues .....	213,273,400
State general fund/general purpose .....	\$ (26,065,400)

**Sec. 152. DEPARTMENT OF AGRICULTURE AND RURAL**

**DEVELOPMENT**

**(1) APPROPRIATION SUMMARY**

GROSS APPROPRIATION .....	\$ 1,277,000
Interdepartmental grant revenues:	
Total interdepartmental grants and intradepartmental transfers .....	0
ADJUSTED GROSS APPROPRIATION .....	\$ 1,277,000
Federal revenues:	
Total federal revenues .....	0
Special revenue funds:	
Total local revenues .....	0
Total private revenues .....	0
Total other state restricted revenues .....	0
State general fund/general purpose .....	\$ 1,277,000

**(2) ONE-TIME APPROPRIATIONS**

Industrial hemp research and development .....	\$ <u>1,277,000</u>
GROSS APPROPRIATION .....	\$ 1,277,000
Appropriated from:	
State general fund/general purpose .....	\$ 1,277,000

**Sec. 153. DEPARTMENT OF ATTORNEY GENERAL**

**(1) APPROPRIATION SUMMARY**

GROSS APPROPRIATION .....	\$ 1,372,500
Interdepartmental grant revenues:	
Total interdepartmental grants and intradepartmental transfers .....	1,372,500
ADJUSTED GROSS APPROPRIATION .....	\$ 0
Federal revenues:	
Total federal revenues .....	0
Special revenue funds:	
Total local revenues .....	0
Total private revenues .....	0
Total other state restricted revenues .....	0
State general fund/general purpose .....	\$ 0

**(2) ATTORNEY GENERAL OPERATIONS**

Attorney general operations .....	\$ <u>1,372,500</u>
GROSS APPROPRIATION .....	\$ 1,372,500

Appropriated from:	
Interdepartmental grant revenues:	
IDG from MDEGLE .....	700,000
IDG from MDHHS, human services .....	170,000
IDG from MDTMB .....	335,000
IDG from Michigan state housing development authority .....	167,500
State general fund/general purpose .....	\$ 0

**Sec. 154. DEPARTMENT OF EDUCATION**

**(1) APPROPRIATION SUMMARY**

GROSS APPROPRIATION .....	\$ (10,000,000)
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For Fiscal Year  
Ending Sept. 30,  
2019

Interdepartmental grant revenues:	
Total interdepartmental grants and intradepartmental transfers .....	0
<b>ADJUSTED GROSS APPROPRIATION</b> .....	\$ (10,000,000)
Federal revenues:	
Total federal revenues .....	(10,254,200)
Special revenue funds:	
Total local revenues .....	0
Total private revenues .....	0
Total other state restricted revenues .....	0
State general fund/general purpose .....	\$ 254,200
<b>(2) MICHIGAN OFFICE OF GREAT START</b>	
Child development and care public assistance .....	\$ <u>(10,000,000)</u>
<b>GROSS APPROPRIATION</b> .....	\$ (10,000,000)
Appropriated from:	
Federal revenues:	
Total federal revenues .....	(10,254,200)
State general fund/general purpose .....	\$ 254,200
<b>Sec. 155. DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>	
<b>(1) APPROPRIATION SUMMARY</b>	
Full-time equated classified positions .....	31.5
<b>GROSS APPROPRIATION</b> .....	\$ 451,697,300
Interdepartmental grant revenues:	
Total interdepartmental grants and intradepartmental transfers .....	0
<b>ADJUSTED GROSS APPROPRIATION</b> .....	\$ 451,697,300
Federal revenues:	
Social security act, temporary assistance for needy families .....	(5,007,100)
Capped federal revenues .....	(579,400)
Total other federal revenues .....	292,385,300
Special revenue funds:	
Total local revenues .....	2,972,100
Total private revenues .....	2,142,200
Total other state restricted revenues .....	194,023,400
State general fund/general purpose .....	\$ (34,239,200)
<b>(2) DEPARTMENTAL ADMINISTRATION AND SUPPORT</b>	
Property management .....	\$ 324,700
Terminal leave payments .....	52,700
Worker's compensation .....	<u>40,000</u>
<b>GROSS APPROPRIATION</b> .....	\$ 417,400
Special revenue funds:	
Total other state restricted revenues .....	417,400
State general fund/general purpose .....	\$ 0
<b>(3) CHILD SUPPORT ENFORCEMENT</b>	
Legal support contracts .....	\$ <u>0</u>
<b>GROSS APPROPRIATION</b> .....	\$ 0
Appropriated from:	
Federal revenues:	
Total other federal revenues .....	(956,300)
State general fund/general purpose .....	\$ 956,300
<b>(4) COMMUNITY SERVICES AND OUTREACH</b>	
Full-time equated classified positions .....	0.0
Bureau of community services and outreach .....	\$ 835,000
Community services and outreach administration—1.0 FTE position .....	167,000
Domestic violence prevention and treatment .....	1,883,500
Michigan community service commission—(1.0) FTE position .....	0
Weatherization assistance .....	<u>(835,000)</u>
<b>GROSS APPROPRIATION</b> .....	\$ 2,050,500

For Fiscal Year  
Ending Sept. 30,  
2019

Appropriated from:	
Federal revenues:	
Capped federal revenues .....	0
Total other federal revenues .....	1,275,500
Special revenue funds:	
Crime victim's rights fund .....	315,000
State general fund/general purpose.....	\$ 460,000
<b>(5) CHILDREN'S SERVICES AGENCY - CHILD WELFARE</b>	
Full-time equated classified positions.....	1.0
Adoption subsidies .....	\$ (2,760,200)
Adoption support services .....	4,145,500
Child care fund.....	8,350,300
Child welfare institute—1.0 FTE position.....	130,000
Family support subsidy .....	(831,300)
Foster care payments.....	21,975,500
Guardianship assistance program .....	(944,700)
Settlement monitor.....	148,300
Strong families/safe children.....	<u>(2,550,100)</u>
GROSS APPROPRIATION.....	\$ 27,663,300
Appropriated from:	
Federal revenues:	
Social security act, temporary assistance for needy families .....	(2,294,000)
Capped federal revenues .....	(579,400)
Total other federal revenues .....	11,933,000
Special revenue funds:	
Private - collections.....	2,142,200
State general fund/general purpose.....	\$ 16,461,500
<b>(6) CHILDREN'S SERVICES AGENCY - JUVENILE JUSTICE</b>	
Bay Pines Center.....	\$ 0
Shawono Center .....	<u>0</u>
GROSS APPROPRIATION.....	\$ 0
Appropriated from:	
Special revenue funds:	
Local funds - county chargeback.....	(489,600)
State general fund/general purpose.....	\$ 489,600
<b>(7) PUBLIC ASSISTANCE</b>	
Family independence program .....	\$ (2,713,100)
Food assistance program benefits.....	(113,757,300)
State disability assistance payments .....	(895,700)
State supplementation .....	(866,300)
State supplementation administration.....	<u>125,000</u>
GROSS APPROPRIATION.....	\$ (118,107,400)
Appropriated from:	
Federal revenues:	
Social security act, temporary assistance for needy families .....	(2,713,100)
Total other federal revenues .....	(113,757,300)
State general fund/general purpose.....	\$ (1,637,000)
<b>(8) FIELD OPERATIONS AND SUPPORT SERVICES</b>	
Full-time equated classified positions.....	29.0
Michigan rehabilitation services—29.0 FTE positions.....	\$ 0
GROSS APPROPRIATION.....	\$ 0
Appropriated from:	
State general fund/general purpose.....	\$ 0
<b>(9) BEHAVIORAL HEALTH PROGRAM ADMINISTRATION AND SPECIAL PROJECTS</b>	
Behavioral health program administration .....	\$ (400,000)
GROSS APPROPRIATION.....	\$ (400,000)

	For Fiscal Year Ending Sept. 30, 2019
Appropriated from:	
State general fund/general purpose.....	\$ (400,000)
<b>(10) BEHAVIORAL HEALTH SERVICES</b>	
Full-time equated classified positions..... 1.5	
Autism services.....	\$ 7,913,600
Federal mental health block grant—1.5 FTE positions.....	0
Healthy Michigan plan - behavioral health.....	51,526,700
Medicaid mental health services.....	40,809,000
Medicaid substance use disorder services.....	<u>(2,111,500)</u>
<b>GROSS APPROPRIATION.....</b>	<b>\$ 98,137,800</b>
Appropriated from:	
Federal revenues:	
Total other federal revenues.....	78,436,900
Special revenue funds:	
Total other state restricted revenues.....	10,140,400
State general fund/general purpose.....	\$ 9,560,500
<b>(11) STATE PSYCHIATRIC HOSPITALS AND FORENSIC MENTAL HEALTH SERVICES</b>	
Revenue recapture.....	\$ 100
<b>GROSS APPROPRIATION.....</b>	<b>\$ 100</b>
Appropriated from:	
Special revenue funds:	
Total local revenues.....	100
State general fund/general purpose.....	\$ 0
<b>(12) CHILDREN'S SPECIAL HEALTH CARE SERVICES</b>	
Medical care and treatment.....	\$ 6,831,800
<b>GROSS APPROPRIATION.....</b>	<b>\$ 6,831,800</b>
Appropriated from:	
Federal revenues:	
Total other federal revenues.....	3,750,200
State general fund/general purpose.....	\$ 3,081,600
<b>(13) MEDICAL SERVICES</b>	
Adult home help services.....	\$ 25,416,700
Ambulance services.....	(1,226,900)
Auxiliary medical services.....	201,900
Dental services.....	(10,313,300)
Federal Medicare pharmaceutical program.....	(3,093,100)
Health plan services.....	110,824,500
Healthy Michigan plan.....	426,400
Home health services.....	(503,200)
Hospice services.....	18,920,400
Hospital services and therapy.....	181,696,800
Integrated care organizations.....	19,635,200
Long-term care services.....	144,219,800
Maternal and child health.....	6,000,100
Medicaid home- and community-based services waiver.....	(6,331,900)
Medicare premium payments.....	(32,351,200)
Personal care services.....	(864,400)
Pharmaceutical services.....	(41,549,200)
Physician services.....	(7,018,300)
Program of all-inclusive care for the elderly.....	(21,633,500)
School-based services.....	21,202,800
Special Medicaid reimbursement.....	32,583,400
Transportation.....	<u>(1,139,200)</u>
<b>GROSS APPROPRIATION.....</b>	<b>\$ 435,103,800</b>
Appropriated from:	
Federal revenues:	
Total other federal revenues.....	311,703,300

For Fiscal Year  
Ending Sept. 30,  
2019

Special revenue funds:	
Total local revenues .....	3,461,600
Total other state restricted revenues .....	183,150,600
State general fund/general purpose.....	\$ (63,211,700)
<b>Sec. 156. JUDICIARY</b>	
<b>(1) APPROPRIATION SUMMARY</b>	
GROSS APPROPRIATION.....	\$ 1,250,000
Interdepartmental grant revenues:	
Total interdepartmental grants and intradepartmental transfers .....	0
ADJUSTED GROSS APPROPRIATION.....	\$ 1,250,000
Federal revenues:	
Total federal revenues .....	0
Special revenue funds:	
Total local revenues .....	0
Total private revenues .....	0
Total other state restricted revenues .....	1,250,000
State general fund/general purpose.....	\$ 0
<b>(2) TRIAL COURT OPERATIONS</b>	
Statewide e-file system.....	\$ <u>1,250,000</u>
GROSS APPROPRIATION.....	\$ 1,250,000
Appropriated from:	
Special revenue funds:	
Electronic filing fee fund.....	1,250,000
State general fund/general purpose.....	\$ 0
<b>Sec. 157. DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS</b>	
<b>(1) APPROPRIATION SUMMARY</b>	
GROSS APPROPRIATION.....	\$ 500,000
Interdepartmental grant revenues:	
Total interdepartmental grants and intradepartmental transfers .....	0
ADJUSTED GROSS APPROPRIATION.....	\$ 500,000
Federal revenues:	
Total federal revenues .....	0
Special revenue funds:	
Total local revenues .....	0
Total private revenues .....	0
Total other state restricted revenues .....	500,000
State general fund/general purpose.....	\$ 0
<b>(2) OCCUPATIONAL REGULATION</b>	
Bureau of community and health systems .....	\$ <u>500,000</u>
GROSS APPROPRIATION.....	\$ 500,000
Appropriated from:	
Special revenue funds:	
Child care home and center licenses fund .....	500,000
State general fund/general purpose.....	\$ 0
<b>Sec. 158. DEPARTMENT OF NATURAL RESOURCES</b>	
<b>(1) APPROPRIATION SUMMARY</b>	
GROSS APPROPRIATION.....	\$ 21,100,000
Interdepartmental grant revenues:	
Total interdepartmental grants and intradepartmental transfers .....	0
ADJUSTED GROSS APPROPRIATION.....	\$ 21,100,000
Federal revenues:	
Total federal revenues .....	3,600,000
Special revenue funds:	
Total local revenues .....	0
Total private revenues .....	0
Total other state restricted revenues .....	17,500,000
State general fund/general purpose.....	\$ 0

For Fiscal Year  
Ending Sept. 30,  
2019

**(2) DEPARTMENTAL ADMINISTRATION AND SUPPORT**

Executive direction.....	\$	36,000
Finance and operations.....		<u>44,300</u>
GROSS APPROPRIATION.....	\$	80,300
Appropriated from:		
Special revenue funds:		
Off-road vehicle trail improvement fund.....		80,300
State general fund/general purpose.....	\$	0

**(3) COMMUNICATION AND CUSTOMER SERVICES**

Marketing and outreach.....	\$	<u>13,400</u>
GROSS APPROPRIATION.....	\$	13,400
Appropriated from:		
Special revenue funds:		
Off-road vehicle trail improvement fund.....		13,400
State general fund/general purpose.....	\$	0

**(4) LAW ENFORCEMENT**

General law enforcement.....	\$	<u>716,800</u>
GROSS APPROPRIATION.....	\$	716,800
Appropriated from:		
Special revenue funds:		
Off-road vehicle trail improvement fund.....		716,800
State general fund/general purpose.....	\$	0

**(5) GRANTS**

National recreational trails .....	\$	1,900,000
Off-road vehicle trail improvement grants .....		764,500
Snowmobile local grants program.....		<u>3,700,000</u>
GROSS APPROPRIATION.....	\$	6,364,500
Appropriated from:		
Federal revenues:		
Federal funds.....		1,900,000
Special revenue funds:		
Off-road vehicle trail improvement fund.....		764,500
Snowmobile trail improvement fund.....		3,700,000
State general fund/general purpose.....	\$	0

**(6) CAPITAL OUTLAY RECREATIONAL LANDS AND**

**INFRASTRUCTURE**

Off-road vehicle trail development and maintenance .....	\$	1,425,000
Snowmobile trail development and maintenance .....		2,300,000
State parks repair and maintenance .....		<u>8,500,000</u>
GROSS APPROPRIATION.....	\$	12,225,000
Appropriated from:		
Special revenue funds:		
Off-road vehicle trail improvement fund.....		1,425,000
Park improvement fund.....		8,000,000
Recreation passport fees .....		500,000
Snowmobile trail improvement fund.....		2,300,000
State general fund/general purpose.....	\$	0

**(7) ONE-TIME BASIS ONLY APPROPRIATIONS**

Shooting range enhancement projects - capital outlay.....	\$	<u>1,700,000</u>
GROSS APPROPRIATION.....	\$	1,700,000
Appropriated from:		
Federal revenues:		
Federal funds.....		1,700,000
State general fund/general purpose.....	\$	0

**Sec. 159. DEPARTMENT OF STATE POLICE**

**(1) APPROPRIATION SUMMARY**

GROSS APPROPRIATION.....	\$	1,927,600
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For Fiscal Year  
Ending Sept. 30,  
2019

Interdepartmental grant revenues:	
Total interdepartmental grants and intradepartmental transfers .....	0
ADJUSTED GROSS APPROPRIATION .....	\$ 1,927,600
Federal revenues:	
Total federal revenues .....	0
Special revenue funds:	
Total local revenues .....	0
Total private revenues .....	0
Total other state restricted revenues .....	0
State general fund/general purpose .....	\$ 1,927,600
<b>(2) ONE-TIME ONLY APPROPRIATIONS</b>	
Active violence response training .....	\$ 1,927,600
GROSS APPROPRIATION .....	\$ 1,927,600
Appropriated from:	
State general fund/general purpose .....	\$ 1,927,600

**Sec. 160. DEPARTMENT OF TECHNOLOGY, MANAGEMENT, AND**

**BUDGET**

**(1) APPROPRIATION SUMMARY**

GROSS APPROPRIATION .....	\$ 4,465,000
Interdepartmental grant revenues:	
Total interdepartmental grants and intradepartmental transfers .....	0
ADJUSTED GROSS APPROPRIATION .....	\$ 4,465,000
Federal revenues:	
Total federal revenues .....	0
Special revenue funds:	
Total local revenues .....	0
Total private revenues .....	0
Total other state restricted revenues .....	0
State general fund/general purpose .....	\$ 4,465,000

**(2) CAPITAL OUTLAY**

Enterprise-wide special maintenance for state facilities .....	\$ 4,465,000
GROSS APPROPRIATION .....	\$ 4,465,000
Appropriated from:	
State general fund/general purpose .....	\$ 4,465,000

**Sec. 161. DEPARTMENT OF TREASURY**

**(1) APPROPRIATION SUMMARY**

GROSS APPROPRIATION .....	\$ 250,000
Interdepartmental grant revenues:	
Total interdepartmental grants and intradepartmental transfers .....	0
ADJUSTED GROSS APPROPRIATION .....	\$ 250,000
Federal revenues:	
Total federal revenues .....	0
Special revenue funds:	
Total local revenues .....	0
Total private revenues .....	0
Total other state restricted revenues .....	0
State general fund/general purpose .....	\$ 250,000

**(2) GRANTS**

Senior citizen cooperative housing tax exemption program .....	\$ 250,000
GROSS APPROPRIATION .....	\$ 250,000
Appropriated from:	
State general fund/general purpose .....	\$ 250,000

**PART 2**

**PROVISIONS CONCERNING APPROPRIATIONS  
FOR FISCAL YEAR 2019-2020**

**GENERAL SECTIONS**

Sec. 201. (1) Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state sources under part 1 for fiscal year 2019-2020 is \$3,401,707,600.00 and state spending from state

sources to be paid to local units of government for fiscal year 2019-2020 is \$1,631,832,000.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

**DEPARTMENT OF STATE**

Fees to local units .....	\$	73,300
Motorcycle safety grants .....		<u>1,054,200</u>
Subtotal .....	\$	1,127,500

**DEPARTMENT OF TREASURY**

Airport parking distribution pursuant to section 909 .....	\$	24,601,900
City, village, and township revenue sharing .....		261,024,600
Constitutional state general revenue sharing grants .....		865,441,900
Convention facility development fund distribution .....		105,356,300
County incentive program .....		43,325,200
County revenue sharing payments .....		183,182,900
Emergency 9-1-1 payments .....		48,800,000
Financially distressed cities, villages, or townships .....		2,500,000
Health and safety fund grants .....		1,500,000
Recreational marihuana grants .....		20,250,000
Payments in lieu of taxes .....		27,351,600
Senior citizen cooperative housing tax exemption .....	\$	<u>10,771,300</u>
Subtotal .....	\$	1,594,105,700

**DEPARTMENT OF LABOR AND ECONOMIC OPPORTUNITY**

Going pro .....	\$	25,918,800
Welfare-to-work programs .....		<u>10,680,000</u>
Subtotal .....	\$	36,598,800

**TOTAL GENERAL GOVERNMENT** .....

\$ 1,631,832,000

(2) Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state sources for fiscal year 2019-2020 is estimated at \$34,947,642,500.00 in the 2019-2020 appropriations acts and total state spending from state sources paid to local units of government for fiscal year 2019-2020 is estimated at \$19,594,591,900.00. The state-local proportion is estimated at 56.1% of total state spending from state sources.

(3) If payments to local units of government and state spending from state sources for fiscal year 2019-2020 are different than the amounts estimated in subsection (2), the state budget director shall report the payments to local units of government and state spending from state sources that were made for fiscal year 2019-2020 to the senate and house of representatives standing committees on appropriations within 30 days after the final book-closing for fiscal year 2019-2020.

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

Sec. 203. As used in this part and part 1:

(a) "ATM" means automated teller machine.

(b) "COBRA" means the consolidated omnibus budget reconciliation act of 1985, Public Law 99-272, 100 Stat 82.

(c) "DAG" means the United States Department of Agriculture.

(d) "DED" means the United States Department of Education.

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

(f) "DED-OPSE" means the DED Office of Postsecondary Education.

(g) "DED-OVAE" means the DED Office of Vocational and Adult Education.

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

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

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

(k) "EEOC" means the United States Equal Employment Opportunity Commission.

(l) "FTE" means full-time equated.

(m) "Fund" means the Michigan strategic fund.

(n) "GEAR-UP" means gaining early awareness and readiness for undergraduate programs.

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

(p) "GF/GP" means general fund/general purpose.

(q) "HHS" means the United States Department of Health and Human Services.

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

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

- (t) "HUD" means the United States Department of Housing and Urban Development.
- (u) "HUD-CPD" means the United States Department of Housing and Urban Development - Community Planning and Development.
- (v) "IDG" means interdepartmental grant.
- (w) "JCOS" means the joint capital outlay subcommittee.
- (x) "MAIN" means the Michigan administrative information network.
- (y) "MCL" means the Michigan Compiled Laws.
- (z) "MDE" means the Michigan department of education.
- (aa) "MDEGLE" means the Michigan department of environment, Great Lakes, and energy.
- (bb) "MDHHS" means the Michigan department of health and human services.
- (cc) "MDLARA" means the Michigan department of licensing and regulatory affairs.
- (dd) "MDLEO" means the Michigan department of labor and economic opportunity.
- (ee) "MDMVA" means the Michigan department of military and veterans affairs.
- (ff) "MDOT" means the Michigan department of transportation.
- (gg) "MDSP" means the Michigan department of state police.
- (hh) "MDTMB" means the Michigan department of technology, management, and budget.
- (ii) "MEDC" means the Michigan economic development corporation, which is the public body corporate created under section 28 of article VII of the state constitution of 1963 and the urban cooperation act of 1967, 1967 (Ex Sess) PA 7, MCL 124.501 to 124.512, by contractual interlocal agreement effective April 5, 1999, between local participating economic development corporations formed under the economic development corporations act, 1974 PA 338, MCL 125.1601 to 125.1636, and the Michigan strategic fund.
- (jj) "MEGA" means the Michigan economic growth authority.
- (kk) "MFA" means the Michigan finance authority.
- (ll) "MPE" means the Michigan public employees.
- (mm) "MSF" means the Michigan strategic fund.
- (nn) "MSHDA" means the Michigan state housing development authority.
- (oo) "NERE" means nonexclusively represented employees.
- (pp) "NFAH-NEA" means the National Foundation of the Arts and the Humanities - National Endowment for the Arts.
- (qq) "PA" means public act.
- (rr) "PATH" means Partnership. Accountability. Training. Hope.
- (ss) "RFP" means a request for a proposal.
- (tt) "SEIU" means Service Employees International Union.
- (uu) "SIGMA" means statewide integrated governmental management applications.
- (vv) "Talent investment agency" means the Michigan talent investment agency created under section III of Executive Order No. 2014-12, MCL 125.1995, or its successor.
- (ww) "WDA" means the workforce development agency.
- (xx) "WIC" means women, infants, and children.

Sec. 204. The departments and agencies receiving appropriations in part 1 shall use the internet to fulfill the reporting requirements of this part. This requirement may include transmission of reports via electronic mail to the recipients identified for each reporting requirement, or it may include placement of reports on an internet or intranet site.

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

Sec. 206. The director of each department and agency receiving appropriations in part 1 shall take all reasonable steps to ensure businesses in deprived and depressed communities compete for and perform contracts to provide services or supplies, or both. Each director shall strongly encourage firms with which the department contracts to subcontract with certified businesses in depressed and deprived communities for services, supplies, or both.

Sec. 207. The departments and agencies receiving appropriations in part 1 shall prepare a report on out-of-state travel expenses not later than January 1 of each year. The travel report shall be a listing of all travel by classified and unclassified employees outside this state in the immediately preceding fiscal year that was funded in whole or in part with funds appropriated in the department's budget. The report shall be submitted to the house and senate standing committees on appropriations, the chairpersons of the relevant appropriations subcommittees, the house and senate fiscal agencies, and the state budget director. The report shall include the following information:

- (a) The dates of each travel occurrence.

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

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

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

Sec. 210. (1) Pursuant to section 352 of the management and budget act, 1984 PA 431, MCL 18.1352, which provides for a transfer of state general fund revenue into or out of the countercyclical budget and economic stabilization fund, the calculations required by section 352 of the management and budget act, 1984 PA 431, MCL 18.1352, are determined as follows:

	<u>2018</u>	<u>2019</u>	<u>2020</u>
Michigan personal income (millions).....	\$475,626	\$492,749	\$510,488
less: transfer payments .....	<u>97,309</u>	<u>102,280</u>	<u>106,136</u>
Subtotal .....	\$378,317	\$390,469	\$404,352
Divided by: Detroit Consumer Price Index for 12 months ending June 30.....	2.322	2.357	2.403
Equals: real adjusted Michigan personal income.....	\$162,927	\$165,664	\$168,285
Percentage change.....	N/A	1.7%	1.6%
Growth rate in excess of 2% .....	N/A	0.0%	0.0%
Equals: countercyclical budget and economic stabilization fund pay-in calculation for the fiscal year ending September 30, 2020 (millions) .....	N/A	NO	NO
Growth rate less than 0% .....	N/A	NO	
Equals: countercyclical budget and economic stabilization fund pay-out calculation for the fiscal year ending September 30, 2019 (millions) .....	N/A	\$0.0	

(2) Notwithstanding subsection (1), there is appropriated for the fiscal year ending September 30, 2020, from GF/GP revenue for deposit into the countercyclical budget and economic stabilization fund the sum of \$0.00.

Sec. 211. The departments and agencies receiving appropriations in part 1 shall cooperate with the department of technology, management, and budget to maintain a searchable website that is updated at least quarterly and that is accessible by the public at no cost that includes, but is not limited to, all of the following for each department or agency:

- (a) Fiscal year-to-date expenditures by category.
- (b) Fiscal year-to-date expenditures by appropriation unit.
- (c) Fiscal year-to-date payments to a selected vendor, including the vendor name, payment date, payment amount, and payment description.
- (d) The number of active department employees by job classification.
- (e) Job specifications and wage rates.

Sec. 212. Within 14 days after the release of the executive budget recommendation, the departments and agencies receiving appropriations in part 1 shall cooperate with the state budget director to provide the chairs of the senate and house of representatives standing committees on appropriations, the chairs of the senate and house of representatives standing committees on appropriations subcommittees on general government, and the senate and house fiscal agencies with an annual report on estimated state restricted fund balances, state restricted fund projected revenues, and state restricted fund expenditures for the fiscal years ending September 30, 2019 and September 30, 2020.

Sec. 213. The departments and agencies receiving appropriations in part 1 shall maintain, on a publicly accessible website, a department or agency scorecard that identifies, tracks, and regularly updates key metrics that are used to monitor and improve the department's or agency's performance.

Sec. 215. Funds appropriated in part 1 shall not be used by this state, a department, an agency, or an authority of this state to purchase an ownership interest in a casino enterprise or a gambling operation as those terms are defined in the Michigan gaming control and revenue act, 1996 IL 1, MCL 432.201 to 432.226.

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

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

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

Sec. 219. As a condition of receiving funds appropriated in part 1, departments and agencies shall provide all reports by the required due date and provide information requested by a member of the legislature, his or her staff, or the house and senate fiscal agencies in a timely manner. If the department or agency fails to provide a report by the required due date or fails to provide reasonably requested information within 30 days after the request, the state funds appropriated in part 1 for the department or agency operations shall be reduced by 5%. The chairpersons of the house and senate subcommittees on general government reserve the right to waive the operations appropriation reduction if the chairs are notified and given a reasonable explanation for the delay 10 days prior to the due date.

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

Sec. 222. Funds appropriated in part 1 shall not be expended in cases if existing work project authorization is available for the same expenditures.

Sec. 229. (1) If the office of the auditor general has identified an initiative or made a recommendation that is related to savings and efficiencies in an audit report for an executive branch department or agency, the department or agency shall report within 6 months of the release of the audit on their efforts and progress made toward achieving the savings and efficiencies identified in the audit report. The report shall be submitted to the chairs of the senate and house of representatives standing committees on appropriations, the chairs of the senate and house of representatives standing committees with jurisdiction over matters relating to the department that is audited, and the senate and house fiscal agencies.

(2) If the office of the auditor general does not receive the required report regarding initiatives related to savings and efficiencies within the 6-month time frame, the office of the auditor general may charge noncompliant executive branch departments and agencies for the cost of performing a subsequent audit to ensure that the initiatives related to savings and efficiencies have been implemented.

Sec. 235. By April 1, the state budget director shall submit a report to the senate and house appropriations committees, the chairpersons of the relevant appropriations subcommittees, and the senate and house fiscal agencies. The report shall recommend a contingency plan for each federal funding source included in the state budget of \$10,000,000.00 or more in the event that the federal government reduces funding to the state through that source by 10% or greater.

Sec. 240. (1) Concurrently with the submission of the fiscal year 2020-2021 executive budget recommendations, the state budget office shall provide the senate and house appropriations committees, the chairpersons of the relevant appropriations subcommittees, the senate and house fiscal agencies, and the policy offices a report that lists each new program or program enhancement for which funds in excess of \$500,000.00 are appropriated in part 1 of each departmental appropriation act.

(2) By July 1, 2020, the state budget director and the chairs of the senate and house appropriations committees shall identify new programs or program enhancements identified under subsection (1) for measurement using program-specific metrics, in addition to the metrics required under section 447 of the management and budget act, 1984 PA 431, MCL 18.1447.

(3) By September 30, 2021, the state budget office shall provide a report on the specific metrics and the progress in meeting the estimated performance for each program identified under subsection (2) to the senate and house appropriations committees, the senate and house appropriations subcommittees on each state department, and the senate and house fiscal agencies and policy offices. It is the intent of the legislature that the governor consider the estimated performance of the new program or program enhancement as the basis for any increase in funds appropriated from the prior year.

#### **DEPARTMENT OF ATTORNEY GENERAL**

Sec. 301. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$750,000.00 for federal contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

(2) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$750,000.00 for state restricted contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

(3) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$50,000.00 for local contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

(4) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$50,000.00 for private contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

Sec. 302. (1) The attorney general shall perform all legal services, including representation before courts and administrative agencies rendering legal opinions and providing legal advice to a principal executive department or state agency. A principal executive department or state agency shall not employ or enter into a contract with any other person for services described in this section.

(2) The attorney general shall defend judges of all state courts if a claim is made or a civil action is commenced for injuries to persons or property caused by the judge through the performance of the judge's duties while acting within the scope of his or her authority as a judge.

(3) The attorney general shall perform the duties specified in 1846 RS 12, MCL 14.28 to 14.35, and 1919 PA 232, MCL 14.101 to 14.102, and as otherwise provided by law.

Sec. 303. The attorney general may sell copies of the biennial report in excess of the 350 copies that the attorney general may distribute on a gratis basis. Gratis copies shall not be provided to members of the legislature. Electronic copies of biennial reports shall be made available on the department of attorney general's website. The attorney general shall sell copies of the report at not less than the actual cost of the report and shall deposit the money received into the general fund.

Sec. 304. The department of attorney general is responsible for the legal representation for state of Michigan state employee worker's disability compensation cases. The risk management revolving fund revenue appropriation in part 1 is to be satisfied by billings from the department of attorney general for the actual costs of legal representation, including salaries and support costs.

Sec. 305. In addition to the funds appropriated in part 1, not more than \$400,000.00 shall be reimbursed per fiscal year for food stamp fraud cases heard by the third circuit court of Wayne County that were initiated by the department of attorney general pursuant to the existing contract between the department of health and human services, the Prosecuting Attorneys Association of Michigan, and the department of attorney general. The source of this funding is money earned by the department of attorney general under the agreement after the allowance for reimbursement to the department of attorney general for costs associated with the prosecution of food stamp fraud cases. It is recognized that the federal funds are earned by the department of attorney general for its documented progress on the prosecution of food stamp fraud cases according to the United States Department of Agriculture regulations and that, once earned by this state, the funds become state funds.

Sec. 306. Any proceeds from a lawsuit initiated by or settlement agreement entered into on behalf of this state against a manufacturer of tobacco products by the attorney general are state funds and are subject to appropriation as provided by law.

Sec. 307. (1) In addition to the antitrust revenues in part 1, antitrust, securities fraud, consumer protection or class action enforcement revenues, or attorney fees recovered by the department, not to exceed \$250,000.00, are appropriated to the department for antitrust, securities fraud, and consumer protection or class action enforcement cases.

(2) Any unexpended funds from antitrust, securities fraud, or consumer protection or class action enforcement revenues at the end of the fiscal year, including antitrust funds in part 1, may be carried forward for expenditure in the following fiscal year up to the maximum authorization of \$250,000.00. The total amount of carry forward funds shall not exceed a total of \$250,000.00.

(3) The attorney general's office shall make available upon request information detailing the amount of revenue from subsection (1) recovered by the attorney general, including a description of the source of the revenue and the carryforward amount.

Sec. 309. (1) From the prisoner reimbursement funds appropriated in part 1, the department may spend up to \$542,000.00 on activities related to the state correctional facility reimbursement act, 1935 PA 253, MCL 800.401 to 800.406. In addition to the funds appropriated in part 1, if the department collects in excess of \$1,131,000.00 in gross annual prisoner reimbursement receipts provided to the general fund, the excess, up to a maximum of \$1,000,000.00, is appropriated to the department of attorney general and may be spent on the representation of the department of corrections and its officers, employees, and agents, including, but not limited to, the defense of litigation against the state, its departments, officers, employees, or agents in civil actions filed by prisoners.

(2) The attorney general's office shall make available upon request information on the dollar amount of prisoner reimbursements collected from subsection (1) as well as descriptions of all expenditures made from the reimbursements, including what activities related to the state correctional facility reimbursement act, 1935 PA 253, MCL 800.401 to 800.406, funds were spent on.

Sec. 309a. Not later than March 1, the department of attorney general must report to the house and senate appropriations subcommittees with jurisdiction over the budget of the department of corrections, and the house and senate fiscal agencies, the total amount of reimbursements received under section 6 of the state correctional facility reimbursement act, 1935 PA 253, MCL 800.406, the amount paid to conduct the investigations from these reimbursements, and the amount credited to the general fund from these reimbursements.

Sec. 310. (1) For the purposes of providing title IV-D child support enforcement funding, the attorney general shall maintain a cooperative agreement with the department of health and human services, as the state IV-D agency, for federal IV-D funding to support the child support enforcement activities within the office of the attorney general.

(2) The attorney general or his or her designee shall, to the extent allowable under federal law, have access to any information used by the state to locate parents who fail to pay court-ordered child support.

Sec. 312. The department of attorney general shall not receive and expend funds in addition to those authorized in part 1 for legal services provided specifically to other state departments or agencies except for costs for expert witnesses, court costs, or other nonsalary litigation expenses associated with a pending legal action.

Sec. 313. The department of attorney general must submit a quarterly report to the house and senate standing committees on appropriations, the house and senate appropriations subcommittees on general government, the house and senate fiscal agencies, and the state budget office, regarding the lawsuit settlement proceeds fund that includes all of the following:

(a) The total amount of revenue deposited into the lawsuit settlement proceeds fund in the current fiscal year delineated by case.

(b) The total amount appropriated from the lawsuit settlement proceeds fund in the current fiscal year delineated by appropriation.

(c) Earned settlement proceeds that are anticipated but not yet deposited into the fund delineated by case.

(d) Any known potential settlement amounts from cases that have not been decided, delineated by case.

Sec. 314. (1) From the lawsuit settlement proceeds fund appropriated in part 1, the department may spend the funds for the costs of all associated expenses related to the declaration of emergency due to drinking water contamination up to \$2,600,000.00.

(2) The attorney general's office must submit a quarterly report to the house and senate standing committees on appropriations, the house and senate appropriations subcommittees on general government, the senate and house fiscal agencies, and the state budget director, detailing how funds in subsection (1) and all other currently and previously budgeted funds associated with legal costs pertaining to the Flint water declaration of emergency were expended. The report must itemize expenditures by case, purpose, hourly rate of retained attorney, and department involved.

(3) As a condition of receiving funds appropriated in part 1, the attorney general must not retain the services of an outside counsel associated with the declaration of emergency due to drinking water contamination at an hourly rate of more than \$250.00 unless all reporting requirements under subsection (2) are satisfied.

Sec. 315. Total authorized appropriations from all sources under part 1 for legacy costs for the fiscal year ending September 30, 2020 are \$17,223,800.00. From this amount, total agency appropriations for pension-related legacy costs are estimated at \$8,372,900.00. Total agency appropriations for retiree health care legacy costs are estimated at \$8,850,900.00.

Sec. 316. (1) From the funds appropriated in part 1 for sexual assault law enforcement efforts, the department shall use the funds for testing of backlogged sexual assault kits across this state. The funding provided in part 1 shall be distributed in the following order of priority:

(a) To eliminate all county sexual assault kit backlogs across this state.

(b) To assist local prosecutors with investigations and prosecutions of viable cases.

(c) To provide victim services.

(2) The department of the attorney general shall provide a report by February 1. The report shall include the following information:

(a) The number of sexual assault kits across this state that remain untested as of January 31.

(b) A detailed work plan outlining the department's action plan to eliminate all outstanding sexual assault kits and the time frame for completion of testing of all untested sexual assault kits.

(c) A detailed work and spending plan outlining anticipated litigation action and expenditures resulting from findings of the sexual assault kit testing. The report shall be submitted to the state budget office, the senate and house fiscal agencies, and the senate and house of representatives standing committees on appropriations subcommittees on general government.

(3) Any funds remaining after the department has met the obligations required under subsection (1) may be used for the purpose of retesting any previously tested sexual assault kits across this state using currently available DNA testing. Funds only may be used for DNA testing on previously tested kits that were not tested for DNA. If there are remaining untested sexual assault kits on January 31, 2020, funds appropriated in part 1 shall only be used for the testing of those kits.

Sec. 317. (1) The department of attorney general shall report all legal costs and associated expenses related to the declaration of emergency due to drinking water contamination, and the investigations and any resulting prosecutions, for publication in the Flint water emergency-financial and activities tracking and reporting document that is posted by the state budget director on the public website, michigan.gov/flintwater. The tracking and reporting documents shall include the budget line item source for each expenditure.

(2) At the conclusion of all attorney general investigations related to the declaration of emergency due to drinking water contamination, all materials related to any investigations shall be preserved pursuant to applicable document retention policies.

Sec. 319. From the funds appropriated in part 1, the attorney general shall provide a quarterly report on the wrongful imprisonment compensation fund to the chairpersons of the appropriations subcommittees on general government, the senate and house fiscal agencies, and the state budget director. The report shall include at least the following:

(a) All payments made from the wrongful imprisonment fund in the previous quarter, including if the payment is part of a new settlement or part of an installment plan.

(b) Any settlements that have been decided, but have yet to receive a payment.

(c) The number of known cases seeking a settlement, but do not have a final judgment, and the dollar amount of each potential payment for these known cases.

(d) The balance of the wrongful imprisonment fund at the end of the previous quarter.

Sec. 320. From the funds appropriated in part 1, the department of attorney general shall do all of the following:

(a) Notify the appropriation chairs and fiscal agencies of all lawsuit settlements with a fiscal impact of \$5,000,000.00 or more no later than 10 days after a settlement is reached. It is the intent of the legislature that any lawsuit settlement must take into consideration the potential cost and tax dollar impact to Michigan taxpayers as part of the settlement negotiations process.

(b) Not enter into any lawsuit that is contrary to the laws of this state.

(c) Enforce the laws of this state.

Sec. 321. Upon entering into a lawsuit against the federal government, either on this state's own accord or accompanied by other states, the department of attorney general must submit a notification of the lawsuit filing to the chairpersons of the house and senate appropriations subcommittees on general government. The notification must include an estimate of all financial costs to this state for participating in the legal action. Upon the request of either chairperson of the house or senate appropriations subcommittee on general government, the attorney general, and not a designee of the attorney general, must appear before the house or senate appropriations subcommittees on general government and present the department's findings and discovery material that led to the filing of the lawsuit. This appearance and presentation must take place no later than 30 business days after the request for the appearance.

#### **DEPARTMENT OF CIVIL RIGHTS**

Sec. 401. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$1,000,000.00 for federal contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

(2) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$375,000.00 for private contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

Sec. 402. (1) In addition to the appropriations contained in part 1, the department of civil rights may receive and expend funds from local or private sources for all of the following purposes:

(a) Developing and presenting training for employers on equal employment opportunity law and procedures.

(b) The publication and sale of civil rights related informational material.

(c) The provision of copy material made available under freedom of information requests.

(d) Other copy fees, subpoena fees, and witness fees.

(e) Developing, presenting, and participating in mediation processes for certain civil rights cases.

(f) Workshops, seminars, and recognition or award programs consistent with the programmatic mission of the individual unit sponsoring or coordinating the programs.

(g) Staffing costs for all activities included in this subsection.



(2) The department of civil rights shall annually report to the state budget director, the senate and house of representatives standing committees on appropriations, the chairpersons of the relevant appropriations subcommittees, and the senate and house fiscal agencies the amount of funds received and expended for purposes authorized under this section.

Sec. 403. The department of civil rights may contract with local units of government to review equal employment opportunity compliance of potential contractors and may charge for and expend amounts received from local units of government for the purpose of developing and providing these contractual services.

Sec. 404. (1) The department of civil rights shall prepare and transmit a detailed report that includes, but is not limited to, the following information for the most recent fiscal year:

- (a) A detailed description of the department operations.
- (b) A detailed description of all subunits within the department, including FTE positions associated with each subunit, responsibilities of each subunit, and all revenues and expenditures for each subunit.
- (c) The number of complaints by type of complaint.
- (d) The average cost of, and time expended, investigating complaints.
- (e) The percentage of complaints that are meritorious and worthy of investigation or settlement and the percentage of complaints that have no merit.
- (f) A listing of amounts awarded to claimants.
- (g) Expenditures associated with complaint investigation and enforcement.
- (h) A listing of complaint investigations closed per FTE position for each of the past 5 years.
- (i) A listing of complaint evaluations completed per FTE position for each of the past 5 years.
- (j) Productivity projections for the current fiscal year, including investigations closed per FTE, complaint evaluations completed per FTE, and average time expended investigating complaints.
- (k) Revenues and expenditures associated with section 403 of this part by local unit.

(2) The report required under subsection (1) shall be posted online and transmitted electronically not later than November 30 to the state budget director, the chairpersons of the senate and house of representatives standing committees on appropriations, the senate and house appropriations subcommittees on general government, and the senate and house fiscal agencies.

Sec. 405. The department of civil rights shall notify the state budget office, senate and house of representatives standing committees on appropriations, the chairpersons of the appropriations subcommittees on general government, and senate and house fiscal agencies prior to submitting a report or complaint to the United States Commission on Civil Rights or other federal departments.

Sec. 410. Total authorized appropriations from all sources under part 1 for legacy costs for the fiscal year ending September 30, 2020 are \$2,516,500.00. From this amount, total agency appropriations for pension-related legacy costs are estimated at \$1,223,300.00. Total agency appropriations for retiree health care legacy costs are estimated at \$1,293,200.00.

Sec. 411. (1) From the funds appropriated in part 1 for museums support, \$500,000.00 shall be awarded to support an Arab-American museum located in a county with a population over 1,300,000 and in a city with a population between 97,000 and 500,000 according to the most recent federal decennial census.

(2) From the funds appropriated in part 1 for museums support, \$500,000.00 shall be awarded to support capital improvements to an African-American museum in a city with a population greater than 600,000 according to the most recent federal decennial census.

(3) From the funds appropriated in part 1 for museums support, \$500,000.00 shall be awarded to support a memorial center in a county with a population between 1,000,000 and 1,700,000 and in a city with a population between 79,000 and 80,000 according to the most recent federal decennial census to expand educational access.

## **LEGISLATURE**

Sec. 600. The senate, the house of representatives, or an agency within the legislative branch may receive, expend, and transfer funds in addition to those authorized in part 1.

Sec. 601. (1) Funds appropriated in part 1 to an entity within the legislative branch shall not be expended or transferred to another account without written approval of the authorized agent of the legislative entity. If the authorized agent of the legislative entity notifies the state budget director of its approval of an expenditure or transfer before the year-end book-closing date for that legislative entity, the state budget director shall immediately make the expenditure or transfer. The authorized legislative entity agency shall be designated by the speaker of the house of representatives for house entities, the senate majority leader for senate entities, and the legislative council for legislative council entities.

(2) Funds appropriated within the legislative branch, to a legislative council component, shall not be expended by any agency or other subgroup included in that component without the approval of the legislative council.

Sec. 602. The senate may charge rent and assess charges for utility costs. The amounts received for rent charges and utility assessments are appropriated to the senate for the renovation, operation, and maintenance of the Binsfeld Office Building.

Sec. 603. (1) From the appropriation contained in part 1 for national association dues, the first \$34,800.00 shall be paid to the National Conference of Commissioners of Uniform State Laws. The remaining funds shall be distributed accordingly by the legislative council.

(2) If any funds remain after all required dues payments have been made as specified in subsection (1), the Legislative Council may approve the use of up to \$10,000.00 to pay for the registration fees of any state employees who serve as board members to any of the national associations receiving state funds for annual dues to attend that national association's annual conference. If any of the \$10,000.00 remains after national board member's registration fees are paid, the remaining funds may be used to pay for the registration fees for any other state employees to attend the annual conference of any of the national associations receiving state funds for annual dues as prescribed in subsection (1).

Sec. 604. (1) The appropriation in part 1 to the Michigan state capitol historic site includes funds to operate the legislative parking facilities in the capitol area. The Michigan state capitol commission shall establish rules regarding the operation of the legislative parking facilities.

(2) The Michigan state capitol commission shall collect a fee from state employees and the general public using certain legislative parking facilities. The revenues received from the parking fees are appropriated upon receipt and shall be allocated by the Michigan state capitol commission.

Sec. 605. The unexpended funds appropriated in part 1 for the legislative council are designated as a work project appropriation, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures for projects under this section until the projects have been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is publication of the Michigan manual.

(b) The project will be accomplished by utilizing state employees or contracts with service providers, or both.

(c) The total estimated cost of the project is \$3,000,000.00.

(d) The tentative completion date is September 30, 2024.

Sec. 606. The unexpended funds appropriated in part 1 for property management are designated as a work project appropriation, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures for projects under this section until the projects have been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to purchase equipment and services for building maintenance in order to ensure a safe and productive work environment.

(b) The project will be accomplished by utilizing state employees or contracts with service providers, or both.

(c) The total estimated cost of the project is \$2,000,000.00.

(d) The tentative completion date is September 30, 2024.

Sec. 607. The unexpended funds appropriated in part 1 for automated data processing are designated as a work project appropriation, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures for projects under this section until the projects have been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to purchase equipment, software, and services in order to support and implement data processing requirements and technology improvements.

(b) The project will be accomplished by utilizing state employees or contracts with service providers, or both.

(c) The total estimated cost of the project is \$3,000,000.00.

(d) The tentative completion date is September 30, 2024.

Sec. 608. In addition to funds appropriated in part 1, the Michigan capitol committee publications save the flags fund account may accept contributions, gifts, bequests, devises, grants, and donations. Those funds that are not expended in the fiscal year ending September 30 shall not lapse at the close of the fiscal year, and shall be carried forward for expenditure in the following fiscal years.

Sec. 615. Total authorized appropriations from all sources under part 1 for legacy costs for the fiscal year ending September 30, 2020 are \$27,415,800.00. From this amount, total agency appropriations for pension-related legacy costs are estimated at \$13,327,500.00. Total agency appropriations for retiree health care legacy costs are estimated at \$14,088,300.00.

Sec. 617. From the funds appropriated in part 1, on a quarterly basis, the independent citizens redistricting commission shall issue a report to the senate and house appropriations subcommittees on general government, the senate and house fiscal agencies, and the state budget director that provides a detailed listing of expenditures related to independent citizens redistricting commission activities. In addition to providing a listing of expenditures, the report must also include a detailed description of activities undertaken to fulfill the independent citizens redistricting commission's constitutional responsibilities.

#### **LEGISLATIVE AUDITOR GENERAL**

Sec. 620. Pursuant to section 53 of article IV of the state constitution of 1963, the auditor general shall conduct audits of the judicial branch. The audits may include the supreme court and its administrative units, the court of appeals, and trial courts.

Sec. 621. (1) The auditor general shall take all reasonable steps to ensure that certified minority- and women-owned and operated accounting firms, and accounting firms owned and operated by persons with disabilities participate in the audits of the books, accounts, and financial affairs of each principal executive department, branch, institution, agency, and office of this state.

(2) The auditor general shall strongly encourage firms with which the auditor general contracts to perform audits of the principal executive departments and state agencies to subcontract with certified minority- and women-owned and operated accounting firms, and accounting firms owned and operated by persons with disabilities.

(3) The auditor general shall compile an annual report regarding the number of contracts entered into with certified minority- and women-owned and operated accounting firms, and accounting firms owned and operated by persons with disabilities. The auditor general shall deliver the report to the state budget director and the senate and house of representatives standing committees on appropriations subcommittees on general government by November 1 of each year.

Sec. 622. From the funds appropriated in part 1 to the legislative auditor general, the auditor general's salary and the salaries of the remaining 2.0 FTE unclassified positions shall be set by the speaker of the house of representatives, the senate majority leader, the house of representatives minority leader, and the senate minority leader.

Sec. 623. Any audits, reviews, or investigations requested of the auditor general by the legislature or by legislative leadership, legislative committees, or individual legislators shall include an estimate of the additional costs involved and, when those costs exceed \$50,000.00, should provide supplemental funding. The auditor general shall determine whether to perform those activities in keeping with Operations Manual Policy No. 2-26, which describes the office of the auditor general's policy on responding to legislative requests.

Sec. 624. If the auditor general conducts a subsequent audit pursuant to section 229 of this part, the auditor general may charge fees and collect revenues in excess of appropriations in part 1 not to exceed the cost of any audit conducted pursuant to section 229 of this part. Any revenues and fees collected pursuant to this section are appropriated for expenditure for all expenses associated with an audit conducted pursuant to section 229 of this part.

Sec. 625. It is the intent of the legislature that the auditor general be authorized to access and examine confidential information of each branch, department, office, board, commission, agency, authority, and institution of the state. The auditor general would be subject to the same duty of confidentiality imposed by law on the entity providing the confidential information.

Sec. 626. From the funds appropriated in part 1, the office of auditor general shall conduct a performance audit of the Michigan department of transportation's use and procurement of contract consultants for evaluating construction material specifications and availability, including the use and procurement of contract consultants for the analysis of specifications and availability of aggregate materials in this state. The scope of the audit must include an evaluation of whether the department of transportation's use and procurement of contract consultants for evaluating construction material specifications and availability meet generally accepted measures of efficiency, effectiveness, and best practices, as well as conformance with state laws governing procurement. The office of auditor general shall report the results of the audit to the house of representatives and senate appropriations committees, and the house and senate fiscal agencies, by June 1, 2020.

#### **DEPARTMENT OF STATE**

Sec. 701. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$2,000,000.00 for federal contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

(2) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$2,500,000.00 for state restricted contingency funds. These funds are not available for expenditure until they

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

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

(4) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$50,000.00 for private contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

Sec. 703. From the funds appropriated in part 1, the department of state shall sell copies of records including, but not limited to, records of motor vehicles, off-road vehicles, snowmobiles, watercraft, mobile homes, personal identification cardholders, drivers, and boat operators and shall charge \$11.00 per record sold only as authorized in section 208b of the Michigan vehicle code, 1949 PA 300, MCL 257.208b, section 7 of 1972 PA 222, MCL 28.297, and sections 80130, 80315, 81114, and 82156 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.80130, 324.80315, 324.81114, and 324.82156. The revenue received from the sale of records shall be credited to the transportation administration collection fund created under section 810b of the Michigan vehicle code, 1949 PA 300, MCL 257.810b. The department of state shall provide quarterly reports to the legislature, the chairpersons of the relevant appropriations subcommittees, and the senate and house fiscal agencies. The report shall be provided within 15 days of the close of the quarter and shall include the number of records sold and the revenues collected.

Sec. 704. From the funds appropriated in part 1, the secretary of state may enter into agreements with the department of corrections for the manufacture of vehicle registration plates 15 months before the registration year in which the registration plates will be used.

Sec. 705. (1) The department of state may accept gifts, donations, contributions, and grants of money and other property from any private or public source to underwrite, in whole or in part, the cost of a departmental publication that is prepared and disseminated under the Michigan vehicle code, 1949 PA 300, MCL 257.1 to 257.923. A private or public funding source may receive written recognition in the publication and may furnish a traffic safety message, subject to departmental approval, for inclusion in the publication. The department may reject a gift, donation, contribution, or grant. The department may furnish copies of a publication underwritten, in whole or in part, by a private source to the underwriter at no charge.

(2) The department of state may sell and accept paid advertising for placement in a departmental publication that is prepared and disseminated under the Michigan vehicle code, 1949 PA 300, MCL 257.1 to 257.923. The department may charge and receive a fee for any advertisement appearing in a departmental publication and shall review and approve the content of each advertisement. The department may refuse to accept advertising from any person or organization. The department may furnish a reasonable number of copies of a publication to an advertiser at no charge.

(3) Pending expenditure, the funds received under this section shall be deposited in the Michigan department of state publications fund created by section 211 of the Michigan vehicle code, 1949 PA 300, MCL 257.211. Funds given, donated, or contributed to the department from a private source are appropriated and allocated for the purpose for which the revenue is furnished. Funds granted to the department from a public source are allocated and may be expended upon receipt. The department shall not accept a gift, donation, contribution, or grant if receipt is conditioned upon a commitment of state funding at a future date. Revenue received from the sale of advertising is appropriated and may be expended upon receipt.

(4) Any unexpended revenues received under this section shall be carried over into subsequent fiscal years and shall be available for appropriation for the purposes described in this section.

(5) On March 1 of each year, the department of state shall file a report with the senate and house of representatives standing committees on appropriations, the chairpersons of the relevant appropriations subcommittees, the senate and house fiscal agencies, and the state budget director. The report shall include all of the following information:

(a) The amount of gifts, contributions, donations, and grants of money received by the department under this section for the prior fiscal year.

(b) A listing of the expenditures made from the amounts received by the department as reported in subdivision (a).

(c) A listing of any gift, donation, contribution, or grant of property other than funding received by the department under this section for the prior year.

(d) The total revenue received from the sale of paid advertising accepted under this section and a statement of the total number of advertising transactions.

(6) In addition to copies delivered without charge as the secretary of state considers necessary, the department of state may sell copies of manuals and other publications regarding the sale, ownership, or operation or regulation of motor vehicles, with amendments, at prices to be established by the secretary of state. As used in this subsection, the term "manuals and other publications" includes videos and proprietary electronic publications. All funds received from sales of these manuals and other publications shall be credited to the Michigan department of state publications fund.

Sec. 707. Funds collected by the department of state under section 211 of the Michigan vehicle code, 1949 PA 300, MCL 257.211, are appropriated for all expenses necessary to provide for the costs of the publication. Funds are allotted for expenditure when they are received by the department of treasury and shall not lapse to the general fund at the end of the fiscal year.

Sec. 708. From the funds appropriated in part 1, the department of state shall use available balances at the end of the state fiscal year to provide payment to the department of state police in the amount of \$332,000.00 for the services provided by the traffic accident records program as first appropriated in 1990 PA 196 and 1990 PA 208.

Sec. 709. From the funds appropriated in part 1, the department of state may restrict funds from miscellaneous revenue to cover cash shortages created from normal branch office operations. This amount shall not exceed \$50,000.00 of the total funds available in miscellaneous revenue.

Sec. 711. Collector plate and fund-raising registration plate revenues collected by the department of state are appropriated and allotted for distribution to the recipient university or public or private agency overseeing a state-sponsored goal when received. Distributions shall occur on a quarterly basis or as otherwise authorized by law. Any revenues remaining at the end of the fiscal year shall not lapse to the general fund but shall remain available for distribution to the university or agency in the next fiscal year.

Sec. 712. The department of state may produce and sell copies of a training video designed to inform registered automotive repair facilities of their obligations under Michigan law. The price shall not exceed the cost of production and distribution. The money received from the sale of training videos shall revert to the department of state and be placed in the auto repair facility account.

Sec. 713. (1) The department of state, in collaboration with the gift of life transplantation society or its successor federally designated organ procurement organization, may develop and administer a public information campaign concerning the Michigan organ donor program.

(2) The department of state may solicit funds from any private or public source to underwrite, in whole or in part, the public information campaign authorized by this section. The department may accept gifts, donations, contributions, and grants of money and other property from private and public sources for this purpose. A private or public funding source underwriting the public information campaign, in whole or in substantial part, shall receive sponsorship credit for its financial backing.

(3) Funds received under this section, including grants from state and federal agencies, shall not lapse to the general fund at the end of the fiscal year but shall remain available for expenditure for the purposes described in this section.

(4) Funding appropriated in part 1 for the organ donor program shall be used for producing a pamphlet to be distributed with driver licenses and personal identification cards regarding organ donations. The funds shall be used to update and print a pamphlet that will explain the organ donor program and encourage people to become donors by marking a checkoff on driver license and personal identification card applications.

(5) The pamphlet shall include a return reply form addressed to the gift of life organization. Funding appropriated in part 1 for the organ donor program shall be used to pay for return postage costs.

(6) In addition to the appropriations in part 1, the department of state may receive and expend funds from the organ and tissue donation education fund for administrative expenses.

(7) The department must submit a report to the house and senate appropriations subcommittees on general government, the senate and house fiscal agencies, and the state budget director by March 1 that provides the amount of revenue collected by the department of state authorized under this section, the purpose of each expenditure, and the amount of revenue carried forward.

Sec. 714. (1) Except as otherwise provided under subsection (2), at least 180 days before closing a branch office or consolidating a branch office and at least 60 days before relocating a branch office, the department of state shall inform members of the senate and house of representatives standing committees on appropriations and legislators who represent affected areas regarding the details of the proposal. The information provided shall be in written form and include all analyses done regarding criteria for changes in the location of branch offices, including, but not limited to, branch transactions, revenue, and the impact on citizens of the affected area. The impact on citizens shall include information regarding additional distance to branch office locations resulting from the plan. The written notice provided by the department of state shall also include detailed estimates of costs and savings that will result from the overall changes made to the branch office structure and the same level of detail regarding costs for new leased facilities and expansions of current leased space.

(2) If the consolidation of a branch office is with another branch office that is located within the same local unit of government or the relocation of a branch office is to another location that is located within the same local unit of government, the department of state is not required to provide the notification or written information described in subsection (1).

(3) As used in this section, "local unit of government" means a city, village, township, or county.

Sec. 715. (1) Any service assessment collected by the department of state from the user of a credit or debit card under section 3 of 1995 PA 144, MCL 11.23, may be used by the department for necessary expenses related to that service and may be remitted to a credit or debit card company, bank, or other financial institution.

(2) The service assessment imposed by the department of state for credit and debit card services may be based either on a percentage of each individual credit or debit card transaction, or on a flat rate per transaction, or both, scaled to the amount of the transaction. However, the department shall not charge any amount for a service assessment which exceeds the costs billable to the department for service assessments.

(3) If there is a balance of service assessments received from credit and debit card services remaining on September 30, the balance may be carried forward to the following fiscal year and appropriated for the same purpose.

(4) As used in this section, "service assessment" means and includes costs associated with service fees imposed by credit and debit card companies and processing fees imposed by banks and other financial institutions.

Sec. 717. (1) The department of state may accept nonmonetary gifts, donations, or contributions of property from any private or public source to support, in whole or in part, the operation of a departmental function relating to licensing, regulation, or safety. The department may recognize a private or public contributor for making the contribution. The department may reject a gift, donation, or contribution.

(2) The department of state shall not accept a gift, donation, or contribution under subsection (1) if receipt of the gift, donation, or contribution is conditioned upon a commitment of future state funding.

(3) On March 1 of each year, the department of state shall file a report with the senate and house of representatives standing committees on appropriations, the chairpersons of the relevant appropriations subcommittees, the senate and house fiscal agencies, and the state budget director. The report shall list any gift, donation, or contribution received by the department under subsection (1) for the prior calendar year.

Sec. 719. From the funds appropriated in part 1 for election administration and services, the department of state shall make available at least 1 voting machine to at least 1 high school per regional prosperity region for the purpose of allowing pupils to familiarize themselves with the voting procedure through a simulated election to be determined by the high schools receiving a voting machine. The voting machines shall be made available to the selected high schools at no cost to the high school or school district in which the high school is located.

Sec. 721. From the funds appropriated in part 1, the department of state must submit a quarterly report of all department expenditures, itemized by purpose, associated with its role as serving as secretary of the citizens redistricting commission, and all other department activities related to implementing section 6 of article IV of the state constitution of 1963. The report must be submitted to the house and senate appropriations subcommittees on general government, the house and senate fiscal agencies, and the state budget office.

Sec. 721a. From the funds appropriated in part 1, the department of state must submit a quarterly report of all department expenditures, itemized by purpose, associated with implementing changes and new procedures and purchasing equipment as a result of section 4 of article II of the state constitution of 1963. The report must be submitted to the house and senate appropriations subcommittees on general government, the house and senate fiscal agencies, and the state budget office.

Sec. 722. (1) From the funds appropriated in part 1 for information technology services and projects, the department of state shall continue implementation of a legacy modernization project. The purpose of this project is modernization of the entire system and removal of existing programs from the legacy mainframes.

(2) The department of state shall provide a report on the status of the legacy modernization project that includes, but is not limited to, itemization of all expenditures made on behalf of the project, anticipated completion date of the project, time frame of each phase of the project, the cost of the project, the number of employees assigned to implement each phase of the project, the contracts entered into for the project, anticipated overall cost of the project, and any other information the department considers necessary. The plan shall be distributed to the senate and house of representatives standing committees on appropriations subcommittees on general government, as well as the senate and house fiscal agencies, and the state budget director by January 1.

Sec. 723. The funds appropriated in part 1 for county clerk education and training shall only be used for costs associated with the training of local clerks in preparation for elections. The department of state shall not allocate any funds appropriated for county clerk education and training for any other purposes.

Sec. 725. Total authorized appropriations from all sources under part 1 for legacy costs for the fiscal year ending September 30, 2020 are estimated at \$29,065,400.00. From this amount, total agency appropriations for pension-related legacy costs are estimated at \$14,129,400.00. Total agency appropriations for retiree health care legacy costs are estimated at \$14,936,000.00.

**DEPARTMENT OF TECHNOLOGY, MANAGEMENT, AND BUDGET**

Sec. 801. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$2,000,000.00 for federal contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

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

(3) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$75,000.00 for local contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

(4) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$50,000.00 for private contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

Sec. 802. Proceeds in excess of necessary costs incurred in the conduct of transfers or auctions of state surplus, salvage, or scrap property made pursuant to section 267 of the management and budget act, 1984 PA 431, MCL 18.1267, are appropriated to the department to offset costs incurred in the acquisition and distribution of surplus property. The MDTMB shall provide consolidated internet auction services through the state's contractors for all local units of government.

Sec. 803. (1) The MDTMB may receive and expend funds in addition to those authorized by part 1 for maintenance and operation services provided specifically to other principal executive departments or state agencies, the legislative branch, the judicial branch, or private tenants, or provided in connection with facilities transferred to the operational jurisdiction of the department.

(2) The MDTMB may receive and expend funds in addition to those authorized by part 1 for real estate, architectural, design, and engineering services provided specifically to other principal executive departments or state agencies, the legislative branch, the judicial branch, or private tenants.

(3) The MDTMB may receive and expend funds in addition to those authorized in part 1 for mail pickup and delivery services provided specifically to other principal executive departments and state agencies, the legislative branch, or the judicial branch.

(4) The MDTMB may receive and expend funds in addition to those authorized in part 1 for purchasing services provided specifically to other principal executive departments and state agencies, the legislative branch, or the judicial branch.

Sec. 804. (1) Financing in part 1 for statewide appropriations shall be funded by assessments against longevity and insurance appropriations throughout state government in a manner prescribed by the department. Funds shall be used as specified in joint labor/management agreements or through the coordinated compensation hearings process. Any deposits made under this subsection and any unencumbered funds are restricted revenues, may be carried over into the succeeding fiscal years, and are appropriated.

(2) In addition to the funds appropriated in part 1 for statewide appropriations, the MDTMB may receive and expend funds in such additional amounts as may be specified in joint labor/management agreements or through the coordinated compensation hearings process in the same manner and subject to the same conditions as prescribed in subsection (1).

Sec. 805. To the extent a specific appropriation is required for a detailed source of financing included in part 1 for the MDTMB appropriations financed from special revenue and internal service and pension trust funds, or SIGMA user charges, the specific amounts are appropriated within the special revenue internal service and pension trust funds in portions not to exceed the aggregate amount appropriated in part 1.

Sec. 806. In addition to the funds appropriated in part 1 to the MDTMB, the MDTMB may receive and expend funds from other principal executive departments and state agencies to implement administrative leave bank transfer provisions as may be specified in joint labor/management agreements. The amounts may also be transferred to other principal executive departments and state agencies under the joint agreement and any amounts transferred under the joint agreement are authorized for receipt and expenditure by the receiving principal executive department or state agency. Any amounts received by the MDTMB under this section and intended, under the joint labor/management agreements, to be available for use beyond the close of the fiscal year and any unencumbered funds may be carried over into the succeeding fiscal year.

Sec. 807. Financing in part 1 for SIGMA shall be funded by proportionate charges assessed against the respective state funds benefiting from this project in the amounts determined by the department.

Sec. 808. (1) Deposits against the interdepartmental grant from building occupancy and parking charges appropriated in part 1 shall be collected, in part, from state agencies, the legislative branch, and the judicial branch based on estimated costs associated with maintenance and operation of buildings managed by the department. To the extent excess revenues are collected due to estimates of building occupancy charges exceeding actual costs, the excess revenues may be carried forward into succeeding fiscal years for the purpose of returning funds to state agencies.

(2) Appropriations in part 1 to the MDTMB, for management and budget services from building occupancy charges and parking charges, may be increased to return excess revenue collected to state agencies.

Sec. 809. On a quarterly basis, the MDTMB shall notify the chairpersons of the senate and house of representatives standing committees on appropriations, the chairpersons of the senate and house of representatives standing committees on appropriations subcommittees on general government, the house and senate fiscal agencies, and the state budget director on any revisions either individually or in the aggregate that increase or decrease current contracts by more than \$500,000.00 for computer software development, hardware acquisition, or quality assurance.

Sec. 810. From the funds appropriated in part 1, MDTMB shall maintain an internet website that contains notice of all solicitations, invitations for bids, and requests for proposals over \$50,000.00 issued by MDTMB or by any state agency operating under delegated authority, except for solicitations up to \$500,000.00 in accordance with department policy regarding providing opportunities to Michigan small businesses, geographically disadvantaged business enterprises, Michigan veteran-owned businesses, Michigan service disabled veteran-owned businesses, or Michigan recognized community rehabilitation organizations, or in situations where it would be in the best interest of this state and documented by MDTMB. This information must appear on the first page of each department or state agency dashboard. MDTMB shall not set the due date for acceptance of an invitation for bid or request for proposal to less than 14 days after the notice is made available on the internet website, except in situations where it would be in the best interest of this state and documented by the department. In addition to the requirements of this section, MDTMB may advertise the solicitations, invitations for bids, and requests for proposals in any manner MDTMB determines appropriate, in order to give the greatest number of individuals and businesses the opportunity to respond, or make bids or requests for proposals.

Sec. 811. The MDTMB may receive and expend funds from the Vietnam veterans memorial monument fund as provided in the Michigan Vietnam veterans memorial act, 1988 PA 234, MCL 35.1051 to 35.1057. Funds are appropriated and allocated when received and may be expended upon receipt.

Sec. 812. The Michigan veterans' memorial park commission may receive and expend money from any source, public or private, including, but not limited to, gifts, grants, donations of money, and government appropriations, for the purposes described in Executive Order No. 2001-10. Funds are appropriated and allocated when received and may be expended upon receipt. Any deposits made under this section and unencumbered funds are restricted revenues and may be carried over into succeeding fiscal years.

Sec. 813. (1) Funds in part 1 for motor vehicle fleet are appropriated to the MDTMB for administration and for the acquisition, lease, operation, maintenance, repair, replacement, and disposal of state motor vehicles.

(2) The appropriation in part 1 for motor vehicle fleet shall be funded by revenue from rates charged to principal executive departments and agencies for utilizing vehicle travel services provided by the MDTMB. Revenue in excess of the amount appropriated in part 1 from the motor transport fund and any unencumbered funds are restricted revenues and may be carried over into the succeeding fiscal year.

(3) Pursuant to the MDTMB's authority under sections 213 and 215 of the management and budget act, 1984 PA 431, MCL 18.1213 and 18.1215, the MDTMB shall maintain a plan regarding the operation of the motor vehicle fleet. The plan shall include the number of vehicles assigned to, or authorized for use by, state departments and agencies, efforts to reduce travel expenditures, the number of cars in the motor vehicle fleet, the number of miles driven by fleet vehicles, and the number of gallons of fuel consumed by fleet vehicles. The plan shall include a calculation of the amount of state motor vehicle fuel taxes that would have been incurred by fleet vehicles if fleet vehicles were required by law to pay motor fuel taxes. The plan shall include a description of fleet garage operations, the goods sold and services provided by the fleet garage, the cost to operate the fleet garage, the number of fleet garage locations, and the number of employees assigned to each fleet garage. The plan may be adjusted during the fiscal year based on needs and cost savings to achieve the maximum value and efficiency from the state motor fleet. Within 60 days after the close of the fiscal year, the MDTMB shall provide a report to the senate and house of representatives standing committees on appropriations, the chairpersons of the relevant appropriations subcommittees, the senate and house fiscal agencies, and the state budget director detailing the current plan and changes made to the plan during the fiscal year. The plan shall also be posted on the department website.



(4) The MDTMB may charge state agencies for fuel cost increases that exceed \$3.04 per gallon of unleaded gasoline. The MDTMB shall notify state agencies, in writing or by electronic mail, at least 30 days before implementing additional charges for fuel cost increases. Revenues received from these charges are appropriated upon receipt.

(5) The state budget director, upon notification to the senate and house of representatives standing committees on appropriations, may adjust spending authorization and the IDG from motor transport fund in the MDTMB in order to ensure that the appropriations for motor vehicle fleet in the MDTMB budget equal the expenditures for motor vehicle fleet in the budgets for all executive branch agencies.

Sec. 814. The MDTMB shall develop a plan regarding the use of the funds appropriated in part 1 for the information technology investment fund. The plan shall include, but not be limited to, a description of proposed information technology investment projects, the time frame for completion of the information technology investment projects, the proposed cost of the information technology investment projects, the number of employees assigned to implement each information technology investment project, the contracts entered into for each information technology investment project, and any other information the MDTMB deems necessary. The plan shall be distributed to the senate and house of representatives standing committees on appropriations subcommittees on general government, as well as the senate and house fiscal agencies, and the state budget director on a quarterly basis. The submitted plan shall also include anticipated spending reductions or overages for each of the proposed information technology investment projects. The MDTMB shall notify the senate and house of representatives standing committees on appropriations subcommittees on general government, the senate and house fiscal agencies, and the state budget director when a project funded under an information technology investment project line item in part 1 is expected to require a transfer of dollars from another project in excess of \$500,000.00.

Sec. 814a. The funds appropriated in part 1 for information technology investment fund shall be used for the modernization of state information technology systems, improvement of the state's cyber security framework, and to achieve efficiencies.

Sec. 816. An RFP issued for the purpose of privatization shall include all factors used in evaluating and determining price.

Sec. 817. From the funds appropriated in part 1 for enterprisewide special maintenance for state facilities, there is \$750,000.00 for MDTMB to work with the department of corrections on awarding a contract to the most responsive and responsible best value bidder for demolition of the former Deerfield Correctional Facility.

Sec. 818. In addition to the funds appropriated in part 1, the MDTMB may receive and expend money from the Michigan law enforcement officers memorial monument fund as provided in the Michigan law enforcement officers memorial act, 2004 PA 177, MCL 28.781 to 28.787.

Sec. 820. The MDTMB shall make available to the public a list of all parcels of real property owned by the state that are available for purchase. The list shall be posted on the internet through the MDTMB's website.

Sec. 821. (1) From the funds appropriated in part 1, on October 1, 2019, and again by September 30, 2020, the office of retirement services within MDTMB must produce a report on the judges' retirement system, the military retirement system, the Michigan public school employees' retirement system, the state employees' retirement system, and the state police retirement system. The report shall be distributed to the senate and house of representatives standing committees on appropriations, the senate and house fiscal agencies, and the state budget office.

(2) The report must include, but is not limited to, the following information for each of the aforementioned retirement systems:

(a) A chart and table detailing annual required contribution flow per year for fiscal year 2020-2021 and the subsequent 24 fiscal years.

(b) Separate annual required contribution payment charts and tables for pension and other postemployment benefits.

(c) Separate annual required contribution payment charts and tables for the current annualized rate of return, an annualized rate of return 50 basis points less than the current annualized rate of return, and an annualized rate of return 100 basis points less than the current annualized rate of return.

(d) Separate annual required contribution payment charts and tables by normal cost and unfunded actuarial accrued liability.

(e) A justification if the payroll growth assumption is maintained at or above 0% for any pension or OPEB plan. The report must include an analysis as of active employee plan member forecasts.

(3) The report must include the following items specific to the Michigan public school employees' retirement system:

(a) A copy of the retirement plan election guide that is provided to new Michigan public school employees' retirement system hires as of the due date of the report.

(b) The number of new Michigan public school employees' retirement system employees who entered the defined contribution plan and pension plus II plan during no later than 14 days after the end of the current fiscal year.

(c) An explanation of how the retirement plan election guide explains that pension plus II members must pay 50% of any future unfunded actuarial accrued liability payments.

(d) An explanation of how the retirement plan election guide explains that defined contribution plan members have annuity options that allow for guaranteed retirement income available through a private insurance company.

(e) If any calculations are provided to plan members for expected retirement income, then the following items must be included:

(i) An explanation of how the retirement plan election guide demonstrates a range of potential outcomes.

(ii) The underlying assumptions the retirement plan election guide uses to calculate expected future retirement income.

(iii) How underlying assumptions are disclosed in the guide.

(4) The report must include the amount of money that each school district received, on a per pupil basis, in foundation allowances that was spent on Michigan public school employees' retirement system costs in the previous fiscal year.

(5) At the end of the fiscal year, the office of retirement services has 90 days to post the most recent year's comprehensive annual financial report for each plan described in subsection (1).

Sec. 822. The MDTMB shall compile a report by January 1 pertaining to the salaries of unclassified employees, as well as gubernatorial appointees, within all state departments and agencies. The report shall enumerate each unclassified employee and gubernatorial appointee and his or her annual salary individually. The report shall be distributed to the chairs of the senate and house of representatives standing committees on appropriations subcommittees on general government, as well as the senate and house fiscal agencies and be made available electronically.

Sec. 822b. (1) A public-private partnership investment fund is created in the MDTMB. Subject to subsections (2) and (3), public-private partnership investments shall include, but are not limited to, all of the following:

(a) Capital asset improvements including buildings, land, or structures.

(b) Energy resource exploration, extraction, generation, and sales.

(c) Financial and investment incentive opportunities.

(d) Infrastructure construction, maintenance, and operation.

(e) Public-private sector joint ventures that provide economic benefit to an area or to the state.

(2) Public-private investments shall not include projects, consultant expenses, staff effort, or any other activity related to the development, financing, construction, operation, or implementation of the Gordie Howe International Crossing or any successor project unless the project is approved by the legislature and signed into law.

(3) The state budget director shall determine whether or not a specific public-private partnership investment opportunity qualifies for funding under subsection (1).

(4) Investment development revenue, including a portion of the proceeds from the sale of any public-private partnership investment designated in subsection (1), shall be deposited into the fund created in subsection (1) and shall be available for administration, development, financing, marketing, and operating expenditures associated with public-private partnerships, unless otherwise provided by law. Public-private partnership investments authorized in subsection (1) are authorized for public or private operation or sale consistent with state law. Expenditures from the fund are authorized for investment purposes as designated in subsection (1) to enhance the marketable value of each investment. The unencumbered balance remaining in the fund at the end of the fiscal year may be carried forward for appropriation in future years.

(5) An annual report shall be transmitted to the senate and house of representatives standing committees on appropriations, the chairpersons of the relevant appropriations subcommittees, the senate and house fiscal agencies, and the state budget office not later than December 31 of each year. This report shall detail both of the following:

(a) The revenue and expenditure activity in the fund for the preceding fiscal year.

(b) Public-private partnership investments as identified under subsection (1).

(6) The MDTMB shall monitor the revenue deposited in the public-private partnership investment fund created in subsection (1). If the revenue in the fund is insufficient to pay the amount appropriated in part 1 for public-private partnership investment, then the MDTMB shall propose a legislative transfer to fund the line from the appropriations in part 1.

Sec. 822c. The funds appropriated in part 1 shall not be used to support any staff effort, projects, consultant expenses, or any other activity related to the development, financing, construction, operation, or implementation

of the Gordie Howe International Crossing or any successor project unless the project is approved by the legislature and signed into law.

Sec. 822d. By December 31, the MDTMB shall provide a report to the senate and house appropriations subcommittees on general government and the senate and house fiscal agencies that identifies fee and rate schedules to be used by state departments and agencies for services, including information technology, provided by the MDTMB during fiscal year 2019-2020. The report shall also identify changes from fees and rates charged in fiscal year 2018-2019 and include an explanation of the factors that justify each fee and rate increase.

Sec. 822e. Total authorized appropriations from all sources under part 1 for legacy costs for the fiscal year ending September 30, 2020 are estimated at \$83,662,000.00. From this amount, total agency appropriations for pension-related legacy costs are estimated at \$40,670,000.00. Total agency appropriations for retiree health care legacy costs are estimated at \$42,992,000.00.

Sec. 822f. (1) The funds appropriated in part 1 for the regional prosperity initiative are to be used as competitive grants to eligible regional planning organizations qualifying for funding as a regional prosperity collaborative, a regional prosperity council, or a regional prosperity board. A regional planning organization may not qualify for funding under more than 1 category in the same state fiscal year. As used in this section:

(a) "Eligible regional planning organization" means any of the following:

(i) An existing regional planning commission created pursuant to 1945 PA 281, MCL 125.11 to 125.25.

(ii) An existing regional economic development commission created pursuant to 1966 PA 46, MCL 125.1231 to 125.1237.

(iii) An existing metropolitan area council formed pursuant to the metropolitan councils act, 1989 PA 292, MCL 124.651 to 124.729.

(iv) A Michigan metropolitan planning organization established pursuant to the moving ahead for progress in the 21st century act, Public Law 112-141.

(b) "Freedom of Information Act" means the freedom of information act, 5 USC 552.

(c) "Open meetings act" means the open meetings act, 1976 PA 267, MCL 15.261 to 15.275.

(d) "Regional prosperity board" means a regional body that has a singular governing board with representation from private, public, and nonprofit entities engaged in joint decision-making practices for the purpose of creating or maintaining a phase three: regional prosperity plan.

(e) "Regional prosperity collaborative" means any committee developed by a regional planning organization or a metropolitan planning organization that serves to bring organizational representation together from private, public, and nonprofit entities within a region for the purpose of creating or maintaining a phase one: regional prosperity plan.

(f) "Regional prosperity council" means a regional body with representation from private, public, and nonprofit entities with shared administrative services and an executive governing entity, as demonstrated by a formal local agreement or agreements for the purpose of creating or maintaining a phase two: regional prosperity plan.

(2) Regional planning organizations may qualify to receive not more than \$245,000.00 of incentive-based funding as a regional prosperity collaborative subject to meeting all of the following requirements:

(a) The regional prosperity collaborative has created a phase one: regional prosperity plan, as follows:

(i) The regional prosperity collaborative must include regional representatives from adult education, workforce development, community development, economic development, transportation, and higher education organizations.

(ii) The plan is required, at a minimum, to include a 5-year plan focused on economic growth and vitality for the region, as well as a performance dashboard and measurable annual goals to support the 5-year plan.

(iii) The 5-year plan shall address regional strategies related to adult education, workforce development, economic development, transportation, higher education, and business development.

(iv) The regional prosperity collaborative shall adopt the plan by a minimum 2/3 majority vote of its members.

(b) The regional prosperity collaborative adheres to accountability and transparency measures required in the open meetings act and the freedom of information act.

(c) The regional prosperity collaborative convenes monthly meetings, open to the public, to consider and discuss issues leading to a common vision of economic prosperity for the region, including, but not limited to, community development, economic development, talent, and infrastructure opportunities.

(d) The regional prosperity collaborative makes available on the grant recipient's publicly accessible internet site pertinent documents, including, but not limited to, monthly meeting agendas, minutes of monthly meetings, voting records, and the regional prosperity plan and performance dashboard.

(e) The regional prosperity collaborative keeps a status report detailing the spending associated with previous regional prosperity initiative grants. Organizations that have successfully received grant awards in

previous fiscal years shall be required to make available to the MDTMB and on a publicly accessible internet site information regarding the use of those grant dollars.

(3) Regional planning organizations eligible to receive a payment as a regional prosperity collaborative under subsection (2) may qualify to receive a one-time grant of not more than \$70,000.00 to produce a plan to transform the regional prosperity collaborative into a regional prosperity council or regional prosperity board, including necessary local formal agreements, to make recommendations that eliminate duplicative efforts and administrative functions, and to leverage resources through cooperation, collaboration, and consolidations of organizations or programs throughout the region. Plans produced to transform the regional prosperity collaborative into a regional prosperity council or regional prosperity board shall be made available on the grant recipient's publicly accessible internet site. The regional prosperity collaborative may apply instead to use up to \$70,000.00 of the one-time grant for integrated asset management under guidance from the Michigan infrastructure council in the Michigan department of treasury. The regional prosperity collaborative may not apply for funds under both the transformation grant and the integrated asset management grant.

(4) Regional planning organizations may qualify to receive not more than \$340,000.00 of incentive-based funding as a regional prosperity council subject to meeting all of the following requirements:

(a) A regional prosperity council has been formed and includes regional representatives from adult education, workforce development, community development, economic development, transportation, and higher education organizations.

(b) An eligible regional prosperity council will demonstrate shared administrative services between 2 public regional entities included in subdivision (a). In addition, the council must have and maintain an executive governing entity, as demonstrated by a formal local agreement or agreements.

(c) The regional prosperity council has created a phase two: regional prosperity plan, as follows:

(i) The regional prosperity council shall identify opportunities for shared administrative services and decision-making among the private, public, and nonprofit entities within the region and shall continue collaboration with regional prosperity council members, including, but not limited to, representatives from adult education providers, workforce development agencies, community development agencies, economic development agencies, transportation service providers, and higher education institutions.

(ii) The plan is required to include, but is not limited to, all of the following:

(A) A status report of the approved 5-year plan.

(B) The addition of a 10-year plan for the region which builds upon prior work and is focused on economic growth and vitality in the region.

(C) A prioritized list of regional projects.

(D) A performance dashboard with measurable annual goals.

(iii) The regional prosperity council shall adopt the plan by a minimum 2/3 vote of its members.

(d) The regional prosperity council adheres to accountability and transparency measures required in the open meetings act and the freedom of information act.

(e) The regional prosperity council convenes monthly meetings, open to the public, to consider and discuss issues leading to a common vision of economic prosperity for the region, including, but not limited to, community development, economic development, talent, and infrastructure opportunities.

(f) The regional prosperity council makes available on the grant recipient's publicly accessible internet site pertinent documents, including, but not limited to, monthly meeting agendas, minutes of monthly meetings, voting records, and the regional prosperity plan and performance dashboard.

(g) The regional prosperity council keeps a status report detailing the spending associated with previous regional prosperity initiative grants. Organizations that have successfully received grant awards in previous fiscal years shall be required to make available to the MDTMB and on a publicly accessible internet site information regarding the use of those grant dollars.

(5) Regional planning organizations eligible to receive a payment as a regional prosperity council under subsection (4) may qualify to receive a one-time grant of not more than \$70,000.00 to produce a plan to transform the regional prosperity council into a regional prosperity board, including a singular private/public governance structure that comports with federal guidelines for governance under the workforce investment act, Public Law 105-220, the moving ahead for progress in the 21st century act, Public Law 112-141, the economic development administration and Appalachian regional development reform act of 1998, Public Law 105-393, and recommendations to eliminate duplicative efforts, administrative functions, and leverage resources through cooperation, collaboration, and consolidations of organizations or programs throughout the region. The regional prosperity council may apply instead to use up to \$70,000.00 of the one-time grant for integrated asset management under guidance from the Michigan infrastructure council in the Michigan department of treasury. The regional prosperity council may not apply for funds under both the transformation grant and the integrated asset management grant.

(6) Regional planning organizations may qualify to receive not more than \$445,000.00 of incentive-based funding as a regional prosperity board subject to meeting all of the following requirements:

(a) The regional prosperity board has been formed and, at a minimum, must demonstrate the consolidation of a regional metropolitan planning organization, where one exists, state designated regional planning agency boards, workforce development boards, and federally designated regional economic development districts within a region.

(b) The regional prosperity board has created a phase three: regional prosperity plan, as follows:

(i) The regional prosperity board shall create a regional services recommendations report prioritizing the list of state-funded services and programs provided to the region, and recommendations for state-regional partnerships to support the adopted regional prosperity plan.

(ii) The plan is required to include a status report of the approved 10-year plan for the creation of an updated regional prosperity plan.

(iii) The regional prosperity board shall adopt the plan by a minimum 2/3 vote of its members.

(c) The regional prosperity board adheres to accountability and transparency measures required in the open meetings act and the freedom of information act.

(d) The regional prosperity board convenes monthly meetings, open to the public, to consider and discuss issues leading to a common vision of economic prosperity for the region, including, but not limited to, community development, economic development, talent, and infrastructure opportunities.

(e) The regional prosperity board makes available on the grant recipient's publicly accessible internet site pertinent documents, including, but not limited to, monthly meeting agendas, minutes of monthly meetings, voting records, and the regional prosperity plan and performance dashboard. The regional prosperity board may apply instead to use up to \$70,000.00 of the one-time grant for integrated asset management under guidance from the Michigan infrastructure council in the Michigan department of treasury. The regional prosperity board may not apply for funds under both the transformation grant and the integrated asset management grant.

(7) Regional planning organizations eligible to receive a payment as a regional prosperity board under subsection (6) may qualify to receive not more than \$125,000.00, to implement the prioritized regional prosperity plan projects.

(8) Regional planning organizations eligible to receive a payment as a regional prosperity collaborative, board, or council may partner with other eligible regional planning organizations to submit joint applications. In the instance of a joint application, 1 regional planning organization shall be utilized as the overall applicant. The MDTMB may award a joint application award of no greater than the sum of potential application dollars which would have otherwise been available through individual applications.

(9) The MDTMB shall develop an application process and method of grant distribution for the regional prosperity initiative. Funding applications from regional planning organizations shall be due to the MDTMB by November 26, 2019. The MDTMB shall notify regional planning organizations of grant application status by December 31, 2019. The MDTMB shall ensure that processes are established to verify that qualifying regional planning organizations meet the requirements under subsections (2), (3), (4), (5), (6), and (7), as applicable.

(10) Unexpended funds appropriated in part 1 for the regional prosperity initiative are designated as work project appropriations, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditure for regional prosperity initiative projects under this section until the projects have been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the projects is to provide incentive-based grants to recipients under this section.

(b) The projects will be accomplished by grants to qualified regional planning organizations.

(c) The total estimated cost of all projects is \$3,970,000.00.

(d) The estimated completion date is September 30, 2024.

(11) The department may dedicate 0.3 FTEs with \$30,000.00 to manage the evaluation of the regional prosperity initiative, departmental implementation of the regional prosperity initiative, and grant management.

Sec. 822g. The MDTMB shall report quarterly to the senate and house of representatives standing committees on appropriations, the senate and house appropriations subcommittees on general government, and the senate and house fiscal agencies on legal service fund expenditures. The report shall itemize expenditures by case, purpose, and department involved and shall include expenditures related to all previously appropriated funds.

Sec. 822m. (1) From the funds appropriated in part 1, the MDTMB shall establish a system that collaborates with other departments to keep track of the performance of vendors in fulfilling contract obligations. The performance of these vendors shall be recorded and used as a factor to determine future contracts awarded in the procurement process.

(2) By March 15 the MDTMB shall provide a complete listing of all state departments and agencies that have not complied with the requirements of this section by March 1. The report listing noncompliant state departments and agencies shall be submitted no later than March 15 to the chairpersons of the subcommittees on general government, the senate and house fiscal agencies, and the state budget director.

Sec. 822n. From the funds appropriated in part 1, beginning on October 1, the MDTMB shall ensure that all new requests for proposals that are publicly displayed on the webpage include the proposal's corresponding department and agency for the purpose of searching for requests for proposals by department and agency.

Sec. 822o. By November 1, 2019, the MDTMB shall work cooperatively with the department of health and human services to identify a location for the new Northern Satellite Psychiatric Facility capital outlay project approved for planning authorization in article II of 2017 PA 107. If a location has not been identified by November 1, 2019, the department of technology, management, and budget shall provide a status report on potential locations, a reasoning why a location has not been identified, and the progress toward completing the new Northern Satellite Psychiatric Facility capital outlay project approved for planning authorization in article II of 2017 PA 107. The report shall be provided to the state budget office, the house and senate standing committees on appropriations, the joint capital outlay subcommittee, and the house and senate fiscal agencies.

### **INFORMATION TECHNOLOGY**

Sec. 823. (1) The MDTMB may sell and accept paid advertising for placement on any state website under its jurisdiction. The MDTMB shall review and approve the content of each advertisement. The MDTMB may refuse to accept advertising from any person or organization or require modification to advertisements based upon criteria determined by the MDTMB. Revenue received under this subsection shall be used for operating costs of the MDTMB and for future technology enhancements to state of Michigan e-government initiatives. Funds received under this subsection shall be limited to \$250,000.00. Any funds in excess of \$250,000.00 shall be deposited in the state general fund.

(2) The MDTMB may accept gifts, donations, contributions, bequests, and grants of money from any public or private source to assist with the underwriting or sponsorship of state webpages or services offered on those webpages. A private or public funding source may receive recognition in the webpage. The MDTMB may reject any gift, donation, contribution, bequest, or grant.

(3) Funds accepted by the MDTMB under subsection (1) or (2) are appropriated and allotted when received and may be expended upon approval of the state budget director. The state budget office shall notify the senate and house of representatives standing committees on appropriations subcommittees on general government and the senate and house fiscal agencies within 10 days after the approval is given. The MDTMB shall provide a report to the senate and house of representatives appropriations subcommittees on general government and senate and house fiscal agencies that details the funds accepted for the prior fiscal year by November 1.

Sec. 824. The MDTMB may enter into agreements to supply spatial information and technical services to other principal executive departments, state agencies, local units of government, and other organizations. The MDTMB may receive and expend funds in addition to those authorized in part 1 for providing information and technical services, publications, maps, and other products. The MDTMB may expend amounts received for salaries, supplies, and equipment necessary to provide informational products and technical services. Prior to December 1 of each year, the MDTMB shall provide a report to the senate and house of representatives standing committees on appropriations subcommittees on general government and the state budget office detailing the sources of funding and expenditures made under this section.

Sec. 825. The legislature shall have access to all historical and current data contained within SIGMA, or its predecessor, pertaining to state departments. State departments shall have access to all historical and current data contained within SIGMA or its predecessor.

Sec. 826. When used in this part and part 1, "information technology services" means services involving all aspects of managing and processing information, including, but not limited to, all of the following:

- (a) Application and mobile development and maintenance.
- (b) Desktop computer support and management.
- (c) Cyber security.
- (d) Social media.
- (e) Mainframe computer support and management.
- (f) Server support and management.
- (g) Local area network support and management, including, but not limited to, wired and wireless network build-out, support, and management.
- (h) Information technology project management.
- (i) Information technology planning and budget management.
- (j) Telecommunication services, infrastructure, and support.

Sec. 827. (1) Funds appropriated in part 1 for the Michigan public safety communications system shall be expended upon approval of an expenditure plan by the state budget director.

(2) The MDTMB shall assess all subscribers of the Michigan public safety communications system reasonable access and maintenance fees and shall deposit the fees in the Michigan public safety communications systems fees fund.

(3) All money received by the MDTMB under this section shall be expended for the support and maintenance of the Michigan public safety communications system.

(4) The department must provide a report to the senate and house of representatives standing committees on appropriations, the senate and house fiscal agencies, and the state budget office by April 15, indicating the amount of revenue collected under this section and expended for support and maintenance of the Michigan public safety communication system for the immediately preceding 6-month period. Any deposits made under this section and unencumbered funds are restricted revenues and shall be carried forward into succeeding fiscal years.

Sec. 828. The MDTMB shall submit a report for each fiscal quarter to the senate and house of representatives standing committees on appropriations subcommittees on general government and the senate and house fiscal agencies not later than 10 business days after each fiscal quarter. The report shall include the following:

(a) The total amount of funding appropriated for information technology services and projects, by funding source, for all principal executive departments and agencies for each fiscal quarter.

(b) A listing of the expenditures made from the amounts received by the department as reported in subdivision (a).

Sec. 829. The MDTMB shall provide a report that analyzes and makes recommendations on the life-cycle of information technology hardware and software. The report shall be submitted to the senate and house of representatives standing committees on appropriations subcommittees on general government and the senate and house fiscal agencies by March 1.

Sec. 830. (1) The department of technology, management, and budget, enterprise portfolio management office (EPMO), must provide a report on a quarterly basis providing key information on all executive branch department and enterprisewide information technology projects. The report must be submitted to the senate and house appropriations subcommittees on general government, the senate and house fiscal agencies, and the state budget director as well as being posted online.

(2) The report must contain the following information, as applicable, for each active information technology project and each completed information technology project closed within the 2-year period immediately preceding the quarterly due date of the report:

(a) The client department, agency, or organization for which the project is being undertaken.

(b) The active or completed status.

(c) For active projects, the number of days the current approved completion date differs from the initial planned completion date.

(d) For active projects, the dollar amount the current approved budget differs from the initial planned budget.

(e) For completed projects, the number of days the actual completion date differed from the initial planned completion date.

(f) For completed projects, the dollar amount the actual cost differed from the initial planned budget.

(g) The project name.

(h) The purpose of the project described in terms of the needs of end users of the project and an explanation of the project's origination, including whether the project originated from state mandate, federal mandate, court order, or department initiative.

(i) Whether the project is managed by EPMO.

(j) The initial planned budget.

(k) The revised budget if there is any increase or decrease to the project's initial budget.

(l) The actual cost to date.

(m) The planned start date.

(n) The actual start date.

(o) The initial planned completion date.

(p) The revised planned completion date if there is a change from the initial planned completion date.

(q) The actual completion date.

(r) A brief description of the benefit or justification of changes by project change request that impact a project's schedule or budget and whether the change request is the result of state mandate, federal mandate, court order, or department initiative.

(s) Whether quality assurance services are assigned to the project.

(t) The project success score after project closure.

(u) The customer satisfaction rating after project closure.

(v) The percentage of days a project is over its initial scheduled completion date.

(3) The report must include the total number of completed projects for which costs exceeded the initial budget, the total number of completed projects for which the completion date occurred after the initial planned completion date, the total number of completed projects that exceeded both the initial planned budget and schedule, and the corresponding percentages of each of these numbers of all completed projects.

Sec. 831. The department of technology, management, and budget shall submit monthly invoices for information technology services provided by the department of technology, management, and budget either directly or through contracted vendors during that month to departments or agencies by no later than 45 days after the final day of the month the services were provided.

Sec. 832. (1) The MDTMB shall inform the senate and house appropriations subcommittees on general government and the senate and house fiscal agencies within 30 days of any potential or actual penalties assessed by the federal government for failure of the Michigan child support enforcement system to achieve certification by the federal government.

(2) If potential penalties are assessed by the federal government, the MDTMB shall submit a report to the senate and house appropriations subcommittees on general government and the senate and house fiscal agencies within 90 days specifying the MDTMB's plans to avoid actual penalties and ensure federal certification of the Michigan child support enforcement system.

Sec. 833. (1) The state budget director, upon notification to the senate and house of representatives standing committees on appropriations, may adjust spending authorization and user fees in the MDTMB in order to ensure that the appropriations for information technology in the MDTMB equal the appropriations for information technology in the budgets for all executive branch agencies.

(2) If during the course of the fiscal year a transfer or supplemental to or from the information technology line item within an agency budget is made under section 393 of the management and budget act, 1984 PA 431, MCL 18.1393, there is appropriated an equal amount of user fees in the MDTMB to accommodate an increase or decrease in spending authorization.

Sec. 834. (1) Revenue collected from licenses issued under the antenna site management project shall be deposited into the antenna site management revolving fund created for this purpose in the MDTMB. The MDTMB may receive and expend money from the fund for costs associated with the antenna site management project, including the cost of a third-party site manager. Any excess revenue remaining in the fund at the close of the fiscal year shall be proportionately transferred to the appropriate state restricted funds as designated in statute or by constitution.

(2) An antenna shall not be placed on any site pursuant to this section without complying with the respective local zoning codes and local unit of government processes.

Sec. 835. (1) In addition to the funds appropriated in part 1, the funds collected by the MDTMB for supplying census-related information and technical services, publications, statistical studies, population projections and estimates, and other demographic products are appropriated for all expenses necessary to provide the required services. These funds are available for expenditure when they are received and may be carried forward into the next succeeding fiscal year.

(2) The MDTMB must submit a report to the house and senate appropriations subcommittees on general government, the senate and house fiscal agencies, and the state budget office by March 1 that provides the amount of revenue collected by the MDTMB from the authorization in subsection (1) and the amount of revenue carried forward.

Sec. 836. From the funds appropriated in part 1 for the information technology investment fund, the MDTMB shall provide for the modernization of state information technology systems, and integrate state system interfaces to improve customer service.

Sec. 837. All information technology projects funded by appropriations in part 1 for which spending in excess of \$250,000.00 is anticipated to be, or has been, expended, must utilize information technology project management best practices as defined or recommended by the enterprise portfolio management office and comply with the requirements of the state unified information technology environment methodology as it applies to all project management processes.

Sec. 838. Not later than October 1, 2020, MDTMB shall develop policies and procedures that require all new procurement contracts entered into by MDTMB or a state agency, including departments that have delegated procurement authority under this act, to include clawback repayment provisions in all procurement contracts in the event of a breach of the procurement contract by the vendor and that require the department or a state agency, including departments that have delegated procurement authority under this act, to enforce those clawback repayment provisions whenever possible.



Sec. 840. From the funds appropriated in part 1 for enterprise identity management, the MDITMB shall utilize specific outcomes and performance measures including, but not limited to, the following:

(a) Implement enhanced IT project management service delivery through statewide application of best practice models and services.

(b) Collaborate with state agencies to bring all project management and project control office contracts under the enterprise portfolio management office.

(c) Initiate steps to improve the state unified information technology environment compliance rating.

#### **STATE BUILDING AUTHORITY RENT**

Sec. 842. (1) The state building authority rent appropriations in part 1 may also be expended for the payment of required premiums for insurance on facilities owned by the state building authority or payment of costs that may be incurred as the result of any deductible provisions in such insurance policies.

(2) If the amount appropriated in part 1 for state building authority rent is not sufficient to pay the rent obligations and insurance premiums and deductibles identified in subsection (1) for state building authority projects, there is appropriated from the general fund of the state the amount necessary to pay such obligations.

#### **CIVIL SERVICE COMMISSION**

Sec. 850. (1) In accordance with section 5 of article XI of the state constitution of 1963, all restricted funds shall be assessed a sum not less than 1% of the total aggregate payroll paid from those funds for financing the civil service commission on the basis of actual 1% restricted sources total aggregate payroll of the classified service for the preceding fiscal year. This includes, but is not limited to, restricted funds appropriated in part 1 of any appropriations act. Unexpended 1% appropriated funds shall be returned to each 1% fund source at the end of the fiscal year.

(2) The appropriations in part 1 are estimates of actual charges based on payroll appropriations. With the approval of the state budget director, the commission is authorized to adjust financing sources for civil service charges based on actual payroll expenditures, provided that such adjustments do not increase the total appropriation for the civil service commission.

(3) The financing from restricted sources shall be credited to the civil service commission by the end of the second fiscal quarter.

Sec. 851. Except where specifically appropriated for this purpose, financing from restricted sources shall be credited to the civil service commission. For restricted sources of funding within the general fund that have the legislative authority for carryover, if current spending authorization or revenues are insufficient to accept the charge, the shortage shall be taken from carryforward balances of that funding source. Restricted revenue sources that do not have carryforward authority shall be utilized to satisfy commission operating deducts first and civil service obligations second. General fund dollars are appropriated for any shortfall, pursuant to approval by the state budget director.

Sec. 852. The appropriation in part 1 to the civil service commission, for state-sponsored group insurance, flexible spending accounts, and COBRA, represents amounts, in part, included within the various appropriations throughout state government for the current fiscal year to fund the flexible spending account program included within the civil service commission. Deposits against state-sponsored group insurance, flexible spending accounts, and COBRA for the flexible spending account program shall be made from assessments levied during the current fiscal year in a manner prescribed by the civil service commission. Unspent employee contributions to the flexible spending accounts may be used to offset administrative costs for the flexible spending account program, with any remaining balance of unspent employee contributions to be lapsed to the general fund.

#### **CAPITAL OUTLAY**

Sec. 860. As used in sections 861 through 875 of this part:

(a) "Board" means the state administrative board.

(b) "Community college" means a community college organized under the community college act of 1966, 1966 PA 331, MCL 389.1 to 389.195, or under part 25 of the revised school code, 1976 PA 451, MCL 380.1601 to 380.1607, and does not include a state agency or university.

(c) "Department" means the department of technology, management, and budget.

(d) "Director" means the director of the department of technology, management, and budget.

(e) "State agency" means an agency of state government. State agency does not include a community college or university.

(f) "State building authority" means the authority created under 1964 PA 183, MCL 830.411 to 830.425.

(g) "University" means a 4-year university supported by the state. University does not include a community college or a state agency.

Sec. 861. Each capital outlay project authorized in this part and part 1 or any previous capital outlay act shall comply with the procedures required by the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

Sec. 862. (1) The department shall provide the JCOS, state budget director, and the senate and house fiscal agencies with reports relative to the status of each planning or construction project financed by the state building authority, by this part and part 1, or by previous acts.

(2) Before the end of each fiscal year, the department shall report to the JCOS, state budget director, and the senate and house fiscal agencies for each capital outlay project other than lump sums all of the following:

- (a) The account number and name of each construction project.
- (b) The balance remaining in each account.
- (c) The date of the last expenditure from the account.
- (d) The anticipated date of occupancy if the project is under construction.
- (e) The appropriations history for the project.
- (f) The professional service contractor.
- (g) The amount of the project financed with federal funds.
- (h) The amount of the project financed through the state building authority.
- (i) The total authorized cost for the project and the state authorized share if different than the total.

(3) Before the end of each fiscal year, the department shall report the following for each project by a state agency, university, or community college that is authorized for planning but is not yet authorized for construction:

- (a) The name of the project and account number.
- (b) Whether a program statement is approved.
- (c) Whether schematics are approved by the department.
- (d) Whether preliminary plans are approved by the department.
- (e) The name of the professional service contractor.
- (4) As used in this section, "project" includes appropriation line items made for purchase of real estate.

Sec. 864. The appropriations in part 1 for capital outlay shall be carried forward at the end of the fiscal year consistent with the provisions of section 248 of the management and budget act, 1984 PA 431, MCL 18.1248.

Sec. 865. (1) A site preparation economic development fund is created in the department. As used in this section, "economic development sites" means those state-owned sites declared as surplus property pursuant to section 251 of the management and budget act, 1984 PA 431, MCL 18.1251, that would provide economic benefit to the area or to the state. The MEDC board and the state budget director shall determine whether or not a specific state-owned site qualifies for inclusion in the fund created under this subsection.

(2) Proceeds from the sale of any sites designated in subsection (1) shall be deposited into the fund created in subsection (1) and shall be available for site preparation expenditures, unless otherwise provided by law. The economic development sites authorized in subsection (1) are authorized for sale consistent with state law. Expenditures from the fund are authorized for site preparation activities that enhance the marketable sale value of the sites. Site preparation activities include, but are not limited to, demolition, environmental studies and abatement, utility enhancement, and site excavation.

(3) A cash advance in an amount of not more than \$25,000,000.00 is authorized from the general fund to the site preparation economic development fund.

(4) An annual report shall be transmitted to the senate and house of representatives standing committees on appropriations not later than December 31 of each year. This report shall detail both of the following:

- (a) The revenue and expenditure activity in the fund for the preceding fiscal year.
- (b) The sites identified as economic development sites under subsection (1).

Sec. 867. Proceeds from the sale of the Farnum Building shall be subsequently appropriated to the department in accordance with any legislation enacted that authorizes the sale of that property. If the net proceeds from the sale of the Farnum Building are less than the \$7,000,000.00 authorized for senate relocation costs in section 896 of article VIII of 2014 PA 252, an amount equal to the difference between the net sale proceeds and \$7,000,000.00 shall be appropriated by the legislature to the department.

#### **CAPITAL OUTLAY - UNIVERSITIES AND COMMUNITY COLLEGES**

Sec. 873. (1) This section applies only to projects for community colleges.

(2) State support is directed towards the remodeling and additions, special maintenance, or construction of certain community college buildings. The community college shall obtain or provide for site acquisition and initial main utility installation to operate the facility. Funding shall be composed of local and state shares and not more than 50% of a capital outlay project, not including a lump-sum special maintenance project or remodeling and addition project, for a community college shall be appropriated from state and federal funds, unless otherwise appropriated by the legislature.

(3) An expenditure under this part and part 1 is authorized when the release of the appropriation is approved by the board upon the recommendation of the director. The director may recommend to the board the release of any appropriation in part 1 only after the director is assured that the legal entity operating the community college to which the appropriation is made has complied with this part and part 1 and has matched the

amounts appropriated as required by this part and part 1. A release of funds in part 1 shall not exceed 50% of the total cost of planning and construction of any project, not including lump-sum remodeling and additions and special maintenance, unless otherwise appropriated by the legislature. Further planning and construction of a project authorized by this part and part 1 or applicable sections of the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594, shall be in accordance with the purpose and scope as defined and delineated in the approved program statements and planning documents. This part and part 1 are applicable to all projects for which planning appropriations were made in previous acts.

(4) The community college shall take the steps necessary to secure available federal construction and equipment money for projects funded for construction in this part and part 1 if an application was not previously made. If there is a reasonable expectation that a prior year unfunded application may receive federal money in a subsequent year, the college shall take whatever action necessary to keep the application active.

Sec. 874. If university and community college matching revenues are received in an amount less than the appropriations for capital projects contained in this part and part 1, the state funds shall be reduced in proportion to the amount of matching revenue received.

Sec. 875. (1) The director may require that community colleges and universities that have an authorized project listed in part 1 submit documentation regarding the project match and governing board approval of the authorized project not more than 60 days after the beginning of the fiscal year.

(2) If the documentation required by the director under subsection (1) is not submitted, or does not adequately authenticate the availability of the project match or board approval of the authorized project, the authorization may terminate. The authorization terminates 30 days after the director notifies the JCOS of the intent to terminate the project unless the JCOS convenes to extend the authorization.

#### **ONE-TIME APPROPRIATIONS**

Sec. 880. (1) The drinking water declaration of emergency reserve fund is created within the department of treasury.

(2) Any unexpended funds in the drinking water declaration of emergency reserve fund created in section 880 of article VIII of 2018 PA 207 shall be carried forward and available for expenditure under this section pursuant to section 880(5) of article VIII of 2018 PA 207.

(3) Funds may only be spent from the drinking water declaration of emergency reserve fund upon appropriation, or legislative transfer pursuant to section 393 of the management and budget act, 1984 PA 431, MCL 18.1393.

(4) Interest and earnings from the investment of funds deposited in the drinking water declaration of emergency reserve fund shall be deposited in the general fund.

(5) Funds in the drinking water declaration of emergency reserve fund at the close of a fiscal year shall remain in the drinking water declaration of emergency reserve fund and shall not lapse to the general fund.

Sec. 881. The cost to construct the Michigan state capitol commission - state capitol restoration/infrastructure upgrade project, initially authorized for construction in 2017 PA 107 and reauthorized in 2018 PA 618, is hereby increased by \$15,000,000.00 to a new total project cost of \$125,009,400.00 (state building authority share \$125,009,300.00; state general fund/general purpose share \$100.00).

Sec. 882. The scope of the department of health and human services, Caro Center replacement – new state psychiatric hospital, initially authorized for construction in 2017 PA 107, is hereby changed. The new state psychiatric hospital shall include the construction of a new 100-bed facility located at the current location of the Caro Regional Mental Health Center.

Sec. 883. (1) The appropriation in part 1 for the department of health and human services, new northern satellite psychiatric facility, shall be considered new planning authorization for a new facility in Chippewa County, located at a former correctional facility.

(2) The appropriation in part 1 for the department of health and human services, new northern satellite psychiatric facility, is in lieu of planning authorization provided in 2017 PA 107. The planning authorization for this project under 2017 PA 107 is hereby rescinded.

#### **DEPARTMENT OF TREASURY OPERATIONS**

Sec. 901. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$500,000.00 for federal contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

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

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

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

Sec. 902. (1) Amounts needed to pay for interest, fees, principal, mandatory and optional redemptions, arbitrage rebates as required by federal law, and costs associated with the payment, registration, trustee services, credit enhancements, and issuing costs in excess of the amount appropriated to the department of treasury in part 1 for debt service on notes and bonds that are issued by the state under sections 14, 15, and 16 of article IX of the state constitution of 1963 as implemented by 1967 PA 266, MCL 17.451 to 17.455, are appropriated.

(2) In addition to the amount appropriated to the department of treasury for debt service in part 1, there is appropriated an amount for fiscal year cash-flow borrowing costs to pay for interest on interfund borrowing made under 1967 PA 55, MCL 12.51 to 12.53.

(3) In addition to the amount appropriated to the department of treasury for debt service in part 1, there is appropriated all repayments received by the state on loans made from the school bond loan fund not required to be deposited in the school loan revolving fund by or pursuant to section 4 of 1961 PA 112, MCL 388.984, to the extent determined by the state treasurer, for the payment of debt service, including, without limitation, optional and mandatory redemptions, on bonds, notes or commercial paper issued by the state pursuant to 1961 PA 112, MCL 388.981 to 388.985.

Sec. 902a. The department of treasury shall notify the senate and house of representatives standing committees on appropriations, the chairpersons of the relevant appropriations subcommittees, the senate and house fiscal agencies, and the state budget office not more than 30 days after a refunding or restructuring bond issue is sold. The notification shall compare the annual debt service prior to the refinancing or restructuring, the annual debt service after the refinancing or restructuring, the change in the principal and interest over the duration of the debt, and the projected change in the present value of the debt service due to the refinancing and restructuring.

Sec. 902b. As a condition of receiving funds appropriated in part 1, the department of treasury shall report by February 1 to the chairpersons of the senate and house of representatives appropriations subcommittees on general government, the house and senate fiscal agencies, and the state budget office on all funds that are controlled or administered by the department and not appropriated in part 1. This notification can be completed electronically and the department of treasury must notify the recipients when the report is publicly available. Both the current and any previous reports required under this section shall be saved and publicly available on the department of treasury public internet website and stored in a common location with all other statutory and boilerplate required reports. The link to the location of the reports shall be clearly indicated on the main page of the department of treasury internet website. The report shall include all of the following information:

- (a) The starting balance for each fund from the previous fiscal year.
- (b) Total revenue generated by both transfers in and investments for each fund in the previous fiscal year.
- (c) Total expenditures for each fund in the previous fiscal year.
- (d) The ending balance for each fund for the previous fiscal year.

Sec. 903. (1) From the funds appropriated in part 1, the department of treasury may contract with private collection agencies and law firms to collect taxes and other accounts due this state. In addition to the amounts appropriated in part 1 to the department of treasury, there are appropriated amounts necessary to fund collection costs and fees not to exceed 25% of the collections or 2.5% plus operating costs, whichever amount is prescribed by each contract. The appropriation to fund collection costs and fees for the collection of taxes or other accounts due this state are from the fund or account to which the revenues being collected are recorded or dedicated. However, if the taxes collected are constitutionally dedicated for a specific purpose, the appropriation of collection costs and fees are from the general purpose account of the general fund.

(2) From the funds appropriated in part 1, the department of treasury may contract with private collections agencies and law firms to collect defaulted student loans and other accounts due the Michigan guaranty agency. In addition to the amounts appropriated in part 1 to the department of treasury, there are appropriated amounts necessary to fund collection costs and fees not to exceed 24.34% of the collection or a lesser amount as prescribed by the contract. The appropriation to fund collection costs and fees for the auditing and collection of defaulted student loans due the Michigan guaranty agency is from the fund or account to which the revenues being collected are recorded or dedicated.

(3) The department of treasury shall submit a report for the immediately preceding fiscal year ending September 30 to the state budget director, the senate and house of representatives standing committees on appropriations, and the chairpersons of the relevant appropriations subcommittees, not later than November 30 stating the agencies or law firms employed, the amount of collections for each, the costs of collection, and other pertinent information relating to determining whether this authority should be continued.

(4) As a condition of receiving funds appropriated in part 1 for collection services, the department of treasury shall issue an RFP for secondary placement collection services if RFPs are issued for primary collection services. The RFP shall allow for a multiple collection contract approach. It shall also allow a bidder to bid on the entire contract, or for individual components of the contract.

Sec. 904. (1) The department of treasury, through its bureau of investments, may charge an investment service fee against the applicable retirement funds. The fees may be expended for necessary salaries, wages, contractual services, supplies, materials, equipment, travel, worker's compensation insurance premiums, and grants to the civil service commission and state employees' retirement funds. Service fees shall not exceed the aggregate amount appropriated in part 1. The department of treasury shall maintain accounting records in sufficient detail to enable the retirement funds to be reimbursed periodically for fee revenue that is determined by the department of treasury to be surplus.

(2) In addition to the funds appropriated in part 1 from the retirement funds to the department of treasury, there is appropriated from retirement funds an amount sufficient to pay for the services of money managers, investment advisors, investment consultants, custodians, and other outside professionals, the state treasurer considers necessary to prudently manage the retirement funds' investment portfolios. The state treasurer shall report annually to the senate and house of representatives standing committees on appropriations, the chairpersons of the relevant appropriations subcommittees, and the state budget office concerning the performance of each portfolio by investment advisor.

Sec. 904a. (1) There is appropriated an amount sufficient to recognize and pay expenditures for financial services provided by financial institutions or equivalent vendors that perform these services including treasury as provided under section 1 of 1861 PA 111, MCL 21.181.

(2) The appropriations under subsection (1) shall be funded by restricting revenues from common cash interest earnings and investment earnings in an amount sufficient to record these expenditures. If the amounts of common cash interest earnings are insufficient to cover these costs, then miscellaneous revenues shall be used to fund the remaining balance of these expenditures.

Sec. 905. A revolving fund known as the municipal finance fee fund is created in the department of treasury. Fees are established under the revised municipal finance act, 2001 PA 34, MCL 141.2101 to 141.2821, and the fees collected shall be credited to the municipal finance fee fund and may be carried forward for future appropriation.

Sec. 906. (1) The department of treasury shall charge for audits as permitted by state or federal law or under contractual arrangements with local units of government, other principal executive departments, or state agencies. However, the charge shall not be more than the actual cost for performing the audit. A report detailing audits performed and audit charges for the immediately preceding fiscal year shall be submitted to the state budget director, the chairpersons of the relevant appropriations subcommittees, and the senate and house fiscal agencies not later than November 30.

(2) A revolving fund known as the audit charges fund is created in the department of treasury. The contractual charges collected shall be credited to the audit charges fund and may be carried forward for future appropriation.

Sec. 907. A revolving fund known as the assessor certification and training fund is created in the department of treasury. The assessor certification and training fund shall be used to organize and operate a property assessor certification and training program. Each participant certified and trained shall pay to the department of treasury examination fees not to exceed \$50.00 per examination and certification fees not to exceed \$175.00. Training courses shall be offered in assessment administration. Each participant shall pay a fee to cover the expenses incurred in offering the optional programs to certified assessing personnel and other individuals interested in an assessment career opportunity. The fees collected shall be credited to the assessor certification and training fund.

Sec. 907b. From the increased funds appropriated in part 1 for property tax assessor training, the department shall expand in-person training throughout the state in at least each regional prosperity zone. The department shall notify all property tax assessors in each regional zone when training is available for that zone.

Sec. 908. The amount appropriated in part 1 to the department of treasury, home heating assistance program, is to cover the costs, including data processing, of administering federal home heating credits to eligible claimants and to administer the supplemental fuel cost payment program for eligible tax credit and welfare recipients.

Sec. 909. Revenue from the airport parking tax act, 1987 PA 248, MCL 207.371 to 207.383, is appropriated and shall be distributed under section 7a of the airport parking tax act, 1987 PA 248, MCL 207.377a.

Sec. 910. The disbursement by the department of treasury from the bottle deposit fund to dealers as required by section 3c(2) of 1976 IL 1, MCL 445.573c, is appropriated.

Sec. 911. There is appropriated an amount sufficient to recognize and pay refundable income tax credits as provided by law.

Sec. 912. A plaintiff in a garnishment action involving this state shall pay to the state treasurer 1 of the following:

(a) A fee of \$6.00 at the time a writ of garnishment of periodic payments is served upon the state treasurer, as provided in section 4012 of the revised judicature act of 1961, 1961 PA 236, MCL 600.4012.

(b) A fee of \$6.00 at the time any other writ of garnishment is served upon the state treasurer, except that the fee shall be reduced to \$5.00 for each writ of garnishment for individual income tax refunds or credits filed by magnetic media.

Sec. 913. (1) The department of treasury may contract with private firms to appraise and, if necessary, appeal the assessments of senior citizen cooperative housing units. Payment for this service shall be from savings resulting from the appraisal or appeal process.

(2) Of the funds appropriated in part 1 to the department of treasury for the senior citizens' cooperative housing tax exemption program, a portion may be utilized for a program audit of the program. The department of treasury shall forward copies of any audit report completed to the senate and house of representatives standing committees on appropriations subcommittees on general government and to the state budget office. The department of treasury may utilize up to 1% of the funds for program administration and auditing.

Sec. 914. The department of treasury may provide a \$200.00 annual prize from the Ehlers internship award account in the gifts, bequests, and deposit fund to the runner-up of the Rosenthal prize for interns. The Ehlers internship award account is interest bearing.

Sec. 915. Pursuant to section 61 of the Michigan campaign finance act, 1976 PA 388, MCL 169.261, there is appropriated from the general fund to the state campaign fund an amount equal to the amounts designated for tax year 2018. Except as otherwise provided in this section, the amount appropriated shall not revert to the general fund and shall remain in the state campaign fund. Any amounts remaining in the state campaign fund in excess of \$10,000,000.00 on December 31 shall revert to the general fund.

Sec. 916. The department of treasury may make available to interested entities otherwise unavailable customized unclaimed property listings of nonconfidential information in its possession. The charge for this information is as follows: 1 to 100,000 records at 2.5 cents per record and 100,001 or more records at .5 cents per record. The revenue received from this service shall be deposited to the appropriate revenue account or fund. The department of treasury shall submit an annual report on or before June 1 to the state budget director and the senate and house of representatives standing committees on appropriations that states the amount of revenue received from the sale of information.

Sec. 917. (1) There is appropriated for write-offs and advances an amount equal to total write-offs and advances for departmental programs, but not to exceed current year authorizations that would otherwise lapse to the general fund.

(2) The department of treasury shall submit a report for the immediately preceding fiscal year to the state budget director, the chairpersons of the relevant appropriations subcommittees, and the senate and house fiscal agencies not later than November 30 stating the amounts appropriated for write-offs and advances under subsection (1) and an explanation for each write-off or advance that occurred.

Sec. 919. (1) From funds appropriated in part 1, the department of treasury may contract with private auditing firms to audit for and collect unclaimed property due this state in accordance with the uniform unclaimed property act, 1995 PA 29, MCL 567.221 to 567.265. In addition to the amounts appropriated in part 1 to the department of treasury, there are appropriated amounts necessary to fund auditing and collection costs and fees not to exceed 12% of the collections, or a lesser amount as prescribed by the contract. The appropriation to fund collection costs and fees for the auditing and collection of unclaimed property due this state is from the fund or account to which the revenues being collected are recorded or dedicated.

(2) The department of treasury shall submit a report for the immediately preceding fiscal year ending September 30 to the state budget director, the senate and house of representatives standing committees on appropriations, and the chairpersons of the relevant appropriations subcommittees not later than November 30 stating the auditing firms employed, the amount of collections for each, the costs of collection, and other pertinent information relating to determining whether this authority should be continued.

Sec. 920. The department of treasury shall produce a listing of all personal property tax reimbursement payments to be distributed by the local community stabilization authority related to property taxes levied in the current calendar year and shall post the list of payments on the department website by June 30.

Sec. 924. (1) In addition to the funds appropriated in part 1, the department of treasury may receive and expend principal residence audit fund revenue for administration of principal residence audits under the general property tax act, 1893 PA 206, MCL 211.1 to 211.155.

(2) The department of treasury shall submit a report for the immediately preceding fiscal year to the state budget director, the chairpersons of the relevant appropriations subcommittees, and the senate and house fiscal agencies not later than December 31 stating the amount of exemptions denied and the revenue received under the program.

Sec. 926. Unexpended appropriations of the John R. Justice grant program are designated as work project appropriations and shall not lapse at the end of the fiscal year and shall continue to be available for expenditure until the project has been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to provide student loan forgiveness to qualified public defenders and prosecutors.

(b) The project will be accomplished by utilizing state employees or contracts with private vendors, or both.

(c) The total estimated cost of the project is \$287,700.00.

(d) The tentative completion date is September 30, 2021.

Sec. 927. The department of treasury shall submit annual progress reports to the senate and house of representatives standing committees on appropriations subcommittees on general government and the senate and house fiscal agencies, regarding personal property tax audits and essential service assessment audits. The report shall include the number of audits, revenue generated, and number of complaints received by the department of treasury related to the audits.

Sec. 928. The department of treasury may provide receipt, check and cash processing, data, collection, investment, fiscal agent, levy and check cost assessment, writ of garnishment, and other user services on a contractual basis for other principal executive departments and state agencies. Funds for the services provided are appropriated and shall be expended for salaries and wages, fees, supplies, and equipment necessary to provide the services. Any unobligated balance of the funds received shall revert to the general fund of this state as of September 30.

Sec. 930. (1) The department of treasury shall provide accounts receivable collections services to other principal executive departments and state agencies under 1927 PA 375, MCL 14.131 to 14.134. The department of treasury shall deduct a fee equal to the cost of collections from all receipts except unrestricted general fund collections. Fees shall be credited to a restricted revenue account and appropriated to the department of treasury to pay for the cost of collections. The department of treasury shall maintain accounting records in sufficient detail to enable the respective accounts to be reimbursed periodically for fees deducted that are determined by the department of treasury to be surplus to the actual cost of collections.

(2) The department of treasury shall submit a report for the immediately preceding fiscal year to the state budget director, the chairpersons of the relevant appropriations subcommittees, and the senate and house fiscal agencies not later than November 30 stating the principal executive departments and state agencies served, funds collected, and costs of collection under subsection (1).

Sec. 931. (1) The appropriation in part 1 to the department of treasury for treasury fees shall be assessed against all restricted funds that receive common cash earnings or other investment income. Treasury fees include all costs, including administrative overhead, relating to the investment of each restricted fund. The fee assessed against each restricted fund will be based on the size of the restricted fund (the absolute value of the average daily cash balance plus the market value of investments in the prior fiscal year) and the level of effort necessary to maintain the restricted fund as required by each department. The department of treasury shall provide a report to the state budget office, the senate and house of representatives standing committees on appropriations subcommittees on general government, and the senate and house fiscal agencies by November 30 of each year identifying the fees assessed against each restricted fund and the methodology used for assessment.

(2) In addition to the funds appropriated in part 1, the department of treasury may receive and expend investment fees relating to new restricted funding sources that participate in common cash earnings or other investment income during the current fiscal year. When a new restricted fund is created starting on or after October 1, that restricted fund shall be assessed a fee using the same criteria identified in subsection (1).

Sec. 932. Revenue received under the Michigan education trust act, 1986 PA 316, MCL 390.1421 to 390.1442, may be expended by the board of directors of the Michigan education trust for necessary salaries, wages, supplies, contractual services, equipment, worker's compensation insurance premiums, and grants to the civil service commission and state employees' retirement fund.

Sec. 934. (1) The department of treasury may expend revenues received under the hospital finance authority act, 1969 PA 38, MCL 331.31 to 331.84, the shared credit rating act, 1985 PA 227, MCL 141.1051

to 141.1076, the higher education facilities authority act, 1969 PA 295, MCL 390.921 to 390.934, the Michigan public educational facilities authority, Executive Reorganization Order No. 2002-3, MCL 12.192, the Michigan tobacco settlement finance authority act, 2005 PA 226, MCL 129.261 to 129.279, the land bank fast track act, 2003 PA 258, MCL 124.751 to 124.774, part 505 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.50501 to 324.50522, the state housing development authority act of 1966, 1966 PA 346, MCL 125.1401 to 125.1499c, and the Michigan finance authority, Executive Reorganization Order No. 2010-2, MCL 12.194, for necessary salaries, wages, supplies, contractual services, equipment, worker's compensation insurance premiums, grants to the civil service commission and state employees' retirement fund, and other expenses as allowed under those acts.

(2) The department of treasury shall report by January 31 to the senate and house appropriations subcommittees on general government, the senate and house fiscal agencies, and the state budget director on the amount and purpose of expenditures made under subsection (1) from funds received in addition to those appropriated in part 1. The report shall also include a listing of reimbursement of revenue, if any. The report shall cover the previous fiscal year.

Sec. 935. The funds appropriated in part 1 for dual enrollment payments for an eligible student enrolled in a state-approved nonpublic school shall be distributed as provided under the postsecondary enrollment options act, 1996 PA 160, MCL 388.511 to 388.524, and the career and technical preparation act, 2000 PA 258, MCL 388.1901 to 388.1913, in a form and manner as determined by the department of treasury.

Sec. 936. (1) From the funds appropriated in part 1, the department shall maintain the financial data analytic tool reimbursement work project for reimbursements to cities, villages, townships, counties, and regional councils of government (participating organizations) for the licensing of data analytic tools as described under this section. Reimbursements are for participating organizations that choose to use a data analytic tool with 1 of the 2 vendors approved by the MDTMB in 2017-2018. Funds allocated under this section are intended to provide participating organizations with financial forecasting and transparency reporting tools to improve the financial health of participating organizations and to improve communication with the public.

(2) The approved data analytic tool vendors from 2017-2018 must continue to do all of the following:

- (a) Analyze financial data.
- (b) Analyze pension and other postemployment benefit trends.
- (c) Provide early warning indicators of financial stress.
- (d) Provide peer community comparisons of financial data.
- (e) Provide financial projections for at least 3 subsequent fiscal years.

(3) Funds from any financial data analytic tool reimbursement work projects shall be used prior to using funds appropriated in the current year. Funds allocated under this section shall be paid to participating organizations that execute an agreement on behalf of their geographic local units as a reimbursement for already having a licensing agreement or for entering into a licensing agreement not later than December 1, 2018 with a vendor approved under subsection (2) from the 2017-2018 appropriation, to implement a data analytic agreement. Reimbursement under this section shall be made as follows:

(a) All participating organizations seeking reimbursement shall submit requests not later than December 31 to the department of treasury indicating the cost paid for the financial data analytic tool by virtue of providing an invoice, purchase order, or proof of payment or by either of the approved vendors of record submitting on behalf of the participating organizations.

(b) The department of treasury shall determine the sum of the funding requested by all participating organizations under subdivision (a) and, if there are sufficient funds, shall reimburse 1/2 of the costs submitted by each participating organization or approved vendor under subdivision (a). If there are insufficient funds to pay 1/2 of the costs submitted under subdivision (a), the reimbursement shall be made on an equal percentage basis using 2016 census population estimates from the United States Census Bureau.

(c) The reimbursement to a participating organization shall not be greater than the amount paid for a data analytic application.

(d) A participating organization shall not be reimbursed for the purchase of more than 1 software application.

(e) Any unexpended funds shall continue as a work project appropriation, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures for projects under this section until the projects have been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a.

(i) The purpose of the project is for financial data analytic tool reimbursement.

(ii) The project will be accomplished by utilizing state employees, contracts with a vendor, or contracts with local units, or any combination of these.

(iii) The total estimated cost of the project is \$500,000.00.

(iv) The tentative completion date is September 30, 2023.

(4) Payments under this section shall be made on a schedule determined by the department.



(5) Within 30 days after the department of treasury has made all payments under subsection (3), the department of treasury shall report the following to the senate and house of representatives standing committees on appropriations subcommittees on general government, the state budget office, and the fiscal agencies:

(a) The total amount of payments made.

(b) If the payments were prorated, the amount of proration.

(c) A list of each payment made to cities, villages, townships, counties, and regional councils of government.

Sec. 937. As a condition of receiving funds appropriated in part 1, the department of treasury shall submit a report to the state budget director, the senate and house standing committees on appropriations, the chairpersons of the relevant appropriations subcommittees, and the senate and house fiscal agencies not later than March 31 regarding the performance of the Michigan accounts receivable collections system. The report shall include, but is not limited to:

(a) Information regarding the effectiveness of the department's current collection strategies, including use of vendors or contractors.

(b) The amount of delinquent accounts and collection referrals to vendors and contractors.

(c) The liquidation rates for declining delinquent accounts.

(d) The profile of uncollected delinquent accounts, including specific uncollected amounts by category.

(e) The department of treasury's strategy to manage delinquent accounts once those accounts exceed the vendor's or contractor's contracted collectible period.

(f) A summary of the strategies used in other states, including, but not limited to, secondary placement services, and assessing the benefits of those strategies.

Sec. 941. (1) The department of treasury, in conjunction with the Michigan strategic fund, shall report to the senate and house of representatives standing committees on appropriations, the relevant senate and house of representatives appropriations subcommittees, the senate and house fiscal agencies, and the state budget director by November 1 on the annual cost of the Michigan economic growth authority tax credits. The report shall include for each year the board-approved credit amount, adjusted for credit amendments where applicable, and the actual and projected value of tax credits for each year from 1995 to the expiration of the credit program. For years for which credit claims are complete, the report shall include the total of actual certificated credit amounts. For years for which claims are still pending or not yet submitted, the report shall include a combination of actual credits where available and projected credits. Credit projections shall be based on updated estimates of employees, wages, and benefits for eligible companies.

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

Sec. 942. As a condition of receiving funds appropriated in part 1 for supervision of the general property tax law, the department of treasury shall prioritize maintaining existing contracts related to the property services division.

Sec. 944. If the department of treasury hires a pension plan consultant using any of the funds appropriated in part 1, the department shall retain any report provided to the department by that consultant, notify the senate and house of representatives appropriations subcommittees on general government, the senate and house fiscal agencies, and the state budget director, and shall make that report available upon request to the senate and house of representatives standing committees on appropriations subcommittees on general government, the senate and house fiscal agencies, and the state budget director. A rationale for retention of a pension plan consultant shall be included in the notification of retention.

Sec. 945. Audits of local unit assessment administration practices, procedures, and records shall be conducted in each assessment jurisdiction a minimum of once every 5 years and in accordance with 2018 PA 680.

Sec. 946. Revenue collected in the convention facility development fund is appropriated and shall be distributed under sections 8, 9, and 10 of the state convention facility development act, 1985 PA 106, MCL 207.628, 207.629, and 207.630.

Sec. 947. Financial independence teams shall cooperate with the financial responsibility section to coordinate and streamline efforts in identifying and addressing fiscal emergencies in school districts and intermediate school districts.

Sec. 948. Total authorized appropriations from all department of treasury sources under part 1 for legacy costs for the fiscal year ending September 30, 2020 are \$42,035,900.00. From this amount, total agency appropriations for pension-related legacy costs are estimated at \$20,434,600.00. Total agency appropriations for retiree health care legacy costs are estimated at \$21,601,300.00.

Sec. 949. (1) From the funds appropriated in part 1, the department of treasury may contract with private agencies to prevent the disbursement of fraudulent tax refunds. In addition to the amounts appropriated in part 1 to the department of treasury, there are appropriated amounts necessary to pay contract costs or fund operations designed to reduce fraudulent income tax refund payments not to exceed \$1,200,000.00 of the refunds identified as potentially fraudulent and for which payment of the refund is denied. The appropriation to fund fraud prevention efforts is from the fund or account to which the revenues being collected are recorded or dedicated.

(2) The department of treasury shall submit a report for the immediately preceding fiscal year ending September 30 to the state budget director, the senate and house of representatives standing committees on appropriations, and the chairpersons of the relevant appropriations subcommittees not later than November 30 stating the number of refund claims denied due to the fraud prevention operations, the amount of refunds denied, the costs of the fraud prevention operations, and other pertinent information relating to determining whether this authority should be continued.

Sec. 949a. From the funds appropriated in part 1 for additional staff in city income tax administration, the department shall expand individual income tax return administration to 1 additional city to leverage the department's capabilities to assist cities with their taxation efforts.

Sec. 949d. (1) From the funds appropriated in part 1 for financial review commission, the department of treasury shall continue financial review commission efforts in the current fiscal year. The purpose of the funding is to cover ongoing costs associated with the operation of the commission.

(2) The department of treasury shall identify specific outcomes and performance measures for this initiative, including, but not limited to, the department of treasury's ability to perform a critical fiscal review to ensure the city of Detroit does not reenter distress following its exit from bankruptcy and to ensure that the community district does not enter distress and maintains a balanced budget.

(3) The department of treasury must submit a report to the house and senate appropriations subcommittees on general government, the senate and house fiscal agencies, and the state budget office by March 15. The report must describe the specific outcomes and measures required in subsection (1) and provide the results and data related to these outcomes and measures.

Sec. 949e. From the funds appropriated in part 1 for the state essential services assessment program, the department of treasury shall administer the state essential services assessment program. The program will provide the department of treasury the ability to collect the state essential services assessment which is a phased-in replacement of locally collected personal property taxes on eligible manufacturing personal property.

Sec. 949f. Revenue from the tobacco products tax act, 1993 PA 327, MCL 205.421 to 205.436, related to counties with a 2000 population of more than 2,000,000 is appropriated and shall be distributed under section 12(4)(d) of the tobacco products tax act, 1993 PA 327, MCL 205.432.

Sec. 949h. Revenue from part 6 of the medical marijuana facilities licensing act, 2016 PA 281, MCL 333.27601 to 333.27605, is appropriated and distributed pursuant to part 6 of the medical marijuana facilities licensing act, 2016 PA 281, MCL 333.27601 to 333.27605.

Sec. 949j. All funds in the wrongful imprisonment compensation fund created in the wrongful imprisonment compensation act, 2016 PA 343, MCL 691.1751 to 691.1757, are appropriated and available for expenditure. Expenditures are limited to support wrongful imprisonment compensation payments pursuant to section 6 of the wrongful imprisonment compensation act, 2016 PA 343, MCL 691.1756.

Sec. 949k. There is appropriated an amount equal to the tax captured revenues due under approved transformational brownfield plans created in the brownfield redevelopment financing act, 1996 PA 381, MCL 125.2651 to 125.2670.

Sec. 949m. (1) Prior to the disbursement of any grants in subsection (2) or (3), the department shall establish a memorandum of understanding with the grantee to ensure that the grants are used only for the purposes specified under subsection (2) or (3).

(2) From the funds appropriated in part 1 for municipal cost sharing grants, \$500,000.00 shall be awarded to a city with a population of greater than 80,000 located in a county with a population of between 280,800 and 280,900 according to the most recent federal decennial census for security camera upgrades around the Michigan Capitol Building.

(3) From the funds appropriated in part 1 for municipal cost sharing grants, \$500,000.00 shall be awarded to a city with a population of greater than 80,000 located in a county with a population of between 280,800 and 280,900 according to the most recent federal decennial census for expenses associated with large special events that occur at the Michigan capitol.

(4) From the funds appropriated in part 1 for municipal cost sharing grants, \$1,250,000.00 shall be awarded to a consolidated police and EMS dispatch center located in a county with a population over 1,500,000 and in a city with a population between 98,000 and 99,000 according to the most recent federal decennial census. These funds may be used for, but are not limited to, the following:

- (a) Equipment required for the installation of an additional dispatch workstation.
- (b) Costs associated with the coordination of technology with private sector partners which would allow the dispatch center to access and monitor real-time video feeds from those partners.
- (c) Installation and upgrading of equipment and technology in vehicles currently used by the dispatch center.
- (d) Development and adoption of a security advisory radio channel to allow private security partners to interface directly with dispatch center staff and first responders.
- (e) Installation of bi-directional amplifiers for the improvement of in-building radio communications.
- (f) Staff training costs.
- (g) Installation of a new radio tower to improve communications.

Sec. 949n. (1) The funds appropriated in part 1 for the student loan refinancing program study shall be used by the department of treasury to conduct a feasibility study on the creation of a student loan refinancing program. The feasibility study shall include, but need not be limited to, the following:

- (a) Information regarding additional staffing and administrative resources necessary and a comparison to the cost of existing third-party service providers to implement the program.
  - (b) A survey of state refinancing programs.
  - (c) Information related to the financial commitment on the part of the state to start a student loan refinancing program.
  - (d) Challenges and opportunities to beginning and sustaining a program.
  - (e) A determination of program characteristics necessary to provide a sustainable program.
  - (f) A determination as to whether a state-affiliated program could successfully compete in the marketplace.
- (2) The department of treasury shall provide a report of its findings under subsection (1) to the chairpersons of the senate and house of representatives standing committees on appropriations, the chairpersons of the senate and house of representatives standing committees on appropriations subcommittees on general government, the senate and house fiscal agencies, and the state budget director by July 1.

#### **REVENUE SHARING**

Sec. 950. The funds appropriated in part 1 for constitutional revenue sharing shall be distributed by the department of treasury to cities, villages, and townships, as required under section 10 of article IX of the state constitution of 1963. Revenue collected in accordance with section 10 of article IX of the state constitution of 1963 in excess of the amount appropriated in part 1 for constitutional revenue sharing is appropriated for distribution to cities, villages, and townships, on a population basis as required under section 10 of article IX of the state constitution of 1963.

Sec. 952. (1) The funds appropriated in part 1 for city, village, and township revenue sharing are for grants to cities, villages, and townships such that, subject to fulfilling the requirements under subsection (3), each city, village, or township that received a payment under section 901(1) of 2018 PA 618 is eligible to receive a payment equal to 102.3% of its total eligible payment under section 901(1) of 2018 PA 618 and section 957(1) of 2018 PA 207, rounded to the nearest dollar. For purposes of this subsection, any city, village, or township that completely merges with another city, village, or township will be treated as a single entity, such that when determining the eligible payment under section 901(1) of 2018 PA 618 and section 957(1) of 2018 PA 207 for the combined single entity, the amount each of the merging local units was eligible to receive under section 901(1) of 2018 PA 618 and section 957(1) of 2018 PA 207 is summed.

(2) The funds appropriated in part 1 for the county incentive program are to be used for grants to counties such that each county is eligible to receive an amount equal to 20% of the amount determined pursuant to the Glenn Steil state revenue sharing act of 1971, 1971 PA 140, MCL 141.901 to 141.921. The amount calculated under this subsection shall be adjusted as necessary to reflect partial county fiscal years and prorated based on the total amount appropriated for distribution to all eligible counties. Except as otherwise provided under this subsection, payments under this subsection will be distributed to an eligible county subject to the county's fulfilling the requirements under subsection (3).

(3) For purposes of accountability and transparency, each eligible city, village, township, or county shall certify by December 1, or the first day of a payment month, that it has produced a citizen's guide of its most recent local finances, including a recognition of its unfunded liabilities; a performance dashboard; a debt service report containing a detailed listing of its debt service requirements, including, at a minimum, the issuance date, issuance amount, type of debt instrument, a listing of all revenues pledged to finance debt service by debt instrument, and a listing of the annual payment amounts until maturity; and a projected budget report, including, at a minimum, the current fiscal year and a projection for the immediately following

fiscal year. The projected budget report shall include revenues and expenditures and an explanation of the assumptions used for the projections. Each eligible city, village, township, or county shall include in any mailing of general information to its citizens the internet website address location for its citizen's guide, performance dashboard, debt service report, and projected budget report or the physical location where these documents are available for public viewing in the city, village, township, or county clerk's office. Each city, village, township, and county applying for a payment under this subsection shall submit a copy of the performance dashboard, a copy of the debt service report, and a copy of the projected budget report to the department of treasury. In addition, each eligible city, village, township, or county applying for a payment under this subsection shall either submit a copy of the citizen's guide or certify that the city, village, township, or county will be utilizing treasury's online citizen's guide. The department of treasury shall develop detailed guidance for a city, village, township, or county to follow to meet the requirements of this subsection. The detailed guidance shall be posted on the department of treasury website and distributed to cities, villages, townships, and counties by October 1.

(4) City, village, and township revenue sharing payments and county incentive program payments are subject to the following conditions:

(a) The city, village, township, or county shall certify to the department that it has met the required criteria for subsection (3) and submitted the required citizen's guide, performance dashboard, debt service report, and projected budget report as required by subsection (3). A department of treasury review of the citizen's guide, dashboard, or reports 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), if a city, village, township, or county meets the requirements of subsection (3), the city, village, township, or county shall receive its full potential payment under this section.

(c) Cities, villages, and townships eligible to receive a payment under subsection (1) shall receive 1/6 of their eligible payment on the last business day of October, December, February, April, June, and August. Payments under subsection (1) shall be issued to cities, villages, and townships until the specified due date for subsection (3). After the specified due date for subsection (3), payments shall be made to a city, village, or township only if that city, village, or township has complied with subdivision (a).

(d) Payments under subsection (2) shall be issued to counties until the specified due date for subsection (3). After the specified due date for subsection (3), payments shall be made to a county only if that county has complied with subdivision (a).

(e) If a city, village, township, or county does not submit the required certification, citizen's guide, performance dashboard, debt service report, and projected budget report by the first day of a payment month, the city, village, township, or county shall forfeit the payment in that payment month.

(f) Any city, village, township, or county that falsifies certification documents shall forfeit any future city, village, and township revenue sharing payments or county incentive program payments and shall repay to this state all payments it has received under this section.

(g) City, village, and township revenue sharing payments and county incentive program payments under this section shall be distributed on the last business day of October, December, February, April, June, and August.

(h) Payments distributed under this section may be withheld pursuant to sections 17a and 21 of the Glenn Steil state revenue sharing act of 1971, 1971 PA 140, MCL 141.917a and 141.921.

(5) The unexpended funds appropriated in part 1 for city, village, and township revenue sharing and the county incentive program shall be available for expenditure under the program for financially distressed cities, villages, or townships after the approval of transfers by the legislature pursuant to section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

(6) Any city, village, or township eligible to receive a payment under subsection (1) and determined to have a retirement pension benefit system in underfunded status under section 5 of the protecting local government retirement and benefits act, 2017 PA 202, MCL 38.2805, must allocate an amount equal to its current year eligible payment under subsection (1) less the sum of its eligible payment for city, village, and township revenue sharing and supplemental city, village, and township revenue sharing in fiscal year 2018-2019 to its pension unfunded liability. A city, village, or township that has issued a municipal security under section 518 of the revised municipal finance act, 2001 PA 34, MCL 141.2518, is exempt from this requirement.

Sec. 955. (1) The funds appropriated in part 1 for county revenue sharing shall be distributed by the department of treasury so that each eligible county receives a payment equal to 104.5619% of the amount determined pursuant to the Glenn Steil state revenue sharing act of 1971, 1971 PA 140, MCL 141.901 to 141.921, less the amount for which the county is eligible under section 952(2) of this part. The amount calculated under this subsection shall be adjusted as necessary to reflect partial county fiscal years and prorated based on the total amount appropriated for distribution to all eligible counties.

(2) The department of treasury shall annually certify to the state budget director the amount each county is authorized to expend from its revenue sharing reserve fund.

(3) Any county eligible to receive a payment under subsection (1) and determined to have a retirement pension benefit system in underfunded status under section 5 of the protecting local government retirement and benefits act, 2017 PA 202, MCL 38.2805, must allocate an amount equal to the sum of its current year eligible payment for county revenue sharing and the county incentive program less the sum of its fiscal year 2018-2019 eligible payment for county revenue sharing, the county incentive program, and supplemental county revenue sharing to its pension unfunded liability. A county that has issued a municipal security under section 518 of the revised municipal finance act, 2001 PA 34, MCL 141.2518, is exempt from this requirement.

Sec. 956. (1) The funds appropriated in part 1 for financially distressed cities, villages, or townships shall be granted by the department of treasury to cities, villages, and townships that have 1 or more conditions that indicate probable financial distress, as determined by the department of treasury. A city, village, or township with 1 or more conditions that indicate probable financial distress may apply in a manner determined by the department of treasury for a grant to pay for specific projects or services that move the city, village, or township toward financial stability. Grants are to be used for specific projects or services that move the city, village, or township toward financial stability. The city, village, or township must use the grants under this section to make payments to reduce unfunded accrued liability; to repair or replace critical infrastructure and equipment owned or maintained by the city, village, or township; to reduce debt obligations; or for costs associated with a transition to shared services with another jurisdiction; or to administer other projects that move the city, village, or township toward financial stability. The department of treasury shall award no more than \$2,000,000.00 to any city, village, or township under this section.

(2) The department of treasury shall provide a report to the senate and house of representatives appropriations subcommittees on general government, the senate and house fiscal agencies, and the state budget office by March 31. The report shall include a list by grant recipient of the date each grant was approved, the amount of the grant, and a description of the project or projects that will be paid by the grant.

(3) The unexpended funds appropriated in part 1 for financially distressed cities, villages, or townships are designated as a work project appropriation, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditure for projects under this section until the projects have been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to provide assistance to financially distressed cities, villages, and townships under this section.

(b) The projects will be accomplished by grants to cities, villages, and townships approved by the department of treasury.

(c) The total estimated cost of all projects is \$2,500,000.00.

(d) The tentative completion date is September 30, 2024.

#### **BUREAU OF STATE LOTTERY**

Sec. 960. In addition to the funds appropriated in part 1 to the bureau of state lottery, there is appropriated from state lottery fund revenues the amount necessary for, and directly related to, implementing and operating lottery games under the McCauley-Traxler-Law-Bowman-McNeely lottery act, 1972 PA 239, MCL 432.1 to 432.47, and activities under the Traxler-McCauley-Law-Bowman bingo act, 1972 PA 382, MCL 432.101 to 432.120, including expenditures for contractually mandated payments for vendor commissions, contractually mandated payments for instant tickets intended for resale, the contractual costs of providing and maintaining the online system communications network, and incentive and bonus payments to lottery retailers.

Sec. 964. For the bureau of state lottery, there is appropriated 1% of the lottery's prior fiscal year's gross sales for promotion and advertising.

#### **CASINO GAMING**

Sec. 971. From the revenue collected by the Michigan gaming control board regarding the total annual assessment of each casino licensee, \$2,000,000.00 is appropriated and shall be deposited in the compulsive gaming prevention fund as described in section 12a(5) of the Michigan Gaming Control and Revenue Act, 1996 IL 1, MCL 432.212a.

Sec. 973. (1) Funds appropriated in part 1 for local government programs may be used to provide assistance to a local revenue sharing board referenced in an agreement authorized by the Indian gaming regulatory act, Public Law 100-497.

(2) A local revenue sharing board described in subsection (1) shall comply with the open meetings act, 1976 PA 267, MCL 15.261 to 15.275, and the freedom of information act, 1976 PA 442, MCL 15.231 to 15.246.

(3) A county treasurer is authorized to receive and administer funds received for and on behalf of a local revenue sharing board. Funds appropriated in part 1 for local government programs may be used to audit local revenue sharing board funds held by a county treasurer. This section does not limit the ability of local units of government to enter into agreements with federally recognized Indian tribes to provide financial assistance to local units of government or to jointly provide public services.

(4) A local revenue sharing board described in subsection (1) shall comply with all applicable provisions of any agreement authorized by the Indian gaming regulatory act, Public Law 100-497, in which the local revenue sharing board is referenced, including, but not limited to, the disbursal of tribal casino payments received under applicable provisions of the tribal-state class III gaming compact in which those funds are received.

(5) The director of the department of state police and the executive director of the Michigan gaming control board are authorized to assist the local revenue sharing boards in determining allocations to be made to local public safety organizations.

(6) The Michigan gaming control board shall submit a report by September 30 to the senate and house of representatives standing committees on appropriations and the state budget director on the receipts and distribution of revenues by local revenue sharing boards.

Sec. 974. If revenues collected in the state services fee fund are less than the amounts appropriated from the fund, available revenues shall be used to fully fund the appropriation in part 1 for casino gaming regulation activities before distributions are made to other state departments and agencies. If the remaining revenue in the fund is insufficient to fully fund appropriations to other state departments or agencies, the shortfall shall be distributed proportionally among those departments and agencies.

Sec. 976. The executive director of the Michigan gaming control board may pay rewards of not more than \$5,000.00 to a person who provides information that results in the arrest and conviction on a felony or misdemeanor charge for a crime that involves the horse racing industry. A reward paid pursuant to this section shall be paid out of the appropriation in part 1 for the racing commission.

Sec. 977. All appropriations from the Michigan agriculture equine industry development fund, except for the racing commission appropriations, shall be reduced proportionately if revenues to the Michigan agriculture equine industry development fund decline during the current fiscal year to a level lower than the amount appropriated in part 1.

Sec. 978. The Michigan gaming control board shall use actual expenditure data in determining the actual regulatory costs of conducting racing dates and shall provide that data to the senate and house appropriations subcommittees on agriculture and general government, the state budget office, and the senate and house fiscal agencies. The Michigan gaming control board shall not be reimbursed for more than the actual regulatory cost of conducting race dates. If a certified horsemen's organization funds more than the actual regulatory cost, the balance shall remain in the agriculture equine industry development fund to be used to fund subsequent race dates conducted by race meeting licensees with which the certified horsemen's organization has contracts. If a certified horsemen's organization funds less than the actual regulatory costs of the additional horse racing dates, the Michigan gaming control board shall reduce the number of future race dates conducted by race meeting licensees with which the certified horsemen's organization has contracts. Prior to the reduction in the number of authorized race dates due to budget deficits, the executive director of the Michigan gaming control board shall provide notice to the certified horsemen's organizations with an opportunity to respond with alternatives. In determining actual costs, the Michigan gaming control board shall take into account that each specific breed may require different regulatory mechanisms.

Sec. 979. From the funds appropriated in part 1 for millionaire party regulation, the Michigan gaming control board may receive and expend state lottery fund revenue in an amount not to exceed \$3,000,000.00 for necessary expenses incurred in the licensing and regulation of millionaire parties pursuant to Executive Order No. 2012-4. In accordance with section 8 of the Traxler-McCauley-Law-Bowman bingo act, 1972 PA 382, MCL 432.108, the amount of necessary expenses shall not exceed the amount of revenue received under that act. The Michigan gaming control board shall provide a report to the senate and house of representatives appropriations subcommittees on general government, the senate and house fiscal agencies, and the state budget office by March 1. The report shall include, but not be limited to, total expenditures related to the licensing and regulating of millionaire parties, steps taken to ensure charities are receiving revenue due to them, progress on promulgating rules to ensure compliance with the Traxler-McCauley-Law-Bowman bingo act, 1972 PA 382, MCL 432.101 to 432.120, and any enforcement actions taken.

#### **DEPARTMENT OF LABOR AND ECONOMIC OPPORTUNITY**

Sec. 980. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$15,000,000.00 for federal contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

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

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

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

Sec. 981. Total authorized appropriations from all sources under part 1 for legacy costs for the fiscal year ending September 30, 2020 are \$28,950,500.00. From this amount, total agency appropriations for pension-related legacy costs are estimated at \$14,073,500.00. Total agency appropriations for retiree health care legacy costs are estimated at \$14,877,000.00.

Sec. 982. Federal pass-through funds to local institutions and governments that are received in amounts in addition to those included in part 1 and that do not require additional state matching funds are appropriated for the purposes intended. The department may carry forward into the succeeding fiscal year unexpended federal pass-through funds to local institutions and governments that do not require additional state matching funds. The department shall report the amount and source of the funds to the relevant senate and house of representatives appropriations subcommittees, the senate and house fiscal agencies, and the state budget director within 10 business days after receiving any additional pass-through funds.

Sec. 983. From the funds appropriated in part 1, Michigan department of labor and economic opportunity, Michigan strategic fund, and Michigan state housing development authority shall not use funds for broadband construction, expansion, repairs, or upgrades or to issue or refinance bonds for broadband construction, expansion, repairs, or upgrades.

Sec. 984. As a condition of receiving funds in part 1, the department of labor and economic opportunity shall utilize SIGMA as an appropriation and expenditure reporting system to track all financial transactions with individual vendors, contractual partners, grantees, recipients of business incentives, and recipients of other economic assistance. Encumbrances and expenditures shall be reported in a timely manner.

#### **MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY**

Sec. 990. MSHDA shall annually present a report to the state budget office and the subcommittees on the status of the authority's housing production goals under all financing programs established or administered by the authority. The report shall give special attention to efforts to raise affordable multifamily housing production goals.

Sec. 994. In addition to the funds appropriated in part 1, the funds collected by state historic preservation programs for document reproduction and services and application fees are appropriated for all expenses necessary to provide the required services. These funds are available for expenditure when they are received and may be carried forward into the succeeding fiscal year.

#### **LAND BANK FAST TRACK AUTHORITY**

Sec. 995. In addition to the amounts appropriated in part 1, the land bank fast track authority may expend revenues received under the land bank fast track act, 2003 PA 258, MCL 124.751 to 124.774, for the purposes authorized by the act, including, but not limited to, the acquisition, lease, management, demolition, maintenance, or rehabilitation of real or personal property, payment of debt service for notes or bonds issued by the authority, and other expenses to clear or quiet title property held by the authority.

Sec. 998. (1) From the funds appropriated in part 1 for blight removal grants, \$250,000.00 shall be awarded to blight removal projects located in counties with populations under 50,000 with priority given to communities with the greatest population loss since 2000 and cap individual grants at no more than \$50,000.00.

(2) From the funds appropriated in part 1 for blight removal grants, \$250,000.00 shall be awarded for blight prevention or removal projects located in a city with a population of greater than 600,000 according to the most recent federal decennial census. Grants under this subsection must be awarded to nonprofit organizations for activities including, but not limited to, any of the following:

- (a) Removal of abandoned and vacant structures.
- (b) Blight prevention, including home repair programs.
- (c) Illegal dumping enforcement.
- (d) Illegal dumping cleanup.

**MICHIGAN STRATEGIC FUND**

Sec. 1004. As a condition of receiving funds appropriated in part 1, the MSF shall provide all information required to be transmitted in the activities report required under section 9 of the Michigan strategic fund act, 1984 PA 270, MCL 125.2009, to the chairpersons of the senate and house of representatives standing committees on appropriations, the chairpersons of the relevant senate and house of representatives appropriations subcommittees, the senate and house fiscal agencies, and the state budget director by March 15.

Sec. 1005. In addition to the appropriations in part 1, Travel Michigan may receive and expend private revenue related to the use of "Pure Michigan" and all other copyrighted slogans and images. This revenue may come from the direct licensing of the name and image or from the royalty payments from various merchandise sales. Revenue collected is appropriated for the marketing of the state as a travel destination. The funds are available for expenditure when they are received by the department of treasury. If the fund receives revenues from the use of "Pure Michigan", the fund shall provide a report that lists the revenues by source received from the use of "Pure Michigan" and all other copyrighted slogans and images. The report shall provide a detailed list of expenditures of revenues received under this section. The report shall be provided to the chairpersons of the senate and house of representatives standing committees on appropriations, the relevant senate and house of representatives appropriations subcommittees, the house and senate fiscal agencies, and the state budget director by March 1.

Sec. 1006. (1) As a condition of receiving funds appropriated in part 1, the fund shall provide a report of all approved amendments to projects for the immediately preceding year under sections 88r and 90b of the Michigan strategic fund act, 1984 PA 270, MCL 125.2088r and 125.2090b. The report shall provide a description of each amendment, by award, which shall include, but is not limited to, the following:

- (a) The amended award amount relative to the prior award amount.
- (b) The amended number of committed jobs relative to the prior number of committed jobs.
- (c) The amended amount of qualified investment committed relative to the prior amount of qualified investment committed.
- (d) A description of any change in scope of the project.
- (e) A description of any change in project benchmarks, deadlines, or completion dates.
- (f) The reason or justification for the amendment approval.

(2) In addition to being posted online, the report shall be distributed to the chairpersons of the senate and house of representatives standing committees on appropriations, the chairpersons of the relevant senate and house of representatives appropriations subcommittees, the senate and house fiscal agencies, and the state budget office by March 15.

Sec. 1007. (1) As a condition of receiving funds appropriated in part 1, the fund shall request the following information from the MEDC:

- (a) Approved budget from the MEDC executive committee for the current fiscal year and actual budget expenditures for the preceding fiscal years.
- (b) Expenditures and revenues as part of the current and preceding year budgets, including the available fund balance for the current and preceding fiscal years.
- (c) The total number of FTEs, by state and corporate status.
- (d) A reporting of activities, programs, and grants consistent with the preceding fiscal year budget.

(2) Information received by the MSF pursuant to this section shall be posted online and distributed to the chairpersons of the senate and house of representatives standing committees on appropriations, the chairpersons of the relevant senate and house of representatives appropriations subcommittees, the senate and house fiscal agencies, and the state budget director by March 15.

Sec. 1008. As a condition of receiving funds under part 1, any interlocal agreement entered into by the fund shall include language which states that if a local unit of government has a contract or memorandum of understanding with a private economic development agency, the MEDC will work cooperatively with that private organization in that local area.

Sec. 1009. (1) Of the funds appropriated to the fund or through grants to the MEDC, no funds shall be expended for the purchase of options on land or the purchase of land unless at least 1 of the following conditions applies:

- (a) The land is located in an economically distressed area.
- (b) The land is obtained through a purchase or exercise of an option at the invitation of the local unit of government and local economic development agency.

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

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



(4) If land or options on land are purchased under subsection (1), the fund shall provide a report to the senate and house of representatives standing committees on appropriations, the relevant senate and house of representatives appropriations subcommittees, the senate and house fiscal agencies, and the state budget director that provides a list of all properties purchased, all options on land purchased, the location of the land purchased, and the purchase price if the fund purchases options on land or land. The report must be submitted before March 15.

Sec. 1010. As a condition for receiving funds in part 1, not later than March 15, the fund shall provide a report for the immediately preceding fiscal year on the jobs for Michigan investment fund, created in section 88h of the Michigan strategic fund act, 1984 PA 270, MCL 125.2088h. The report shall be submitted to the chairpersons of the senate and house of representatives standing committees on appropriations, the chairpersons of the relevant senate and house of representatives appropriations subcommittees, the senate and house fiscal agencies, and the state budget director. The report shall include, but is not limited to, all of the following:

(a) A detailed listing of revenues, by fund source, to the jobs for Michigan investment fund. The listing shall include the manner and reason for which the funds were appropriated to the jobs for Michigan investment fund.

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

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

Sec. 1011. (1) From the appropriations in part 1 to the fund and granted or transferred to the MEDC, any unexpended or unencumbered balance shall be disposed of in accordance with the requirements in the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594, unless carryforward authorization has been otherwise provided for.

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

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

Sec. 1012. (1) As a condition of receiving funds under part 1, the fund shall ensure that the MEDC and the fund comply with all of the following:

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

(b) The open meetings act, 1976 PA 267, MCL 15.261 to 15.275.

(c) Annual audits of all financial records by the auditor general or his or her designee.

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

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

Sec. 1013. As a condition for receiving the appropriations in part 1, any staff of the MEDC involved in private fund-raising activities shall not be party to any decisions regarding the awarding of grants, incentives, or tax abatements from the fund, the MEDC, or the Michigan economic growth authority.

Sec. 1024. From the funds appropriated in part 1 for business attraction and community revitalization, not less than 20% shall be granted by the fund board for brownfield redevelopment and historic preservation projects under the community revitalization program authorized by chapter 8C of the Michigan strategic fund act, 1984 PA 270, MCL 125.2090 to 125.2090d.

Sec. 1032. (1) The fund shall report to the chairpersons of the senate and house of representatives standing committees on appropriations, the relevant senate and house of representatives appropriations subcommittees, the state budget director, and the senate and house fiscal agencies on the status of the film incentives at the same time as it submits the annual report required under section 455 of the Michigan business tax act, 2007 PA 36, MCL 208.1455. The department of treasury shall provide the fund with the data necessary to prepare the report. Incentives included in the report shall include all of the following:

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

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

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

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

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

(f) Loans to an eligible production company or film and digital media private equity fund authorized under section 88d(3), (4), and (5) of the Michigan strategic fund act, 1984 PA 270, MCL 125.2088d.

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

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

(b) For credits authorized under section 455 of the Michigan business tax act, 2007 PA 36, MCL 208.1455, for productions completed by December 31, the expenditures of each production eligible for the credit that has filed a request for certificate of completion with the film office, broken down into expenditures for goods, services, or salaries and wages and showing separately expenditures in each local unit of government, including expenditures for personnel, whether or not they were made to a Michigan entity, and whether or not they were taxable under the laws of this state. For loans, the report shall include the number of loans that have been fully repaid, with principal and interest shown separately, and the number of loans that are delinquent or in default, and the amount of principal that is delinquent or is in default.

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

(i) The number of temporary jobs created.

(ii) The number of permanent jobs created.

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

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

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

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

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

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

Sec. 1033. As a condition of receiving funds in part 1, not later than March 15, the fund shall provide a report on the activities of the Michigan film and digital media office for the immediately preceding fiscal year. The report shall be submitted to the chairpersons of the senate and house of representatives standing committees on appropriations, the chairpersons of the relevant senate and house of representatives appropriations subcommittees, the senate and house fiscal agencies, and the state budget office. The report shall include, but not be limited to, a listing of all projects the Michigan film and digital media office provided assistance on, a listing of the services provided for each project, and an estimate of investment leveraged.

Sec. 1034. Each business incubator or accelerator that received an award from the fund shall maintain and update a dashboard of indicators to measure the effectiveness of the business incubator and accelerator programs. Indicators shall include the direct jobs created, new companies launched as a direct result of business incubator or accelerator involvement, businesses expanded as a direct result of business incubator or accelerator involvement, direct investment in client companies, private equity financing obtained by client companies, grant funding obtained by client companies, and other measures developed by the recipient business incubators and accelerators in conjunction with the MEDC. Dashboard indicators shall be reported for the prior fiscal year and cumulatively, if available. Each recipient shall submit a copy of their dashboard indicators to the fund by March 1. The fund shall transmit the local reports to the chairpersons of the senate and house of representatives standing committees on appropriations, the relevant senate and house of representatives appropriations subcommittees, the senate and house fiscal agencies, and the state budget director by March 15.

Sec. 1035. (1) From the appropriations in part 1, the Michigan council for arts and cultural affairs shall administer an arts and cultural grant program that maintains an equitable geographic distribution of funding and utilizes past arts and cultural grant programs as a guideline for administering this program. The council shall do all of the following:

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

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

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

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

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

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

Sec. 1036. (1) The general fund/general purpose funds appropriated in part 1 to the fund for business attraction and community revitalization shall be transferred to the 21st century jobs trust fund per section 90b(3) of the Michigan strategic fund act, 1984 PA 270, MCL 125.2090b.

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

Sec. 1041. From the funds appropriated in part 1 for business attraction and community revitalization, the fund shall request the transfer by the state treasurer of not more than 60% of the funds prior to April 1.

Sec. 1042. For the funds appropriated in part 1 for business attraction and community revitalization, the fund shall report quarterly on the amount of funds considered appropriated, pre-encumbered, encumbered, and expended. The report shall also include a listing of all previous appropriations for business attraction and community revitalization, or a predecessor, that were considered appropriated, pre-encumbered, encumbered, or expended that have lapsed back to the fund for any purpose. The report shall be submitted to the chairpersons of the senate and house of representatives standing committees on appropriations, the chairpersons of the relevant senate and house of representatives appropriations subcommittees, the senate and house fiscal agencies, and the state budget director.

Sec. 1043. (1) The fund, in conjunction with the department of treasury, shall report to the chairpersons of the senate and house of representatives standing committees on appropriations, the relevant senate and house of representatives appropriations subcommittees, the senate and house fiscal agencies, and the state budget director by November 1 on the annual cost of the MEGA tax credits. The report shall include for each year the board-approved credit amount, adjusted for credit amendments where applicable, and the actual and projected value of tax credits for each year from 1995 to the expiration of the credit program. For years for which credit claims are complete, the report shall include the total of actual certificated credit amounts. For years for which claims are still pending or not yet submitted, the report shall include a combination of actual credits where available and projected credits. Credit projections shall be based on updated estimates of employees, wages, and benefits for eligible companies.

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

Sec. 1044. As a condition of receiving appropriations in part 1, prior to authorizing the transfer of any previously authorized tax credit that would increase the liability to this state, the fund, on behalf of the MSF board, shall notify the chairpersons of the senate and house of representatives standing committees on appropriations, the chairpersons of the relevant senate and house of representatives appropriations subcommittees, the senate and house fiscal agencies, and the state budget director not fewer than 30 days prior to the authorization of the tax credit transfer.

Sec. 1047. (1) From the funds appropriated in part 1 for Michigan enhancement grants, \$1,000,000.00 shall be awarded to an independent biomedical research and science education organization in a county with a population between 600,000 and 610,000 and in a city with a population over 185,000 according to the most recent federal decennial census to be used for matching federal funds, private and nonprofit grants, and private contributions.

(2) From the funds appropriated in part 1 for Michigan enhancement grants, \$971,000.00 shall be awarded for a retirement funding shortfall at an association established to provide services and support to Michigan's workforce development system located in a county with a population of between 16,000 and 17,000 according to the most recent federal decennial census.

(3) From the funds appropriated in part 1 for Michigan enhancement grants, \$166,000.00 shall be distributed to the electronic recording commission, for grants to counties to facilitate or upgrade real property e-recording capabilities. Individual grants shall not exceed \$12,000.00 and must require a 10% match from the grant recipient.

(4) From the funds appropriated in part 1 for Michigan enhancement grants, \$662,000.00 shall be awarded to a nonprofit that operates a program that satisfies all of the following conditions:

(a) The program provides services to parolees and probationers assessed by the Michigan department of corrections as moderate or high-risk to recidivate.

(b) The program provides job readiness training, transitional employment, job coaching and placement, and postplacement retention services. As part of the transitional employment program phase, the nonprofit program shall provide low-skill, crew-based services to other state agencies.

(c) The program has been independently and rigorously evaluated and shown to reduce recidivism.

(d) The program demonstrates an ability to serve multiple jurisdictions across the state of Michigan.

(5) In addition to the funds appropriated in part 1, the Michigan strategic fund may receive and expend funds from the Michigan department of transportation; Michigan department of natural resources; and Michigan department of environment, Great Lakes, and energy to support the nonprofit program authorized in subsection (4).

Sec. 1048. From the funds appropriated in part 1 for business attraction and community revitalization, \$10,000,000.00 shall be deposited in the rural jobs and capital investment fund created under section 90n of the Michigan strategic fund act, 1984 PA 270, MCL 125.2090n. All funds in the rural jobs and capital investment fund are appropriated and available for expenditure pursuant to sections 90m through 90r of the Michigan strategic fund act, 1984 PA 270, MCL 125.2090m to 125.2090r.

Sec. 1050. (1) From the funds appropriated in part 1 for business attraction and community revitalization, the fund shall identify specific outcomes and performance measures, including, but not limited to, the following:

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

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

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

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

Sec. 1053. From the funds appropriated in part 1 for Pure Michigan, up to \$500,000.00 shall be used for last dollars to fund the gap between the total cost of hosting a national conference for a national council that currently receives association dues from this state and the total amount privately raised. After the conference has concluded, any remaining funds shall be used for Pure Michigan activities.

#### **TALENT INVESTMENT AGENCY**

Sec. 1060. The talent investment agency shall administer the PATH training program in accordance with the requirements of section 407(d) of title IV of the social security act, 42 USC 607, the state social welfare act, 1939 PA 280, MCL 400.1 to 400.119b, and all other applicable laws and regulations.

Sec. 1061. From the funds appropriated in part 1 for workforce programs subgrantees, the talent investment agency may allocate funding for grants to nonprofit organizations that offer programs pursuant to the workforce innovation and opportunity act, 29 USC 3101 to 3361, eligible youth focusing on apprenticeship readiness, pre-apprenticeship and apprenticeship activities, entrepreneurship, work-readiness skills, job shadowing, and financial literacy. Organizations eligible for funding under this section must have the capacity to provide similar programs in urban areas, as determined by the United States Bureau of the Census according to the most recent federal decennial census. Additionally, programs eligible for funding under this section must include the participation of local business partners. The talent investment agency shall develop other appropriate eligibility requirements to ensure compliance with applicable federal rules and regulations.

Sec. 1062. The talent investment agency shall make available, in person or by telephone, 1 disabled veterans outreach program specialist or local veterans employment representative to Michigan Works! service centers, as resources permit, during hours of operation, and shall continue to make the appropriate placement of veterans and disabled veterans a priority.

Sec. 1063. (1) In addition to the funds appropriated in part 1, any unencumbered and unrestricted federal workforce innovation and opportunity act, 29 USC 3101 to 3361, or trade adjustment assistance funds available from prior fiscal years are appropriated for the purposes originally intended.

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

Sec. 1064. As a condition of receiving funds appropriated in part 1 for Going pro, the talent investment agency shall provide a report on Going pro expenditures, by program or grant type, for the prior fiscal year. In addition, the report shall include projected expenditures, by program or grant type, for the current fiscal year. The report shall be posted online and distributed to the chairpersons of the senate and house of representatives standing committees on appropriations, the chairpersons of the relevant senate and house of representatives appropriations subcommittees, the senate and house fiscal agencies, and the state budget director by March 15.

Sec. 1065. The talent investment agency shall publish data and reports on March 15 and September 30 on the agency website concerning the status of career technology and Going pro funded in part 1. The report shall include the following:

- (a) The number of awardees participating in the program and the names of those awardees organized by major industry group.
- (b) The amount of funding received by each awardee under the program.
- (c) Amount of funding leveraged from each awardee.
- (d) Training models established by each awardee.
- (e) The number of individuals enrolled in classroom training, on-the-job training, or new USDOL registered apprentices.
- (f) The number of individuals who completed the program and were hired by awardee.
- (g) The number of applications received and the number of grants awarded for each region.
- (h) The talent investment agency shall expand workforce training and reemployment services to better connect workers to in-demand jobs and identify specific outcomes with performance metrics for this initiative, including, but not limited to, new apprenticeships, individuals to be hired and trained, current employees trained, training completed, and employment retention rate at 6 months, and hourly wage at 6 months.

Sec. 1066. As a condition of receiving funds in part 1 for Going pro, the talent investment agency shall administer the program as follows:

- (a) The talent investment agency shall work cooperatively with grantees to maximize the amount of funds from part 1 that are available for direct training.
- (b) The talent investment agency, workforce development partners, including regional Michigan Works! agencies, and employers shall collaborate and work cooperatively to prioritize and streamline the expenditure of the funds appropriated in part 1. The talent investment agency shall ensure that Going pro provides a collaborative statewide network of workforce and employee skill development partners that addresses the employee talent needs throughout the state.
- (c) The talent investment agency shall ensure that grants are utilized for individual skill enhancement and to address in-demand talent needs in Michigan.
- (d) The talent investment agency shall develop program goals and detailed guidance for prospective participants to follow to qualify under the program. The program goals and detailed guidance shall be posted on the talent investment agency website and distributed to workforce development partners, including local Michigan Works! agencies, by October 1. Periodic assessments of employer and employee needs shall be evaluated on a regional basis, and the talent investment agency shall identify solutions and goals to be implemented to satisfy those needs. The talent investment agency shall notify the senate and house of representatives standing committees on appropriations, the relevant senate and house of representatives appropriations subcommittees, the senate and house fiscal agencies, and the state budget director on any program goal, solution, or guidance changes not fewer than 14 days prior to the finalization and publication of the changes. Revenue received by the talent investment agency for Going pro may be expended for the purpose of those programs.
- (e) Up to \$5,000,000.00 of the funds may be expended to match federal funds. The intent of these funds will involve improving and increasing the skill level of employees in skilled trades in the automotive industry and the manufacturing processes within the changing manufacturing environment.

Sec. 1067. From the appropriation in part 1 for Going pro, funds may be deposited into the going pro talent fund created under section 5 of the going pro talent fund act, 2018 PA 260, MCL 408.155. All funds in the going pro talent fund are appropriated and available for expenditure to support the going pro talent program pursuant to sections 7 and 9 of the going pro talent fund act, 2018 PA 260, MCL 408.157 to 408.159.

Sec. 1068. (1) Of the funds appropriated in part 1 for the workforce training programs, the talent investment agency shall provide a report by March 15 to the relevant senate and house of representatives appropriation subcommittees, the state budget director, and the senate and house fiscal agencies on the status of the workforce training programs. The report shall include the following:

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

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

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

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

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

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

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

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

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

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

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

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

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

Sec. 1069. (1) From the funds appropriated in part 1 for workforce development programs, \$10,000,000.00 is appropriated for employment and training-related services and to assist Healthy Michigan plan recipients to secure and maintain training and employment. The MDLEO shall work with the department of health and human services to coordinate with and complement existing employment-related services for Healthy Michigan plan recipients.

(2) Funds appropriated in part 1 for workforce development programs may also be used to hire additional department field staff to educate impacted Healthy Michigan plan recipients on requirements and available services, make referrals, assess and address barriers to employment, and manage other caseload-related impacts resulting from the implementation of sections 107a and 107b of the social welfare act, 1939 PA 280, MCL 400.107a and 400.107b.

(3) On a monthly basis, the MDLEO shall report to the senate and house appropriations committees, the senate and house fiscal agencies, and the state budget office on the implementation of work engagement requirement employment supports and services. The report shall include, but not be limited to, all of the following:

(a) The number of recipients currently receiving employment supports and services under this section.

(b) The total year-to-date number of recipients who have received employment supports and services under this section.

(c) The number of recipients who secured employment in this state after receiving employment supports and services under this section.

(d) The total year-to-date number of field staff hired to provide supports and services under this section.

(e) A summary of employment supports and services provided under this section.

Sec. 1070. (1) From the funds appropriated in part 1 for Going pro, \$750,000.00 must be awarded for a program to assist adults over the age of 23 in obtaining high school diplomas and placement in career training programs.

(2) For purposes of this section, an eligible program provider may be a public, nonprofit, or private accredited diploma-granting institution, but must have at least 2 years of experience providing dropout recovery services in the state of Michigan.

(3) The talent investment agency shall issue a request for qualifications for eligible program providers to participate in the pilot program. To be considered a qualified program provider, the institution must possess all of the following:

(a) Experience providing dropout reengagement services.

(b) Ability to provide academic intake assessments.

(c) Capacity to provide an integrated learning plan.

(d) Course catalog that includes access to all graduation requirements.

(e) Capability to provide remediation coursework.

(f) Means to provide academic resilience assessment and intervention.

(g) Capacity to provide employability skills development.

(h) Ability to provide WorkKeys preparation.

(i) Ability to provide industry credentials.

(j) Capability to provide credit for on-the-job training.

(k) Access to a robust support framework, including technology, social support, and academic support accredited by a recognized accrediting body.

(4) The talent investment agency shall announce qualified program providers no later than January 1, 2020. Qualified program providers must start providing programming by February 1, 2020.

(5) The talent investment agency shall reimburse qualified program providers for each month of satisfactory monthly progress as described in section 23a of the state school aid act, 1979 PA 94, MCL 388.1623a, at a rate of \$500.00 per month. A payment shall be made to a qualified program provider for the completion of the following by a pupil:

(a) \$500.00 for the completion of an employability skills certification program equal to at least 1 unit of high school credit obtained through classroom or online instruction.

(b) \$250.00 for the attainment of an industry-recognized credential requiring up to 50 hours of training.

(c) \$500.00 for the attainment of an industry-recognized credential requiring 50 to 100 hours of training.

(d) \$750.00 for the attainment of an industry-recognized credential requiring more than 100 hours of training.

(e) \$1,000.00 for attainment of a high school diploma.

(f) \$2,500.00 for placement in a job in an in-demand career pathway.

(6) The talent investment agency shall develop policies and guidelines to implement this section.

Sec. 1071. From the funds appropriated in part 1 for at-risk youth grants, \$3,750,000.00 must be awarded to the Michigan franchise holder of the national Jobs for America's Graduates program.

Sec. 1072. (1) From the funds appropriated in part 1 for high school equivalency-to-school program, the talent investment agency shall allocate \$250,000.00 for the purpose of funding the cost of high school equivalency testing and certification as provided by this section. The talent investment agency shall administer a Michigan high school equivalency-to-school program, which shall cover the cost of providing the high school equivalency test free of charge to individuals who meet all of the following requirements:

(a) The individual has not previously been administered a high school equivalency test free of charge under this section.

(b) The individual meets at least 1 of the following requirements:

(i) Prior to taking the high school equivalency test, the individual successfully completed a talent investment agency approved high school equivalency preparation program.

(ii) Prior to taking the high school equivalency test, the individual completed the official high school equivalency practice test and the individual's score indicated that he or she is likely to pass.

(2) A talent investment agency approved high school equivalency preparation program shall include all of the following:

(a) Instructional and tutorial assistances.

(b) High school equivalency test practice.

(c) Required attendance at program instructional sessions.

(d) A curriculum that prepares students for opportunities in postsecondary education and the job market.

(e) Information on potential postsecondary and career pathways.

(f) Counseling on preparing for and applying to college.

(g) Personal and job readiness skills development.

(h) Comprehensive information on college costs and financial aid.

(i) College and career assessments.

(j) Computer-based instruction, practice, or remediation.

(3) The talent investment agency shall post online an announcement of the Michigan high school equivalency-to-school program, minimum standards for high school equivalency preparation program approval, and approval procedures.

(4) The talent investment agency shall do all of the following:

(a) Develop procedures consistent with this section under which individuals can take the high school equivalency test without charge.

(b) Provide program information for educators and students on the talent investment agency website, including explanations of the procedures developed under this subsection, and contact information for questions about the program.

(c) Provide an estimate of the full-year cost of the program to the senate and house appropriations subcommittees on general government, the senate and house fiscal agencies, and the state budget director.

(5) By September 30, the talent investment agency shall report to the relevant senate and house appropriations subcommittees, the senate and house fiscal agencies, and the state budget director on utilization of the high school equivalency incentive program, including numbers of high school equivalency certifications issued by location, year-to-date expenditures, and numbers of participants qualifying under subsection (1)(b)(i) or (ii), or both.

(6) The unexpended funds appropriated for the high school equivalency-to-school program are designated as a work project appropriation, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditure for projects under this section until the projects have been completed. The following is in compliance with section 451a(1) of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to fund the cost of high school equivalency testing and certification for certain individuals as provided by this section.

(b) The projects will be accomplished by utilizing state employees or contracts with private vendors, or both.

(c) The total estimated cost of the project is \$250,000.00.

(d) The tentative completion date is September 30, 2024.

Sec. 1073. (1) Unexpended and unencumbered funds up to a maximum of \$275,000.00 remaining in the account appropriated for the GED-to-school program in 2015 PA 143 are reappropriated for the fiscal year ending September 30, 2020 for the same purpose.

(2) The unexpended funds reappropriated for GED-to-school are designated as a work project appropriation, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures for projects under this section until the projects have been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to fund the cost of high school equivalency testing and certification for certain individuals as provided by this section.

(b) The projects will be accomplished by utilizing state employees or contracts with private vendors, or both.

(c) The total estimated cost of the projects is \$275,000.00.

(d) The tentative completion date is September 30, 2024.

Sec. 1076. The department of labor and economic opportunity shall provide a quarterly report to the members of the senate and house committees on appropriations, the senate and house fiscal agencies, and the state budget director that includes, but is not limited to, the following:

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

(b) The total amount of penalties and interest issued on fraudulent and noncompliant cases during the quarter.

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

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

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

Sec. 1078. (1) From the funds appropriated in part 1 for the unemployment insurance agency, the talent investment agency shall maintain customer service standards for employers and claimants making use of the various means by which they can access the system.

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

(a) Unemployment benefit fund balance.

(b) Process improvement - fiscal integrity.

(c) Process improvement - determination timeliness.

(d) Process improvement - determination quality.

Sec. 1079. (1) The talent investment agency shall extend the interagency agreement with the department of health and human services for the duration of the current fiscal year, which concerns TANF funding to provide job readiness and welfare-to-work programming. The interagency agreement shall include specific outcome and performance reporting requirements as described in this section. TANF funding provided to the talent investment agency in the current fiscal year is contingent on compliance with the data and reporting requirements described in this section. The interagency agreement shall require the talent investment agency to provide all of the following items for the previous year to the senate and house appropriations committees by January 1 of the current fiscal year:

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

(i) Direct services to clients.

(ii) Administrative expenditures.

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

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



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

(iii) Average TANF spending per client.

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

(2) Not later than March 15 of the current fiscal year, the talent investment agency shall provide to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the senate and house policy offices an annual report on the following matters itemized by Michigan Works! agency: the number of referrals to Michigan Works! job readiness programs, the number of referrals to Michigan Works! job readiness programs who became a participant in the Michigan Works! job readiness programs, the number of participants who obtained employment, and the cost per participant case.

Sec. 1080. (1) From the funds appropriated in part 1 for community ventures, the department may expend not more than \$1,000,000.00 of the funds as matching funds upon the commitment of matching dollars from private sources. For every \$1.00 the department elects to receive from a private source for the purposes of a community ventures program match, the talent investment agency shall expend \$1.00 from the appropriation in part 1 up to \$1,000,000.00. Funds received from private sources for a community ventures program match are appropriated upon receipt and shall be expended for the purposes of the community ventures program.

(2) The department shall identify specific outcomes and performance measures for this initiative, including, but not limited to, the following:

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

(b) Additional participants served with challenge funds.

(c) Jobs created and the average wage.

#### **STATE BUILDING AUTHORITY**

Sec. 1100. (1) Subject to section 242 of the management and budget act, 1984 PA 431, MCL 18.1242, and upon the approval of the state building authority, the department of treasury may expend from the general fund of the state during the fiscal year an amount to meet the cash flow requirements of those state building authority projects solely for lease to a state agency identified in both part 1 and this section, and for which state building authority bonds or notes have not been issued, and for the sole acquisition by the state building authority of equipment and furnishings for lease to a state agency as permitted by 1964 PA 183, MCL 830.411 to 830.425, for which the issuance of bonds or notes is authorized by a legislative appropriation act that is effective for the immediately preceding fiscal year. Any general fund advances for which state building authority bonds have not been issued shall bear an interest cost to the state building authority at a rate not to exceed that earned by the state treasurer's common cash fund during the period in which the advances are outstanding and are repaid to the general fund of the state.

(2) Upon sale of bonds or notes for the projects identified in part 1 or for equipment as authorized by a legislative appropriation act and in this section, the state building authority shall credit the general fund of the state an amount equal to that expended from the general fund plus interest, if any, as defined in this section.

(3) For state building authority projects for which bonds or notes have been issued and upon the request of the state building authority, the state treasurer shall make advances without interest from the general fund as necessary to meet cash flow requirements for the projects, which advances shall be reimbursed by the state building authority when the investments earmarked for the financing of the projects mature.

(4) In the event that a project identified in part 1 is terminated after final design is complete, advances made on behalf of the state building authority for the costs of final design shall be repaid to the general fund in a manner recommended by the director.

Sec. 1102. (1) State building authority funding to finance construction or renovation of a facility that collects revenue in excess of money required for the operation of that facility shall not be released to a university or community college unless the institution agrees to reimburse that excess revenue to the state building authority. The excess revenue shall be credited to the general fund to offset rent obligations associated with the retirement of bonds issued for that facility. The auditor general shall annually identify and present an audit of those facilities that are subject to this section. Costs associated with the administration of the audit shall be charged against money recovered pursuant to this section.

(2) As used in this section, "revenue" includes state appropriations, facility opening money, other state aid, indirect cost reimbursement, and other revenue generated by the activities of the facility.

Sec. 1103. The state building authority shall provide to the JCOS and senate and house fiscal agencies a report relative to the status of construction projects associated with state building authority bonds as of September 30 of each year, on or before October 15, or not more than 30 days after a refinancing or restructuring bond issue is sold. The report shall include, but is not limited to, the following:

(a) A list of all completed construction projects for which state building authority bonds have been sold, and which bonds are currently active.

- (b) A list of all projects under construction for which sale of state building authority bonds is pending.
- (c) A list of all projects authorized for construction or identified in an appropriations act for which approval of schematic/preliminary plans or total authorized cost is pending that have state building authority bonds identified as a source of financing.

**REVENUE STATEMENT**

Sec. 1201. Pursuant to section 18 of article V of the state constitution of 1963, fund balances and estimates are presented in the following statement:

**BUDGET RECOMMENDATIONS BY OPERATING FUNDS**

(Amounts in millions)  
Fiscal Year 2019-2020

	<u>Beginning Balance</u>	<u>Estimated Revenue</u>	<u>Ending Balance</u>
<b>OPERATING FUNDS</b>			
General fund/general purpose.....	237.5	10,585.5	8.3
School aid fund .....	40.3	15,829.9	3.3
Federal aid.....	0.0	20,823.2	0.0
Transportation funds .....	0.0	7,333.2	0.0
Special revenue funds.....	1,139.7	6,627.9	0.0
Other funds.....	<u>1,151.7</u>	<u>207.1</u>	<u>1,358.8</u>
<b>TOTALS .....</b>	<b>\$2,569.2</b>	<b>\$61,406.8</b>	<b>\$1,370.4</b>

**PART 2A**

**PROVISIONS CONCERNING APPROPRIATIONS  
FOR FISCAL YEAR 2018-2019**

**GENERAL SECTIONS**

Sec. 1501. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state sources under part 1A for the fiscal year ending September 30, 2019 is \$187,208,000.00 and total state spending from state sources to be paid to local units of government is \$29,655,100.00.

Sec. 1502. The appropriations made and expenditures authorized under this part and the departments, commissions, boards, offices, and programs for which appropriations are made under this part and part 1A, are subject to the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

**DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT**

Sec. 1505. The unexpended funds appropriated in part 1a for industrial hemp research and development are designated as a work project appropriation and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditure for projects under this section until the projects have been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

- (a) The purpose of the project is to implement industrial hemp pilot research programs.
- (b) This project will be accomplished by utilizing state employees or contracts with service providers, or both.
- (c) The total estimated cost of the project is \$1,277,000.00.
- (d) The estimated completion date is September 30, 2021.

**DEPARTMENT OF ATTORNEY GENERAL**

Sec. 1511. The unexpended funds appropriated in part 1a for attorney general operations are designated as a work project appropriation and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditure for projects under this section until the projects have been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

- (a) The purpose of the project is investigation and enforcement regarding environmental contaminants, including perfluoroalkyl and polyfluoroalkyl substances.
- (b) This project will be accomplished by utilizing state employees or contracts with service providers, or both.
- (c) The total estimated cost of the project is \$700,000.00.
- (d) The estimated completion date is September 30, 2022.

**DEPARTMENT OF HEALTH AND HUMAN SERVICES**

Sec. 1521. (1) From the funds appropriated in part 1a for hospital services and therapy, the department of health and human services shall appropriate \$3,000,000.00 general fund/general purpose revenue as a grant to a nonprofit Michigan health system organized under the laws of this state that is exempt from federal

income tax under section 501(c)(3) of the internal revenue code of 1986, 26 USC 501 that operates not less than 3 licensed adult psychiatric inpatient programs located in counties with a population not less than 1,000,000 and with a planned new hospital dedicated to mental health located in a city with a population between 98,000 and 98,500 according to the most recent decennial census for the purpose of supporting a new psychiatric residency training program. The grant must be distributed in full 30 days after the effective date of this act.

(2) Unexpended funds up to \$3,000,000.00 appropriated in part 1A for hospital services and therapy are designated as a work project appropriation and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditure for projects under this section until the projects have been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to support a psychiatric residency program operated by a nonprofit Michigan health system described in this section.

(b) This project will be accomplished by utilizing contracts with service providers.

(c) The total estimated cost of the project is \$3,000,000.00.

(d) The estimated completion date is November 30, 2019.

**DEPARTMENT OF STATE POLICE**

Sec. 1531. The unexpended funds appropriated in part 1a for active violence response training are designated as a work project appropriation and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditure for projects under this section until the projects have been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to train law enforcement personnel on responses to active violence situations.

(b) This project will be accomplished by utilizing state employees or contracts with service providers, or both.

(c) The total estimated cost of the project is \$1,927,600.00.

(d) The estimated completion date is September 30, 2022.

**REPEALER**

Sec. 1551. Section 462 of 2018 PA 618 is repealed.

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

A bill to make appropriations for the legislature, the executive, the department of the attorney general, the department of state, the department of treasury, the department of technology, management, and budget, the department of civil rights, the department of labor and economic opportunity, and certain other state purposes for the fiscal year ending September 30, 2020; to supplement appropriations for certain state departments and certain other state purposes for the fiscal year ending September 30, 2019; to provide for the expenditure of the appropriations; to provide for the disposition of fees and other income received by the state agencies; to repeal acts and parts of acts; and to declare the effect of this act.

Jim Stamas  
Roger Victory  
Conferees for the Senate

Mark E. Huizenaga  
Sarah L. Lightner  
Conferees for the House

The question being on the adoption of the conference report,

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

**Roll Call No. 219**

**Yeas—22**

Barrett	LaSata	Nesbitt	Stamas
Bizon	Lauwers	Outman	Theis
Bumstead	Lucido	Runestad	VanderWall
Daley	MacDonald	Schmidt	Victory
Horn	MacGregor	Shirkey	Zorn
Johnson	McBroom		

**Nays—16**

Alexander	Bullock	Hollier	Moss
Ananich	Chang	Irwin	Polehanki
Bayer	Geiss	McCann	Santana
Brinks	Hertel	McMorrow	Wojno

**Excused—0****Not Voting—0**

In The Chair: President

Senator MacGregor moved that the bill be given immediate effect.  
The motion prevailed, 2/3 of the members serving voting therefor.

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

The motion prevailed.

Senator Stamas' statement is as follows:

Today we are completing our work to send our Governor a balanced fiscal year 2020 budget. I want to start by thanking Senate Majority Leader Shirkey, Speaker Chatfield, Senator Ananich, Senator Hertel, the members of the Senate and House Appropriations committees, and our dedicated staffs for all their hard work finalizing a budget that increases investment in key priorities meanwhile living within our means. We owe it to the people of Michigan to deliver a responsible state budget on time that will help improve our state for families, workers, and job creators. That is what we are doing today.

This budget funds vital services while increasing funding for roads, schools, and water protection to record levels without depending on a massive \$2.5 billion tax hike on Michigan families. We do not agree with the Governor on a 45-cent gas tax hike, yet there are many things within this budget that we do agree on. Like the Governor's plan, this budget increases funding to fix the roads, invests \$120 million in drinking water protection, provides more funding to local governments, trains more state troopers and corrections officers, and boosts funding at all levels of education. The \$15.2 billion K-12 budget we enrolled last week uses existing resources to increase school support by nearly \$400 million. People want the roads fixed and this budget invests \$400 million in new road funding to improve local roads and bridges. If the Governor signs it, we will have increased annual state transportation spending by over \$2 billion since fiscal year 2010. Discussions will continue with the Governor on how to fund our roads over the long term, but today we will fulfill our responsibility to all Michigan families and enact a balanced state budget on time.

I ask for your support and I respectfully request the Governor to sign this budget and keep our state open for business.

Senator MacGregor submitted the following:

**FIRST CONFERENCE REPORT**

The Committee of Conference on the matters of difference between the two Houses concerning **Senate Bill No. 139, entitled**

A bill to make appropriations for the department of health and human services for the fiscal year ending September 30, 2020; and to provide for the expenditure of the appropriations.

Recommends:

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

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

A bill to make appropriations for the department of health and human services for the fiscal year ending September 30, 2020; and to provide for the expenditure of the appropriations.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**  
PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. There is appropriated for the department of health and human services for the fiscal year ending September 30, 2020, from the following funds:

**DEPARTMENT OF HEALTH AND HUMAN SERVICES**  
**APPROPRIATION SUMMARY**

Full-time equated unclassified positions.....	6.0	
Full-time equated classified positions.....	16,005.0	
Average population .....	770.0	
<b>GROSS APPROPRIATION.....</b>		<b>\$ 26,452,349,600</b>
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers .....	13,857,600	
<b>ADJUSTED GROSS APPROPRIATION.....</b>		<b>\$ 26,438,492,000</b>
Federal revenues:		
Social security act, temporary assistance for needy families .....	557,217,500	
Capped federal revenues .....	573,830,400	
Total other federal revenues .....	17,262,613,500	
Special revenue funds:		
Total local revenues .....	151,546,000	
Total private revenues .....	143,535,100	
Michigan merit award trust fund .....	49,768,700	
Total other state restricted revenues .....	2,941,052,500	
State general fund/general purpose.....		<b>\$ 4,758,928,300</b>

**Sec. 102. DEPARTMENTAL ADMINISTRATION AND SUPPORT**

Full-time equated unclassified positions.....	6.0	
Full-time equated classified positions.....	829.6	
Unclassified salaries—6.0 FTE positions .....		<b>\$ 1,223,600</b>
Administrative hearings officers .....	11,157,000	
Demonstration projects—7.0 FTE positions.....	7,358,400	
Departmental administration and management—601.6 FTE positions.....	95,382,700	
Michigan community service commission—14.0 FTE positions .....	10,682,400	
Office of inspector general—207.0 FTE positions .....	25,961,600	
Property management.....	68,243,100	
Terminal leave payments.....	7,302,700	
Worker’s compensation.....	<u>6,674,900</u>	
<b>GROSS APPROPRIATION.....</b>		<b>\$ 233,986,400</b>
Appropriated from:		
Interdepartmental grant revenues:		
IDG from department of education.....	1,943,300	
IDG from department of technology, management, and budget - office of retirement services.....	600	
Federal revenues:		
Social security act, temporary assistance for needy families .....	22,972,900	
Capped federal revenues .....	31,019,200	
Total other federal revenues .....	70,748,600	
Special revenue funds:		
Total local revenues .....	86,000	
Total private revenues .....	3,887,300	
Total other state restricted revenues .....	1,270,100	
State general fund/general purpose.....		<b>\$ 102,058,400</b>

**Sec. 103. CHILD SUPPORT ENFORCEMENT**

Full-time equated classified positions.....	185.7	
Child support enforcement operations—179.7 FTE positions.....		<b>\$ 22,909,500</b>
Child support incentive payments .....	24,409,600	
Legal support contracts .....	113,027,100	
State disbursement unit—6.0 FTE positions .....	<u>8,148,600</u>	
<b>GROSS APPROPRIATION.....</b>		<b>\$ 168,494,800</b>

For Fiscal Year  
Ending Sept. 30,  
2020

Appropriated from:	
Federal revenues:	
Total other federal revenues .....	142,584,500
State general fund/general purpose.....	\$ 25,910,300
<b>Sec. 104. COMMUNITY SERVICES AND OUTREACH</b>	
Full-time equated classified positions.....	65.6
Bureau of community services and outreach—20.0 FTE positions .....	\$ 3,439,300
Child advocacy centers—0.5 FTE position .....	2,407,000
Community services and outreach administration—12.0 FTE positions .....	1,672,200
Community services block grant .....	25,840,000
Crime victim grants administration services—17.0 FTE positions.....	2,236,000
Crime victim justice assistance grants.....	99,279,300
Crime victim rights services grants .....	18,870,000
Domestic violence prevention and treatment—15.6 FTE positions.....	17,915,700
Homeless programs.....	22,632,700
Housing and support services .....	13,031,000
Rape prevention and services—0.5 FTE position.....	5,097,300
School success partnership program.....	525,000
Uniform statewide sexual assault evidence kit tracking system .....	800,000
Weatherization assistance.....	15,505,000
<b>GROSS APPROPRIATION.....</b>	<b>\$ 229,250,500</b>
Appropriated from:	
Federal revenues:	
Social security act, temporary assistance for needy families .....	13,264,800
Capped federal revenues .....	58,883,000
Total other federal revenues .....	115,569,800
Special revenue funds:	
Compulsive gambling prevention fund.....	1,040,500
Sexual assault evidence tracking fund.....	800,000
Sexual assault victims' prevention and treatment fund.....	3,000,000
Child advocacy centers fund .....	1,407,000
Crime victim's rights fund .....	17,690,600
State general fund/general purpose.....	\$ 17,594,800
<b>Sec. 105. CHILDREN'S SERVICES AGENCY – CHILD WELFARE</b>	
Full-time equated classified positions.....	4,047.2
Adoption subsidies.....	\$ 197,521,700
Adoption support services—10.0 FTE positions .....	34,688,800
Attorney general contract .....	5,001,100
Child abuse and neglect - children's justice act—1.0 FTE position .....	626,400
Child care fund.....	228,211,300
Child care fund - indirect cost allotment .....	4,211,400
Child protection.....	800,300
Child welfare administration travel .....	375,000
Child welfare field staff - noncaseload compliance—353.0 FTE positions .....	39,335,100
Child welfare institute—51.0 FTE positions .....	9,315,000
Child welfare licensing—59.0 FTE positions.....	7,120,300
Child welfare medical/psychiatric evaluations .....	9,835,500
Children's protective services - caseload staff—1,615.0 FTE positions.....	162,849,600
Children's protective services supervisors—387.0 FTE positions.....	45,708,900
Children's services administration—188.2 FTE positions.....	19,812,900
Children's trust fund administration—12.0 FTE positions .....	590,700
Children's trust fund grants .....	3,577,200
Contractual services, supplies, and materials .....	10,155,600
Court-appointed special advocates .....	500,000
Education planners—15.0 FTE positions .....	1,579,200
Family preservation and prevention services administration—9.0 FTE positions .....	1,342,900
Family preservation programs—15.0 FTE positions.....	45,994,700

	For Fiscal Year Ending Sept. 30, 2020
Foster care payments.....	261,677,800
Foster care services - caseload staff—966.0 FTE positions.....	93,195,800
Foster care services supervisors—227.0 FTE positions.....	29,535,000
Guardianship assistance program .....	10,411,200
Interstate compact .....	179,600
Peer coaches—45.5 FTE positions.....	5,922,300
Performance based funding implementation—3.0 FTE positions.....	1,454,500
Permanency resource managers—28.0 FTE positions.....	3,317,600
Prosecuting attorney contracts.....	3,879,500
Second line supervisors and technical staff—54.0 FTE positions .....	9,184,800
Settlement monitor.....	2,034,100
Strong families/safe children.....	12,600,000
Title IV-E compliance and accountability office—4.0 FTE positions .....	435,700
Youth in transition—4.5 FTE positions.....	<u>15,545,100</u>
GROSS APPROPRIATION.....	\$ 1,278,526,600
Appropriated from:	
Interdepartmental grant revenues:	
IDG from department of education.....	90,300
Federal revenues:	
Social security act, temporary assistance for needy families .....	347,382,100
Capped federal revenues .....	113,096,100
Total other federal revenues .....	252,530,500
Special revenue funds:	
Private - collections.....	1,770,700
Local funds - county chargeback.....	40,914,500
Children’s trust fund .....	2,897,300
State general fund/general purpose.....	<u>\$ 519,845,100</u>
<b>Sec. 106. CHILDREN’S SERVICES AGENCY – JUVENILE JUSTICE</b>	
Full-time equated classified positions.....	120.5
Bay Pines Center—47.0 FTE positions .....	\$ 5,502,800
Committee on juvenile justice administration—2.5 FTE positions .....	356,300
Committee on juvenile justice grants .....	3,000,000
Community support services—3.0 FTE positions .....	2,129,400
County juvenile officers .....	3,904,300
Juvenile justice, administration and maintenance—21.0 FTE positions.....	2,817,900
Shawono Center—47.0 FTE positions .....	<u>5,566,800</u>
GROSS APPROPRIATION.....	\$ 23,277,500
Appropriated from:	
Federal revenues:	
Capped federal revenues .....	8,556,700
Special revenue funds:	
Local funds - state share education funds.....	1,355,700
Local funds - county chargeback.....	4,698,000
State general fund/general purpose.....	<u>\$ 8,667,100</u>
<b>Sec. 107. PUBLIC ASSISTANCE</b>	
Full-time equated classified positions.....	3.0
Emergency services local office allocations.....	\$ 9,007,500
Family independence program .....	67,503,700
Food assistance program benefits.....	1,760,805,700
Food Bank Council of Michigan .....	2,045,000
Indigent burial .....	3,875,000
Low-income home energy assistance program .....	174,951,600
Michigan energy assistance program—1.0 FTE position .....	50,000,000
Multicultural integration funding .....	15,303,800
Refugee assistance program—2.0 FTE positions .....	3,050,400
State disability assistance payments .....	6,671,500

	For Fiscal Year Ending Sept. 30, 2020
State supplementation .....	58,792,500
State supplementation administration .....	1,806,100
<b>GROSS APPROPRIATION</b> .....	<b>\$ 2,153,812,800</b>
Appropriated from:	
Federal revenues:	
Social security act, temporary assistance for needy families .....	59,127,700
Capped federal revenues .....	178,186,500
Total other federal revenues .....	1,756,605,700
Special revenue funds:	
Child support collections .....	11,250,200
Supplemental security income recoveries .....	4,142,700
Public assistance recoupment revenue .....	5,000,000
Low-income energy assistance fund .....	50,000,000
State general fund/general purpose .....	\$ 89,500,000
<b>Sec. 108. FIELD OPERATIONS AND SUPPORT SERVICES</b>	
Full-time equated classified positions .....	5,814.5
Administrative support workers—221.0 FTE positions .....	\$ 13,397,000
Adult services field staff—520.0 FTE positions .....	58,058,800
Contractual services, supplies, and materials .....	16,927,600
Donated funds positions—238.0 FTE positions .....	27,558,000
Elder Law of Michigan MiCAFE contract .....	350,000
Electronic benefit transfer (EBT) .....	6,809,000
Employment and training support services .....	4,219,100
Field policy and administration—66.0 FTE positions .....	11,464,100
Field staff travel .....	8,111,400
Medical/psychiatric evaluations .....	1,420,100
Nutrition education—2.0 FTE positions .....	33,050,400
Pathways to potential—231.0 FTE positions .....	24,417,400
Public assistance field staff—4,516.5 FTE positions .....	474,868,200
SSI advocacy legal services grant .....	175,000
Training and program support—20.0 FTE positions .....	2,516,600
<b>GROSS APPROPRIATION</b> .....	<b>\$ 683,342,700</b>
Appropriated from:	
Interdepartmental grant revenues:	
IDG from department of corrections .....	121,500
IDG from department of education .....	7,873,100
Federal revenues:	
Social security act, temporary assistance for needy families .....	73,765,600
Capped federal revenues .....	55,013,900
Total other federal revenues .....	264,635,900
Special revenue funds:	
Local funds - donated funds .....	4,102,000
Private funds - donated funds .....	9,395,600
State general fund/general purpose .....	\$ 268,435,100
<b>Sec. 109. DISABILITY DETERMINATION SERVICES</b>	
Full-time equated classified positions .....	575.4
Disability determination operations—571.3 FTE positions .....	\$ 112,880,800
Retirement disability determination—4.1 FTE positions .....	623,300
<b>GROSS APPROPRIATION</b> .....	<b>\$ 113,504,100</b>
Appropriated from:	
Interdepartmental grant revenues:	
IDG from department of technology, management, and budget - office of retirement services .....	799,900
Federal revenues:	
Total other federal revenues .....	108,388,000
State general fund/general purpose .....	\$ 4,316,200



For Fiscal Year  
Ending Sept. 30,  
2020

**Sec. 110. BEHAVIORAL HEALTH PROGRAM ADMINISTRATION  
AND SPECIAL PROJECTS**

Full-time equated classified positions.....	108.0	
Behavioral health program administration—86.0 FTE positions.....		\$ 49,886,700
Court-ordered assisted outpatient treatment .....		1,000,000
Family support subsidy .....		14,137,300
Federal and other special projects .....		2,535,600
Gambling addiction—1.0 FTE position.....		4,511,000
Mental health diversion council .....		4,350,000
Office of recipient rights—21.0 FTE positions .....		2,604,700
Protection and advocacy services support .....		194,400
<b>GROSS APPROPRIATION.....</b>		<b>\$ 79,219,700</b>
Appropriated from:		
Federal revenues:		
Social security act, temporary assistance for needy families .....		14,317,800
Total other federal revenues .....		38,998,700
Special revenue funds:		
Total private revenues .....		1,004,700
Total other state restricted revenues .....		4,511,000
State general fund/general purpose.....		\$ 20,387,500

**Sec. 111. BEHAVIORAL HEALTH SERVICES**

Full-time equated classified positions.....	11.0	
Autism services.....		\$ 230,679,600
Behavioral health community supports and services .....		11,221,500
Children with serious emotional disturbance waiver .....		8,600,000
Children’s waiver home care program.....		18,330,800
Civil service charges .....		249,300
Community mental health non-Medicaid services.....		125,578,200
Community substance use disorder prevention, education, and treatment .....		108,754,700
Court-appointed guardian reimbursements.....		2,700,000
Federal mental health block grant—4.0 FTE positions.....		20,573,800
Health homes.....		3,369,000
Healthy Michigan plan - behavioral health.....		371,843,300
Medicaid mental health services.....		2,487,345,800
Medicaid substance use disorder services .....		68,281,100
Nursing home PAS/ARR-OBRA—7.0 FTE positions .....		12,291,300
<b>GROSS APPROPRIATION.....</b>		<b>\$ 3,469,818,400</b>
Appropriated from:		
Federal revenues:		
Total other federal revenues .....		2,284,772,600
Special revenue funds:		
Total local revenues .....		20,380,700
Total other state restricted revenues .....		43,593,100
State general fund/general purpose.....		\$ 1,121,072,000

**Sec. 112. STATE PSYCHIATRIC HOSPITALS AND FORENSIC MENTAL  
HEALTH SERVICES**

Total average population .....	770.0	
Full-time equated classified positions.....	2,390.6	
Behavioral health facility contingency .....		\$ 20,000,000
Caro Regional Mental Health Center - psychiatric hospital - adult - or regional mental health center located within 6 miles of the county seat of a county with a population between 55,000 and 57,000 in the 2010 decennial census—542.3 FTE positions .....		63,020,400
Average population .....	145.0	
Center for forensic psychiatry—608.1 FTE positions .....		87,262,300
Average population .....	240.0	
Developmental disabilities council and projects—10.0 FTE positions.....		3,108,100

	For Fiscal Year Ending Sept. 30, 2020
Gifts and bequests for patient living and treatment environment.....	1,000,000
Hawthorn Center - psychiatric hospital - children and adolescents—276.0 FTE positions .....	32,617,800
Average population .....	55.0
IDEA, federal special education .....	120,000
Kalamazoo Psychiatric Hospital - adult—548.8 FTE positions.....	71,128,700
Average population .....	170.0
Purchase of medical services for residents of hospitals and centers .....	445,600
Revenue recapture .....	750,100
Special maintenance .....	924,600
Walter P. Reuther Psychiatric Hospital - adult—405.4 FTE positions .....	48,375,800
Average population .....	160.0
GROSS APPROPRIATION.....	\$ 328,753,400
Appropriated from:	
Federal revenues:	
Total other federal revenues .....	43,434,400
Special revenue funds:	
Total local revenues .....	23,106,200
Total private revenues .....	1,000,000
Total other state restricted revenues .....	15,092,700
State general fund/general purpose.....	\$ 246,120,100
<b>Sec. 113. HEALTH AND HUMAN SERVICES POLICY AND INITIATIVES</b>	
Full-time equated classified positions.....	609.7
Certificate of need program administration—11.8 FTE positions .....	\$ 2,770,900
Health policy administration—33.9 FTE positions .....	14,217,200
Human trafficking intervention services.....	200,000
Independent living.....	15,531,600
Michigan essential health provider.....	4,384,200
Michigan rehabilitation services—555.0 FTE positions.....	131,109,200
Minority health grants and contracts—3.0 FTE positions .....	1,127,900
Nurse education and research program—3.0 FTE positions.....	798,900
Primary care services—2.0 FTE positions.....	3,781,000
Rural health services—1.0 FTE position .....	1,555,500
GROSS APPROPRIATION.....	\$ 175,476,400
Appropriated from:	
Interdepartmental grant revenues:	
IDG from department of education.....	2,400
IDG from department of licensing and regulatory affairs .....	837,200
IDG from department of treasury, Michigan finance authority .....	117,700
Federal revenues:	
Social security act, temporary assistance for needy families .....	332,100
Capped federal revenues .....	104,163,600
Federal supplemental security income.....	8,588,600
Total other federal revenues .....	16,176,400
Special revenue funds:	
Total local revenues .....	5,300,000
Total private revenues .....	1,396,500
Total other state restricted revenues .....	3,143,000
State general fund/general purpose.....	\$ 35,418,900
<b>Sec. 114. LABORATORY SERVICES</b>	
Full-time equated classified positions.....	102.0
Laboratory services—102.0 FTE positions .....	\$ 23,642,100
GROSS APPROPRIATION.....	\$ 23,642,100
Appropriated from:	
Interdepartmental grant revenues:	
IDG from department of environment, Great Lakes, and energy.....	1,004,600

For Fiscal Year  
Ending Sept. 30,  
2020

Federal revenues:	
Total other federal revenues .....	4,338,600
Special revenue funds:	
Total other state restricted revenues .....	12,147,200
State general fund/general purpose.....	\$ 6,151,700
<b>Sec. 115. EPIDEMIOLOGY AND POPULATION HEALTH</b>	
Full-time equated classified positions.....	242.5
Childhood lead program—4.5 FTE positions .....	\$ 2,062,200
Epidemiology administration—86.1 FTE positions .....	25,826,600
Healthy homes program—12.0 FTE positions .....	27,768,000
Newborn screening follow-up and treatment services—10.5 FTE positions .....	7,825,900
PFAS and environmental contamination response—48.0 FTE positions.....	21,633,700
Vital records and health statistics—81.4 FTE positions .....	<u>10,439,500</u>
GROSS APPROPRIATION.....	\$ 95,555,900
Appropriated from:	
Federal revenues:	
Capped federal revenues .....	81,100
Total other federal revenues .....	41,423,800
Special revenue funds:	
Total private revenues .....	347,000
Total other state restricted revenues .....	14,529,500
State general fund/general purpose.....	\$ 39,174,500
<b>Sec. 116. LOCAL HEALTH AND ADMINISTRATIVE SERVICES</b>	
Full-time equated classified positions.....	137.3
AIDS prevention, testing, and care programs—37.7 FTE positions .....	\$ 63,752,200
Cancer prevention and control program—16.0 FTE positions .....	15,632,300
Chronic disease control and health promotion administration—23.4 FTE positions ...	10,617,300
Diabetes and kidney program—8.0 FTE positions .....	4,078,100
Essential local public health services .....	51,419,300
Implementation of 1993 PA 133, MCL 333.17015 .....	20,000
Injury control intervention project.....	1,500,000
Local health services—3.3 FTE positions .....	7,209,100
Medicaid outreach cost reimbursement to local health departments.....	12,500,000
Public health administration—9.0 FTE positions .....	1,998,200
Sexually transmitted disease control program—20.0 FTE positions .....	6,376,500
Smoking prevention program—15.0 FTE positions .....	3,818,000
Violence prevention—4.9 FTE positions .....	<u>3,315,800</u>
GROSS APPROPRIATION.....	\$ 182,236,800
Appropriated from:	
Federal revenues:	
Total other federal revenues .....	73,049,200
Special revenue funds:	
Total local revenues .....	5,150,000
Total private revenues .....	33,789,800
Total other state restricted revenues .....	9,919,500
State general fund/general purpose.....	\$ 60,328,300
<b>Sec. 117. FAMILY HEALTH SERVICES</b>	
Full-time equated classified positions.....	133.6
Dental programs—3.8 FTE positions .....	\$ 5,479,900
Family, maternal, and child health administration—55.0 FTE positions .....	9,738,300
Family planning local agreements .....	8,310,700
Immunization program—15.8 FTE positions .....	19,046,200
Local MCH services.....	7,018,100
Pregnancy prevention program.....	1,464,600
Prenatal care and premature birth avoidance grant .....	1,000,000
Prenatal care outreach and service delivery support—14.0 FTE positions .....	21,078,300
Special projects .....	6,289,100

For Fiscal Year  
Ending Sept. 30,  
2020

Sudden and unexpected infant death and suffocation prevention program .....	321,300
Women, infants, and children program administration and special projects—45.0 FTE positions .....	18,186,600
Women, infants, and children program local agreements and food costs .....	<u>231,285,000</u>
<b>GROSS APPROPRIATION</b> .....	<b>\$ 329,218,100</b>
Appropriated from:	
Federal revenues:	
Social security act, temporary assistance for needy families .....	700,000
Total other federal revenues .....	243,388,500
Special revenue funds:	
Total local revenues .....	75,000
Total private revenues .....	62,202,400
Total other state restricted revenues .....	4,053,900
State general fund/general purpose.....	<u>\$ 18,798,300</u>

**Sec. 118. EMERGENCY MEDICAL SERVICES, TRAUMA, AND PREPAREDNESS**

Full-time equated classified positions.....	76.0
Bioterrorism preparedness—53.0 FTE positions .....	\$ 30,522,900
Emergency medical services program—23.0 FTE positions .....	<u>6,594,100</u>
<b>GROSS APPROPRIATION</b> .....	<b>\$ 37,117,000</b>
Appropriated from:	
Federal revenues:	
Total other federal revenues .....	31,532,200
Special revenue funds:	
Total other state restricted revenues .....	4,004,900
State general fund/general purpose.....	<u>\$ 1,579,900</u>

**Sec. 119. CHILDREN’S SPECIAL HEALTH CARE SERVICES**

Full-time equated classified positions.....	46.8
Bequests for care and services—2.8 FTE positions.....	\$ 1,841,400
Children’s special health care services administration—44.0 FTE positions.....	6,173,400
Medical care and treatment .....	236,348,100
Nonemergency medical transportation .....	405,900
Outreach and advocacy .....	<u>5,510,000</u>
<b>GROSS APPROPRIATION</b> .....	<b>\$ 250,278,800</b>
Appropriated from:	
Federal revenues:	
Total other federal revenues .....	134,955,400
Special revenue funds:	
Total private revenues .....	1,019,800
Total other state restricted revenues .....	3,683,400
State general fund/general purpose.....	<u>\$ 110,620,200</u>

**Sec. 120. AGING AND ADULT SERVICES AGENCY**

Full-time equated classified positions.....	47.0
Aging and adult services administration—47.0 FTE positions .....	\$ 8,727,600
Community services .....	45,966,300
Employment assistance .....	3,500,000
Nutrition services .....	42,254,200
Respite care program.....	6,468,700
Senior volunteer service programs .....	<u>4,765,300</u>
<b>GROSS APPROPRIATION</b> .....	<b>\$ 111,682,100</b>
Appropriated from:	
Federal revenues:	
Capped federal revenues .....	249,700
Total other federal revenues .....	59,094,200
Special revenue funds:	
Total private revenues .....	520,000
Michigan merit award trust fund .....	4,068,700

	For Fiscal Year Ending Sept. 30, 2020
Total other state restricted revenues .....	2,000,000
State general fund/general purpose.....	\$ 45,749,500
<b>Sec. 121. MEDICAL SERVICES ADMINISTRATION</b>	
Full-time equated classified positions.....406.0	
Electronic health record incentive program.....	\$ 37,501,000
Healthy Michigan plan administration—36.0 FTE positions .....	45,654,100
Medical services administration—370.0 FTE positions .....	79,621,500
<b>GROSS APPROPRIATION.....</b>	<b>\$ 162,776,600</b>
Appropriated from:	
Federal revenues:	
Total other federal revenues .....	118,936,900
Special revenue funds:	
Total local revenues .....	37,700
Total private revenues .....	101,300
Total other state restricted revenues .....	336,300
State general fund/general purpose.....	\$ 43,364,400
<b>Sec. 122. MEDICAL SERVICES</b>	
Adult home help services .....	\$ 392,268,400
Ambulance services .....	10,790,100
Auxiliary medical services .....	7,815,800
Dental clinic program.....	1,000,000
Dental services .....	337,962,100
Federal Medicare pharmaceutical program .....	294,513,900
Health plan services .....	5,444,321,400
Healthy Michigan plan.....	3,777,862,100
Home health services .....	5,722,800
Hospice services.....	156,207,600
Hospital disproportionate share payments.....	45,000,000
Hospital services and therapy.....	804,829,900
Integrated care organizations.....	276,837,700
Long-term care services .....	2,038,990,500
Maternal and child health .....	32,279,600
Medicaid home- and community-based services waiver .....	390,620,400
Medicare premium payments .....	627,602,400
Personal care services.....	8,472,900
Pharmaceutical services .....	292,982,600
Physician services .....	212,852,600
Program of all-inclusive care for the elderly .....	129,353,900
School-based services .....	131,140,000
Special Medicaid reimbursement .....	342,739,100
Transportation .....	18,686,800
<b>GROSS APPROPRIATION.....</b>	<b>\$ 15,780,852,600</b>
Appropriated from:	
Federal revenues:	
Total other federal revenues .....	11,130,120,600
Special revenue funds:	
Total local revenues .....	46,340,200
Total private revenues .....	2,100,000
Michigan merit award trust fund.....	45,700,000
Total other state restricted revenues .....	2,722,539,800
State general fund/general purpose.....	\$ 1,834,052,000
<b>Sec. 123. INFORMATION TECHNOLOGY</b>	
Full-time equated classified positions.....43.0	
Bridges information system.....	\$ 3,726,100
Child support automation .....	11,106,500
Information technology contingency .....	344,023,800
Information technology services and projects .....	49,763,300

	For Fiscal Year Ending Sept. 30, 2020
Michigan Medicaid information system .....	26,071,900
Michigan statewide automated child welfare information system .....	5,623,900
State child welfare information system .....	100
Technology supporting integrated service delivery—43.0 FTE positions .....	<u>18,383,300</u>
GROSS APPROPRIATION.....	\$ 458,698,900
Appropriated from:	
Interdepartmental grant revenues:	
IDG from department of education.....	1,067,000
Federal revenues:	
Social security act, temporary assistance for needy families .....	24,854,500
Capped federal revenues .....	24,580,600
Total other federal revenues .....	286,429,800
Special revenue funds:	
Total private revenues .....	25,000,000
Total other state restricted revenues .....	1,999,800
State general fund/general purpose.....	\$ 94,767,200
<b>Sec. 124. ONE-TIME APPROPRIATIONS</b>	
Full-time equated classified positions..... 10.0	
Asian American health care and wellness initiative .....	\$ 150,000
Autism navigator.....	1,025,000
Autism train the trainer grant .....	100,000
Cercarial dermatitis prevention program .....	250,000
Child and adolescent health centers.....	1,000,000
Children’s behavioral health counseling services .....	100,000
Co-responder crisis services pilot.....	60,000
Dental clinic program.....	1,000,000
Drinking water declaration of emergency.....	4,621,100
Employment first.....	500,000
Food delivery .....	470,000
Healthy communities grant .....	300,000
Healthy seniors grant.....	1,000,000
Homelessness elimination blueprint .....	250,000
Hospital behavioral health pilot program—10.0 FTE positions .....	4,000,000
Human trafficking survivors’ assistance.....	1,000,000
Juvenile justice property projects .....	300,000
Kids’ food basket .....	250,000
Lead exposure response and abatement.....	3,434,500
Legal assistance.....	60,000
Multicultural integration funding .....	1,981,100
One-time information technology contingency .....	35,250,000
One-time information technology services and projects.....	11,750,000
Opioid transitional housing and services grant .....	750,000
Primary care and dental health services.....	150,000
Project ECHO opioid intervention .....	40,000
Property management projects .....	2,460,700
Refugee assistance grant .....	175,000
Runaway and homeless youth services program .....	800,000
Senior citizen center program grants .....	500,000
Senior community services .....	400,000
Sexual assault comprehensive services grants.....	2,000,000
State innovation model continuation .....	3,000,000
Statewide health information exchange projects .....	1,500,000
Substance abuse community and school outreach .....	100,000
Unified clinics resiliency center for families and children.....	1,500,000
Wrap-around services.....	<u>600,000</u>
GROSS APPROPRIATION.....	\$ 82,827,400

For Fiscal Year  
Ending Sept. 30,  
2020

Appropriated from:	
Federal revenues:	
Social security act, temporary assistance for needy families .....	500,000
Total other federal revenues .....	36,310,600
Special revenue funds:	
Total other state restricted revenues .....	1,000,000
State general fund/general purpose.....	\$ 45,016,800

**PART 2  
PROVISIONS CONCERNING APPROPRIATIONS  
FOR FISCAL YEAR 2019-2020**

**GENERAL SECTIONS**

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state sources under part 1 for fiscal year 2019-2020 is \$7,749,749,500.00 and state spending from state sources to be paid to local units of government for fiscal year 2019-2020 is \$1,567,136,600.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

**DEPARTMENT OF HEALTH AND HUMAN SERVICES**

**DEPARTMENTAL ADMINISTRATION AND SUPPORT**

Departmental administration and management.....	\$ 344,000
Michigan community service commission.....	2,300

**CHILD SUPPORT ENFORCEMENT**

Child support incentive payments.....	9,465,000
Legal support contracts.....	3,511,000

**COMMUNITY SERVICES AND OUTREACH**

Crime victim rights services grants.....	7,796,300
Domestic violence prevention and treatment.....	164,500
Housing and support services .....	501,200

**CHILDREN’S SERVICES AGENCY – CHILD WELFARE**

Child care fund .....	162,024,300
Child care fund - indirect cost allotment.....	4,211,400
Child welfare licensing.....	76,700
Child welfare medical/psychiatric evaluations .....	32,700
Children’s trust fund grants .....	150,200
Contractual services, supplies, and materials.....	5,600
Foster care payments .....	2,485,800
Youth in transition.....	2,700

**CHILDREN’S SERVICES AGENCY – JUVENILE JUSTICE**

Bay Pines Center .....	26,900
Community support services .....	412,800
Juvenile justice, administration and maintenance .....	26,500
Shawono Center .....	1,300

**PUBLIC ASSISTANCE**

Emergency services local office allocations .....	557,800
Family independence program .....	1,300
Indigent burial .....	4,300
Multicultural integration funding.....	1,193,300
State disability assistance payments .....	243,400

**FIELD OPERATIONS AND SUPPORT SERVICES**

Contractual services, supplies, and materials.....	46,500
Employment and training support services .....	7,600

**BEHAVIORAL HEALTH PROGRAM ADMINISTRATION AND SPECIAL PROJECTS**

Behavioral health program administration.....	4,252,000
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**BEHAVIORAL HEALTH SERVICES**

Autism services .....	80,970,600
Children with serious emotional disturbance waiver .....	2,194,000
Children’s waiver home care program.....	5,242,900
Community mental health non-Medicaid services.....	125,578,200

Community substance use disorder prevention, education, and treatment .....	14,735,900
Health homes.....	50,800
Healthy Michigan plan - behavioral health.....	34,358,200
Medicaid mental health services.....	859,638,900
Medicaid substance use disorder services.....	24,004,600
Nursing home PAS/ARR-OBRA.....	2,485,800
<b>STATE PSYCHIATRIC HOSPITALS AND FORENSIC MENTAL HEALTH SERVICES</b>	
Caro Regional Mental Health Center - psychiatric hospital – adult – or regional mental health center located within 6 miles of the county seat of a county with a population between 55,000 and 57,000 in the 2010 decennial census.....	182,900
Center for forensic psychiatry .....	643,600
Hawthorn Center - psychiatric hospital - children and adolescents.....	93,600
Kalamazoo Psychiatric Hospital - adult.....	33,300
Walter P. Reuther Psychiatric Hospital - adult .....	48,000
<b>HEALTH AND HUMAN SERVICES POLICY AND INITIATIVES</b>	
Michigan rehabilitation services .....	262,600
Primary care services.....	88,900
<b>EPIDEMIOLOGY AND POPULATION HEALTH</b>	
Epidemiology administration.....	233,200
Healthy homes program.....	99,200
Vital records and health statistics .....	5,100
<b>LOCAL HEALTH AND ADMINISTRATIVE SERVICES</b>	
AIDS prevention, testing, and care programs .....	2,323,800
Cancer prevention and control program.....	463,000
Chronic disease control and health promotion administration .....	2,189,400
Essential local public health services.....	46,269,300
Local health services .....	3,184,300
Sexually transmitted disease control program .....	442,700
<b>FAMILY HEALTH SERVICES</b>	
Family, maternal, and child health administration .....	52,300
Family planning local agreements .....	187,700
Immunization program .....	1,247,900
Prenatal care outreach and service delivery support .....	4,134,100
<b>EMERGENCY MEDICAL SERVICES, TRAUMA, AND PREPAREDNESS</b>	
Emergency medical services program .....	8,200
<b>CHILDREN’S SPECIAL HEALTH CARE SERVICES</b>	
Medical care and treatment.....	368,800
Outreach and advocacy.....	2,617,900
<b>AGING AND ADULT SERVICES AGENCY</b>	
Aging and adult services administration .....	716,400
Community services .....	21,589,100
Nutrition services .....	12,597,200
Respite care program.....	6,375,300
Senior volunteer service programs.....	1,000,400
<b>MEDICAL SERVICES</b>	
Adult home help services .....	269,100
Ambulance services.....	441,400
Auxiliary medical services .....	1,100
Dental services .....	1,166,900
Health plan services.....	658,300
Healthy Michigan plan .....	463,800
Home health services.....	15,500
Hospice services.....	51,900
Hospital disproportionate share payments .....	9,000
Hospital services and therapy .....	2,032,000
Long-term care services.....	90,155,600
Medicaid home- and community-based services waiver.....	11,666,900
Personal care services.....	28,900



Pharmaceutical services.....	16,400
Physician services.....	3,320,300
Special Medicaid reimbursement.....	112,900
Transportation .....	235,900

ONE-TIME APPROPRIATIONS

Drinking water declaration of emergency.....	1,460,000
Homelessness elimination blueprint .....	250,000
Lead exposure response and abatement .....	515,200

TOTAL OF PAYMENTS TO LOCAL UNITS OF GOVERNMENT ..... \$ 1,567,136,600

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

Sec. 203. As used in this part and part 1:

- (a) "AIDS" means acquired immunodeficiency syndrome.
- (b) "CMHSP" means a community mental health services program as that term is defined in section 100a of the mental health code, 1974 PA 258, MCL 330.1100a.
- (c) "CMS" means the Centers for Medicare and Medicaid Services.
- (d) "Current fiscal year" means the fiscal year ending September 30, 2020.
- (e) "Department" means the department of health and human services.
- (f) "Director" means the director of the department.
- (g) "DSH" means disproportionate share hospital.
- (h) "EPSDT" means early and periodic screening, diagnosis, and treatment.
- (i) "Federal poverty level" means the poverty guidelines published annually in the Federal Register by the United States Department of Health and Human Services under its authority to revise the poverty line under 42 USC 9902.
- (j) "FTE" means full-time equated.
- (k) "GME" means graduate medical education.
- (l) "Health plan" means, at a minimum, an organization that meets the criteria for delivering the comprehensive package of services under the department's comprehensive health plan.
- (m) "HEDIS" means healthcare effectiveness data and information set.
- (n) "HMO" means health maintenance organization.
- (o) "IDEA" means the individuals with disabilities education act, 20 USC 1400 to 1482.
- (p) "IDG" means interdepartmental grant.
- (q) "MCH" means maternal and child health.
- (r) "Medicaid" means subchapter XIX of the social security act, 42 USC 1396 to 1396w-5.
- (s) "Medicare" means subchapter XVIII of the social security act, 42 USC 1395 to 1395III.
- (t) "MiCAFE" means Michigan's coordinated access to food for the elderly.
- (u) "MiChild" means the program described in section 1670 of this part.
- (v) "MiSACWIS" means Michigan statewide automated child welfare information system.
- (w) "PAS/ARR-OBRA" means the preadmission screening and annual resident review required under the omnibus budget reconciliation act of 1987, section 1919(e)(7) of the social security act, 42 USC 1396r.
- (x) "PFAS" means perfluoroalkyl and polyfluoroalkyl substances.
- (y) "PIHP" means an entity designated by the department as a regional entity or a specialty prepaid inpatient health plan for Medicaid mental health services, services to individuals with developmental disabilities, and substance use disorder services. Regional entities are described in section 204b of the mental health code, 1974 PA 258, MCL 330.1204b. Specialty prepaid inpatient health plans are described in section 232b of the mental health code, 1974 PA 258, MCL 330.1232b.
- (z) "Previous fiscal year" means the fiscal year ending September 30, 2019.
- (aa) "Quarterly reports" means 4 reports shall be submitted to the required recipients by the following dates: February 1, April 1, July 1, and September 30 of the current fiscal year.
- (bb) "Semiannual basis" means March 1 and September 30 of the current fiscal year.
- (cc) "Settlement" means the settlement agreement entered in the case of *Dwayne B. v Snyder*, docket no. 2:06-cv-13548 in the United States District Court for the Eastern District of Michigan.
- (dd) "SSI" means supplemental security income.
- (ee) "Temporary assistance for needy families" or "TANF" or "title IV-A" means part A of subchapter IV of the social security act, 42 USC 601 to 619.
- (ff) "Title IV-B" means part B of title IV of the social security act, 42 USC 620 to 629m.
- (gg) "Title IV-D" means part D of title IV of the social security act, 42 USC 651 to 669b.
- (hh) "Title IV-E" means part E of title IV of the social security act, 42 USC 670 to 679c.

(ii) "Title X" means subchapter VIII of the public health service act, 42 USC 300 to 300a-8, which establishes grants to states for family planning services.

Sec. 204. Unless otherwise specified, the departments and agencies receiving appropriations in part 1 shall use the internet to fulfill the reporting requirements of this part and part 1. This requirement shall include transmission of reports via electronic mail to the recipients identified for each reporting requirement, and it shall include placement of reports on the internet.

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

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

Sec. 207. The departments and agencies receiving appropriations in part 1 shall prepare a report on out-of-state travel expenses not later than January 1 of each year. The travel report shall be a listing of all travel by classified and unclassified employees outside this state in the immediately preceding fiscal year that was funded in whole or in part with funds appropriated in the department's budget. The report shall be submitted to the senate and house appropriations committees, the house and senate fiscal agencies, and the state budget director. The report shall include the following information:

(a) The dates of each travel occurrence.

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

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

Sec. 210. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$80,000,000.00 for federal contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393. These funds shall not be made available to increase TANF authorization.

(2) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$45,000,000.00 for state restricted contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

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

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

Sec. 211. The department shall cooperate with the department of technology, management, and budget to maintain a searchable website accessible by the public at no cost that includes, but is not limited to, all of the following for each department or agency:

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

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

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

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

(e) Job specifications and wage rates.

Sec. 212. Within 14 days after the release of the executive budget recommendation, the department shall cooperate with the state budget office to provide the senate and house appropriations chairs, the senate and house appropriations subcommittees chairs, and the senate and house fiscal agencies with an annual report on estimated state restricted fund balances, state restricted fund projected revenues, and state restricted fund expenditures for the previous fiscal year and the current fiscal year.

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

Sec. 214. Total authorized appropriations from all sources under part 1 for legacy costs for the current fiscal year are estimated at \$350,330,100.00. From this amount, total agency appropriations for pension-related legacy costs are estimated at \$170,303,500.00. Total agency appropriations for retiree health care legacy costs are estimated at \$180,026,600.00.

Sec. 215. If either of the following events occur, within 30 days the department shall notify the state budget director, the chairs of the house and senate appropriations subcommittees on the department budget, and the house and senate fiscal agencies and policy offices of that fact:

(a) A legislative objective of this part or of a bill or amendment to a bill to amend the social welfare act, 1939 PA 280, MCL 400.1 to 400.119b, cannot be implemented because implementation would conflict with or violate federal regulations.

(b) A federal grant, for which a notice of an award has been received, cannot be used, or will not be used.

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

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

Sec. 217. (1) By February 1 of the current fiscal year, the department shall report to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, and the state budget director on the detailed name and amounts of estimated federal, restricted, private, and local sources of revenue that support the appropriations in each of the line items in part 1.

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

Sec. 218. The department shall include, but not be limited to, the following in its annual list of proposed basic health services as required in part 23 of the public health code, 1978 PA 368, MCL 333.2301 to 333.2321:

(a) Immunizations.

(b) Communicable disease control.

(c) Sexually transmitted disease control.

(d) Tuberculosis control.

(e) Prevention of gonorrhea eye infection in newborns.

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

(g) Health and human services annex of the Michigan emergency management plan.

(h) Prenatal care.

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

(a) A detailed description of each funded project.

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

(c) The expected project duration.

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

(2) On or before December 30 of the current fiscal year, the department shall provide to the same parties listed in subsection (1) a copy of all reports, studies, and publications produced by the Michigan Public Health Institute, its subcontractors, or the department with the funds appropriated in the department's budget in the previous fiscal year and allocated to the Michigan Public Health Institute.

Sec. 220. The department shall ensure that faith-based organizations are able to apply and compete for services, programs, or contracts that they are qualified and suitable to fulfill. The department shall not disqualify faith-based organizations solely on the basis of the religious nature of their organization or their guiding principles or statements of faith.

Sec. 221. According to section 1b of the social welfare act, 1939 PA 280, MCL 400.1b, the department shall treat part 1 and this part as a time-limited addendum to the social welfare act, 1939 PA 280, MCL 400.1 to 400.119b.

Sec. 222. (1) The department shall make the entire policy and procedures manual available and accessible to the public via the department website.

(2) The department shall report by April 1 of the current fiscal year on each specific policy change made to implement a public act affecting the department that took effect during the prior calendar year to the house and senate appropriations subcommittees on the budget for the department, the joint committee on administrative rules, the senate and house fiscal agencies, and policy offices. The department shall attach each policy bulletin issued during the prior calendar year to this report.

Sec. 223. The department may establish and collect fees for publications, videos and related materials, conferences, and workshops. Collected fees are appropriated when received and shall be used to offset expenditures to pay for printing and mailing costs of the publications, videos and related materials, and costs of the workshops and conferences. The department shall not collect fees under this section that exceed the cost of the expenditures. When collected fees are appropriated under this section in an amount that exceeds the current fiscal year appropriation, within 30 days the department shall notify the chairs of the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies and policy offices, and the state budget director of that fact.

Sec. 224. The department may retain all of the state's share of food assistance overissuance collections as an offset to general fund/general purpose costs. Retained collections shall be applied against federal funds deductions in all appropriation units where department costs related to the investigation and recoupment of food assistance overissuances are incurred. Retained collections in excess of such costs shall be applied against the federal funds deducted in the departmental administration and support appropriation unit.

Sec. 225. (1) Sanctions, suspensions, conditions for provisional license status, and other penalties shall not be more stringent for private service providers than for public entities performing equivalent or similar services.

(2) Neither the department nor private service providers or licensees shall be granted preferential treatment or considered automatically to be in compliance with administrative rules based on whether they have collective bargaining agreements with direct care workers. Private service providers or licensees without collective bargaining agreements shall not be subjected to additional requirements or conditions of licensure based on their lack of collective bargaining agreements.

Sec. 226. If the revenue collected by the department from fees and collections exceeds the amount appropriated in part 1, the revenue may be carried forward with the approval of the state budget director into the subsequent fiscal year. The revenue carried forward under this section shall be used as the first source of funds in the subsequent fiscal year.

Sec. 227. The state departments, agencies, and commissions receiving tobacco tax funds and Healthy Michigan fund revenue from part 1 shall report by April 1 of the current fiscal year to the senate and house appropriations committees, the senate and house fiscal agencies, and the state budget director on the following:

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

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

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

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

Sec. 228. (1) If the department is authorized under state or federal law to collect an overpayment owed to the department, the department may assess a penalty of 1% per month beginning 60 days after notification. If caused by department error, a penalty may not be assessed until 6 months after the initial notification date of the overpayment amount. The department shall not collect penalty interest in an amount that exceeds the amount of the original overpayment. The state share of any funds collected under this section shall be deposited in the state general fund.

(2) By September 30 of the current fiscal year, the department shall report to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, and the state budget office on penalty amounts assessed and paid by account during the current fiscal year, the reason for the penalty, and the current status of the account.

Sec. 229. (1) The department shall extend the interagency agreement with the Michigan talent investment agency for the duration of the current fiscal year, which concerns TANF funding to provide job readiness and welfare-to-work programming. The interagency agreement shall include specific outcome and performance reporting requirements as described in this section. TANF funding provided to the Michigan talent investment agency in the current fiscal year is contingent on compliance with the data and reporting requirements described in this section. The interagency agreement must require the Michigan talent investment agency to provide all of the following items by January 1 of the current fiscal year for the previous fiscal year to the senate and house appropriations subcommittees on the department budget and the state budget office:

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

(i) Direct services to recipients.

(ii) Administrative expenditures.

(b) The number of family independence program (FIP) recipients served through the TANF funding, including all of the following:

(i) The number and percentage who obtained employment through Michigan Works!

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

(iii) Average TANF spending per recipient.

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

(2) By March 1 of the current fiscal year, the department shall provide to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office an annual report on the following matters itemized by Michigan Works! agency: the number of referrals to Michigan Works! job readiness programs, the number of referrals to Michigan Works! job readiness programs who became a participant in the Michigan Works! job readiness programs, the number of participants who obtained employment, and the cost per participant case.

Sec. 230. By December 31 of the current fiscal year, the department shall report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies and policy offices, and the state budget office on the status of the implementation of any noninflationary, noncaseload, programmatic funding increases from the previous fiscal year. The report shall confirm the implementation of already implemented funding increases and provide explanations for any planned implementation of funding increases that have not yet occurred. For any planned implementation of funding increases that have not yet occurred, the department shall provide an expected implementation date and the reasons for delayed implementation.

Sec. 231. From the funds appropriated in part 1 for travel reimbursements to employees, the department shall allocate up to \$100,000.00 toward reimbursing counties for the out-of-pocket travel costs of the local county department board members and county department directors to attend 1 meeting per year of the Michigan County Social Services Association.

Sec. 232. (1) The department shall provide the approved spending plan for each line item receiving an appropriation in the current fiscal year to the senate and house appropriations subcommittees on the department budget and the senate and house fiscal agencies within 60 days of approval by the department but not later than January 15 of the current fiscal year. The spending plan shall include the following information regarding planned expenditures for each category: allocation in the previous period, change in the allocation, and new allocation. The spending plan shall include the following information regarding each revenue source for the line item: category of the fund source indicated by general fund/general purpose, state restricted, local, private or federal. Figures included in the approved spending plan shall not be assumed to constitute the actual final expenditures, as line items may be updated on an as-needed basis to reflect changes in projected expenditures and projected revenue. The department shall supplement the spending plan information by providing a list of all active contracts and grants in the department's contract system. For amounts listed in the other contracts category of each spending plan, the department shall provide a list of all contracts and grants and amounts for the current fiscal year, and include the name of the line item and the name of the fund source related to each contract or grant and amount. For amounts listed in the all other costs category of each spending plan, the department shall provide a list detailing planned expenditures and amounts for the current fiscal year, and include the name of the line item and the name of the fund source related to each amount and expenditure.

(2) Notwithstanding any other appropriation authority granted in part 1, the department shall not appropriate any additional general fund/general purpose funds or any related federal and state restricted funds without providing a written 30-day notice to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the senate and house policy offices.

Sec. 240. Appropriations in part 1 shall not be expended in cases where existing work project authorization is available for the same expenditures.

Sec. 251. On a monthly basis, the department shall report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the state budget office on any line-item appropriation for which the department estimates total annual expenditures would exceed the funds appropriated for that line-item appropriation by 5% or more. The department shall provide a detailed explanation for any relevant line-item appropriation exceedance and shall identify the corrective actions undertaken to mitigate line-item appropriation expenditures from exceeding the funds appropriated for that line-item appropriation by a greater amount. This section does not apply for line-item appropriations that are part of the May revenue estimating conference caseload and expenditure estimates.

Sec. 252. The appropriations in part 1 for Healthy Michigan plan - behavioral health, Healthy Michigan plan administration, and Healthy Michigan plan are contingent on the provisions of the social welfare act, 1939 PA 280, MCL 400.1 to 400.119b, that were contained in 2013 PA 107 not being amended, repealed, or otherwise altered to eliminate the Healthy Michigan plan. If that occurs, then, upon the effective date of the amendatory act that amends, repeals, or otherwise alters those provisions, the remaining funds in the Healthy Michigan plan - behavioral health, Healthy Michigan plan administration, and Healthy Michigan plan line items shall only be used to pay previously incurred costs and any remaining appropriations shall not be allotted to support those line items.

Sec. 253. (1) The department shall implement information technology investment management practices that use recommendations from the office of the auditor general audit number 071-0550-17. The department shall form a department-based information technology investment board (IT investment board). The IT investment board shall include the director, the deputy director with information technology responsibilities, the deputy director with budgetary and financial responsibilities, and senior leadership from each administration or agency within the department that uses a system or program that is included in the funds appropriated in part 1. The IT investment board shall create a board charter that directs the department's information technology investment management practices. The IT investment board, in consultation with the department of technology, management, and budget, shall implement an appropriate governance framework such as "Information Technology Investment Management: A Framework for Assessing and Improving Process Maturity" from the United States Government Accountability Office or "Val IT Framework" from the IT Governance Institute as the policy for the department's information technology investment decisions. The department, in consultation with the IT investment board, shall develop policies that include, but are not limited to, the following:

(a) The roles and responsibilities that department staff have in making information technology investment decisions.

(b) The criteria, policies, and best practices for selecting, controlling, and evaluating information technology investments. The criteria, policies, and best practices shall include a return on investment to evaluate the funds appropriated in part 1 for information technology.

(c) The authority the department has in determining information technology investment decisions that are not made within the department of technology, management, and budget.

(d) Policies to manage information technology investment decisions that have a high cost or are considered a high risk to the department to reduce the possibility that information technology expenditures will exceed the funds appropriated in part 1 for information technology.

(2) By January 1 of the current fiscal year, the department shall submit to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the senate and house policy offices, a report with a copy of the IT investment board charter and a list of all information technology projects in which the funds appropriated in part 1 exceed \$250,000.00 for the current fiscal year.

(3) By September 30 of the current fiscal year, the department shall submit to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the senate and house policy offices, a report, for any information technology project in which the funds appropriated in part 1 exceed \$250,000.00 for the current fiscal year, on the business needs met by each project, the selection process used to select the project, the documentation of the IT investment board oversight and approval of the project, total project development cost, total project operational and maintenance cost, total state cost, total contractor cost, total nonlabor cost, and the total cost of ownership of the project through the current fiscal year.

(4) From the funds appropriated in part 1 and all available federal funds for information technology services and projects, the department shall contract with an independent verification and validation program to address the increasing information technology cost and to ensure that information technology contracts are meeting the policies and objectives stated in subsection (1). By January 1 of the current fiscal year, the department shall institute an independent verification and validation program by using a third-party vendor

who has been approved on the state's financial accounting and auditing services prequalification program. The independent verification and validation program vendor that is selected to perform independent verification and validation services shall not be involved in the development of software or systems that are used by the department or are under consideration to be used by the department. The independent verification and validation program vendor selected shall have experience in a variety of information technology development methodologies such as waterfall, agile, and scale agile. The vendor selected shall apply information technology industry audit standards and audit credentials and shall have an established advisory business unit.

(5) The independent verification and validation program shall be applied to information technology projects that have funds appropriated in part 1 with a contract value greater than \$250,000.00 in the current fiscal year that meet at least 1 of the following criteria:

- (a) The project spans across more than 1 administration or agency.
- (b) The project involves multiple vendors.
- (c) The project has an accelerated schedule.
- (d) The impact is high if the project were to fail or be delayed.

(6) The independent verification and validation program shall design compliance of program governance, project management, and technical delivery requirements.

(7) By May 1 of the current fiscal year, the department, along with the selected independent verification and validation vendor, shall report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and senate and house policy offices on an assessment of the findings of the independent verification and validation program and recommendations for improvements. The report shall include, but not be limited to, the following items:

- (a) Compliance with federal reporting requirements.
- (b) Demonstration of earlier identification and resolution of project risks.
- (c) The capacity to achieve a positive return on investment from information technology investments.
- (d) The potential for accelerated time to benefit realization and increased benefit sustainability.
- (e) Improved transparency of information technology project benefits and financial measures.
- (f) A reduction in variability in the development and system integration process that will lead to more predictable outcomes of information technology expenditures and information technology project performance.
- (g) Identification and transfer of leading industry practices for improved effectiveness and efficiency.

Sec. 256. If funds become available, the department shall, in consultation with the Michigan department of education, the Michigan domestic and sexual violence prevention and treatment board, and the Michigan Coalition to End Domestic and Sexual Violence, redraft the curriculum for the "Growing Up & Staying Healthy" and "Healthy & Responsible Relationships" modules to include age-appropriate information about the importance of consent, setting and respecting personal boundaries, and the prevention of child sexual abuse as outlined in MCL 380.1505 and consistent with the recommendations and guidelines set by the task force on the prevention of sexual abuse of children created under section 12b of the child protection law, 1975 PA 238, MCL 722.632b, and the prevention of sexual assault and dating violence.

Sec. 257. If funds become available, the department shall, in consultation with the department of education, the American Foundation of Suicide Prevention, the National Alliance on Mental Illness, the Michigan Psychiatric Society, the Community Mental Health Association, and members of law enforcement, redraft the curriculum for the "Safe and Sound for Life" and "Social & Emotional Health" modules to include age-appropriate and medically accurate information about the warning signs and risk factors for suicide and depression, and the protective factors that help prevent suicide as outlined in section 1171 of the revised school code, 1976 PA 451, MCL 380.1171.

Sec. 263. (1) Except as otherwise provided in this subsection, before submission of a waiver, a state plan amendment, or a similar proposal to CMS or other federal agency, the department shall provide written notification of the planned submission to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies and policy offices, and the state budget office. This subsection does not apply to the submission of a waiver, a state plan amendment, or similar proposal that does not propose a material change or is outside of the ordinary course of waiver, state plan amendment, or similar proposed submissions.

(2) The department shall provide written reports on a semiannual basis to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the state budget office summarizing the status of any new or ongoing discussions with CMS or the United States Department of Health and Human Services or other federal agency regarding potential or future waiver applications as well as the status of submitted waivers that have not yet received federal approval. If, at the time a semiannual report is due, there are no reportable items, then no report is required to be provided.

Sec. 264. The department shall not take disciplinary action against an employee for communicating with a member of the legislature or his or her staff.

Sec. 270. The department shall advise the legislature of the receipt of a notification from the attorney general's office of a legal action in which expenses had been recovered according to section 106(6) of the social welfare act, 1939 PA 280, MCL 400.106. By February 1 of the current fiscal year, the department shall submit a written report to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, and the state budget office that includes, at a minimum, all of the following:

- (a) The total amount recovered from the legal action.
- (b) The program or service for which the money was originally expended.
- (c) Details on the disposition of the funds recovered such as the appropriation or revenue account in which the money was deposited.
- (d) A description of the facts involved in the legal action.

Sec. 274. (1) The department, in collaboration with the state budget office, shall submit to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, and the house and senate policy offices 1 week after the day the governor submits to the legislature the budget for the ensuing fiscal year a report on spending and revenue projections for each of the capped federal funds listed below. The report shall contain actual spending and revenue in the previous fiscal year, spending and revenue projections for the current fiscal year as enacted, and spending and revenue projections within the executive budget proposal for the fiscal year beginning October 1, 2020 for each individual line item for the department budget. The report shall also include federal funds transferred to other departments. The capped federal funds shall include, but not be limited to, all of the following:

- (a) TANF.
- (b) Title XX social services block grant.
- (c) Title IV-B part I child welfare services block grant.
- (d) Title IV-B part II promoting safe and stable families funds.
- (e) Low-income home energy assistance program.

(2) It is the intent of the legislature that the department, in collaboration with the state budget office, not utilize capped federal funding for economics adjustments for FTEs or other economics costs that are included as part of the budget submitted to the legislature by the governor for the ensuing fiscal year, unless there is a reasonable expectation for increased federal funding to be available to the department from that capped revenue source in the ensuing fiscal year.

(3) By February 15 of the current fiscal year, the department shall prepare an annual report of its efforts to identify TANF maintenance of effort sources and rationale for any increases or decreases from all of the following, but not limited to:

- (a) Other departments.
- (b) Local units of government.
- (c) Private sources.

Sec. 275. (1) As part of the year-end closing process, the department, with the approval of the state budget director, is authorized to realign sources between other federal, TANF, and capped federal financing authorizations in order to maximize federal revenues. This realignment of financing shall not produce a gross increase or decrease in the department's total individual line item authorizations, nor will it produce a net increase or decrease in total federal revenues, or a net increase in TANF authorization.

(2) Within 30 days after the date on which year-end book closing is completed, the department shall submit to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, and the house and senate policy offices a report on the realignment of federal fund sources that took place as part of the year-end closing process for the previous fiscal year.

Sec. 280. By March 1 of the current fiscal year, the department shall provide a report to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, the house and senate policy offices, and the state budget director that provides all of the following for each line item in part 1 containing personnel-related costs, including the specific individual amounts for salaries and wages, payroll taxes, and fringe benefits:

- (a) FTE authorization.
- (b) Spending authorization for personnel-related costs, by fund source, under the spending plan.
- (c) Actual year-to-date expenditures for personnel-related costs, by fund source, through the end of the prior month.
- (d) The projected year-end balance or shortfall for personnel-related costs, by fund source, based on actual monthly spending levels through the end of the prior month.
- (e) A specific plan for addressing any projected shortfall for personnel-related costs at either the gross or fund source level.



Sec. 288. (1) Beginning October 1 of the current fiscal year, no less than 90% of a new department contract supported solely from state restricted funds or general fund/general purpose funds and designated in this part or part 1 for a specific entity for the purpose of providing services to individuals shall be expended for such services after the first year of the contract.

(2) The department may allow a contract to exceed the limitation on administrative and services costs if it can be demonstrated that an exception should be made to the provision in subsection (1).

(3) By September 30 of the current fiscal year, the department shall report to the house and senate appropriations subcommittees on the department budget, house and senate fiscal agencies, and state budget office on the rationale for all exceptions made to the provision in subsection (1) and the number of contracts terminated due to violations of subsection (1).

Sec. 289. By March 1 of the current fiscal year, the department shall provide to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the senate and house policy offices an annual report on the supervisor-to-staff ratio by department divisions and subdivisions.

Sec. 290. Any public advertisement for public assistance shall also inform the public of the welfare fraud hotline operated by the department.

Sec. 293. Any savings resulting from pilot projects or demonstration models that consist of service level integration of Medicaid behavioral health and Medicaid physical health services or financial integration of Medicaid behavioral health and Medicaid physical health services, shall only be used for reinvestment in the pilot project sites where the savings occurred in accordance with the Medicaid state plan and any applicable Medicaid waiver, and shall not be used for any other purpose by the department. Shared savings between a PIHP or CMHSP and a Medicaid health plan shall be carried forward for expenditures in future years, unrestricted by current internal service fund caps.

Sec. 294. (1) The department may work with PIHPs and CMHSPs to create a physical and behavioral health integrated service demonstration pilot without public funds being transferred to for-profit Medicaid health plans. The pilot is not contingent on approval of a section 1115 waiver from CMS.

(2) The pilot program, to achieve integrated practices in Michigan, shall demonstrate a successful expansion of existing local and statewide integrated efforts as currently mandated by the department, and shall continue to include care coordination, risk stratification, data sharing, and health care technology. This contractual mandate by the department shall include shared care coordination between PIHP and Medicaid health plans for individuals served by both entities. Care coordination shall be made possible by using health-related information maintained through the department's Care Connect 360 platform and health information exchanges. The PIHP and Medicaid health plans shall meet monthly, as required by the department, to review health information of all jointly served individuals. From this group, those individuals with the greatest level of need shall be identified to receive joint care coordination. The PIHP and Medicaid health plans shall collaborate to develop a shared care plan for each of these individuals.

(3) It is the intent of the legislature that the pilot program shall be designed to last at least 2 years.

(4) The pilot shall increase the number of individuals who meet criteria for expanded care coordination for all individuals on the stratification list provided by the department via the Care Connect 360 platform. In addition, the pilot program shall expand the focus of care coordination to include anyone who is identified as not receiving the health care services as identified by HEDIS, including, but not limited to, the following:

(a) Follow-up after hospitalization.

(b) Plan all cause readmission.

(c) Diabetes screening for people with schizophrenia or bi-polar disorder who are using antipsychotic medications.

(5) The primary purpose of the pilot program is to test how the state may better integrate behavioral and physical health delivery systems in order to improve behavioral and physical health outcomes, maximize efficiencies, minimize unnecessary costs, and achieve material increases in behavioral health services without increases in overall Medicaid spending. Specific outcome measurements of the pilot program shall include, but are not limited to, all of the following:

(a) Decreased emergency room visits.

(b) Decreased hospitalizations.

(c) Increased primary care or preventative services.

(d) Increased stable housing.

(e) Increased competitive employment.

(f) Improved HEDIS scores for the measures listed in subsection (4).

(6) Within 90 days after completion of the pilot program advanced under this section, the PIHP or CMHSP and Medicaid health plans shall submit a joint report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the

state budget office detailing their experiences, lessons learned, the outcomes of the measurements in subsection (5), any efficiencies and savings revealed for the PIHP or CMHSP and the Medicaid health plans, and any increases in investment on behavioral health services from the PIHP or CMHSP and the Medicaid health plans.

Sec. 295. (1) From the funds appropriated in part 1 to agencies providing physical and behavioral health services to multicultural populations, the department shall award grants in accordance with the requirements of subsection (2). The state is not liable for any spending above the contract amount. Funds shall not be released until reporting requirements under section 295 of article X of 2018 PA 207 are satisfied.

(2) The department shall require each contractor described in subsection (1) that receives greater than \$1,000,000.00 in state grant funding to comply with performance-related metrics to maintain their eligibility for funding. The organizational metrics shall include, but not be limited to, all of the following:

(a) Each contractor or subcontractor shall have accreditations that attest to their competency and effectiveness as behavioral health and social service agencies.

(b) Each contractor or subcontractor shall have a mission that is consistent with the purpose of the multicultural agency.

(c) Each contractor shall validate that any subcontractors utilized within these appropriations share the same mission as the lead agency receiving funding.

(d) Each contractor or subcontractor shall demonstrate cost-effectiveness.

(e) Each contractor or subcontractor shall ensure their ability to leverage private dollars to strengthen and maximize service provision.

(f) Each contractor or subcontractor shall provide timely and accurate reports regarding the number of clients served, units of service provision, and ability to meet their stated goals.

(3) The department shall require an annual report from the contractors described in subsection (2). The annual report, due 60 days following the end of the contract period, shall include specific information on services and programs provided, the client base to which the services and programs were provided, information on any wraparound services provided, and the expenditures for those services. The department shall provide the annual reports to the senate and house appropriations subcommittees on health and human services, the senate and house fiscal agencies, and the state budget office.

Sec. 296. From the funds appropriated in part 1, the department is responsible for the necessary and reasonable attorney fees and costs incurred by private and independent legal counsel chosen by current and former classified and unclassified department employees in the defense of the employees in any state or federal lawsuit or investigation related to the water system in a city or community in which a declaration of emergency was issued because of drinking water contamination.

Sec. 297. On a semiannual basis, the department shall report on the number of FTEs in pay status by type of staff. The report shall include a comparison by line item of the number of FTEs authorized from funds appropriated in part 1 to the actual number of FTEs employed by the department at the end of the reporting period.

Sec. 298. (1) The department shall implement up to 3 pilot projects to achieve fully financially integrated Medicaid behavioral health and physical health benefit and financial integration demonstration models. These demonstration models shall use single contracts between the state and each licensed Medicaid health plan that is currently contracted to provide Medicaid services in the geographic area of the pilot project. The department shall ensure that the pilot projects described in this subsection are implemented in a manner that ensures at least all of the following:

(a) That allows the CMHSP in the geographic area of the pilot project to be a provider of behavioral health supports and services. At the Medicaid health plan's discretion, the plan may also contract directly with a behavioral health service provider as long as both of the following conditions are met:

(i) The contracted provider complies with all licensing laws and regulations applicable to the provider's practice or business in this state including, but not limited to, article 15 of the public health code, 1978 PA 368, MCL 333.16101 to 333.18838, and article 17 of the public health code, 1978 PA 368, MCL 333.20101 to 333.22260, and is not currently excluded from participating in Medicaid by state or federal sanction.

(ii) The Medicaid health plan meets all existing network adequacy requirements for behavioral health services and supports.

(b) A Medicaid health plan may retain all functions related to its accreditation with the National Committee for Quality Assurance. At the discretion of the Medicaid health plan, the plan may delegate a function that is related to its accreditation to another entity.

(c) That any changes made to a Medicaid waiver or Medicaid state plan to implement the pilot projects described in this subsection must only be in effect for the duration of the pilot programs established under section 298 of article X of 2016 PA 268.

(d) That the project is consistent with the stated core values as identified in the final report of the workgroup established in section 298 of article X of 2016 PA 268.

(e) That updates are provided to the medical care advisory council, behavioral health advisory council, and developmental disabilities council.

(2) It is the intent of the legislature that each pilot project and demonstration model shall be designed to last at least 3 years. It is the intent of the legislature that by January 31, 2022, the department shall provide a document to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office of the results of measures developed in conjunction with the Medicaid health plans and CMHSPs participating in the pilot program described in subsection (1) that, if met, would trigger a full statewide, all managed care populations' integration process beginning October 1, 2023. The measures developed by the department, Medicaid health plans, and CMHSPs must include, at a minimum, performance metrics from each of the following categories:

(a) Improvement of the coordination between behavioral health and physical health.

(b) Improvement of services available to individuals with mental illness, intellectual or developmental disabilities, or substance use disorders.

(c) Benefits associated with full access to community-based services and supports.

(d) Beneficiary health status.

(e) Beneficiary satisfaction.

(f) Provider network stability.

(g) Treatment and service efficacies before and during the pilot programs and demonstration pilot, including utilization measures.

(h) Use of best practices.

(i) Financial efficiencies.

(j) Barriers to clinical data sharing between CMHSPs and Medicaid health plans.

(k) Any other relevant categories.

(3) For the duration of any pilot projects and demonstration model, the department shall require that all realized benefits and cost savings of integrating the physical health and behavioral health systems shall be reinvested in services and supports for individuals having or at risk of having a mental illness, an intellectual or developmental disability, or a substance use disorder. The department, in conjunction with the Medicaid health plans, shall create a risk corridor. The department shall ensure that rates paid to the Medicaid health plans are actuarially sound. After accounting for implementation costs of the pilot project, the department shall ensure savings are reinvested in the pilot site where the savings occurred in accordance with the Medicaid state plan and any applicable Medicaid waiver.

(4) It is the intent of the legislature that the primary purpose of the pilot projects and demonstration model is to test how the state may better integrate behavioral and physical health delivery systems in order to improve behavioral and physical health outcomes, maximize efficiencies, minimize unnecessary costs, and achieve material increases in behavioral health services without increases in overall Medicaid spending.

(5) The department shall continue to partner with 1 of the state's research universities at least 6 months before the completion of each pilot project or demonstration model authorized under this section to evaluate the pilot project or demonstration model. The evaluation must include all of the following:

(a) Information on the pilot project's or demonstration model's success in meeting the performance metrics developed in this subsection and information on whether the pilot project could be replicated into other geographic areas with similar performance metric outcomes.

(b) Performance metrics, at a minimum, from each of the following categories:

(i) Improvement of the coordination between behavioral health and physical health.

(ii) Improvement of services available to individuals with mental illness, intellectual or developmental disabilities, or substance use disorders.

(iii) Benefits associated with full access to community-based services and supports.

(iv) Beneficiary health status.

(v) Beneficiary satisfaction.

(vi) Provider network stability.

(vii) Treatment and service efficacies before and after the pilot projects and demonstration model.

(viii) Use of best practices.

(ix) Financial efficiencies.

(x) Barriers to clinical data sharing with Medicaid health plans.

(xi) Any other relevant categories.

(c) A requirement that the evaluation shall be completed within 6 months after the end of each pilot project or demonstration model and will be provided to the department, the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, the house and senate policy offices, and the state budget office.

(6) By November 1 of the current fiscal year, the department shall report to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, the house and senate policy offices, and the state budget office on the progress toward implementation of the pilot projects and demonstration model described in this section, and a summary of all projects. The report shall also include information on policy changes and any other efforts made to improve the coordination of supports and services for individuals having or at risk of having a mental illness, an intellectual or developmental disability, a substance use disorder, or a physical health need.

(7) Upon completion of any pilot project or demonstration model advanced under this section, the managing entity of the pilot project or demonstration model shall submit a report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office within 30 days of completion of that pilot project or demonstration model detailing their experience, lessons learned, efficiencies and savings revealed, increases in investment on behavioral health services, and recommendations for extending pilot projects to full implementation or discontinuation.

Sec. 299. (1) No state department or agency shall issue a request for proposal (RFP) for a contract in excess of \$5,000,000.00, unless the department or agency has first considered issuing a request for information (RFI) or a request for qualification (RFQ) relative to that contract to better enable the department or agency to learn more about the market for the products or services that are the subject of the RFP. The department or agency shall notify the department of technology, management, and budget of the evaluation process used to determine if an RFI or RFQ was not necessary prior to issuing the RFP.

(2) From funds appropriated in part 1, for all RFPs issued during the current fiscal year where an existing service received proposals by multiple vendors, the department shall notify all vendors within 30 days of the RFP decision. The notification to vendors shall include details on the RFP process, including the respective RFP scores and the respective cost for each vendor. If the highest scored RFP or lowest cost RFP does not receive the contract for an existing service offered by the department, the notification shall issue an explanation for the reasons that the highest scored RFP or lowest cost RFP did not receive the contract and detail the incremental cost target amount or service level required that was required to migrate the service to a new vendor. Additionally, the department shall include in the notification details as to why a cost or service difference is justifiable if the highest scored or lowest cost vendor does not receive the contract.

(3) The department shall submit to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office by September 30 of the current fiscal year, a report that includes the following:

(a) A summary of all RFPs issued for a contract in excess of \$5,000,000.00 including whether an RFI or RFQ was considered, and whether an RFI or RFQ was issued before issuing the RFP or whether the issuance of an RFI or RFQ was determined not to be necessary.

(b) A summary of all RFPs during the current fiscal year if an existing service received proposals by multiple vendors.

(c) A list of all finalized RFPs if there was a divergence from awarding the contract to the lowest-cost or highest-scoring vendor, and details as to why a divergence is justifiable as provided in the notification to vendors under subsection (2).

(d) The cost or service threshold required by department policy that must be satisfied in order for an existing contract to be received by a new vendor.

#### **DEPARTMENTAL ADMINISTRATION AND SUPPORT**

Sec. 307. (1) From the funds appropriated in part 1 for demonstration projects, \$950,000.00 shall be distributed as provided in subsection (2). The amount distributed under this subsection shall not exceed 50% of the total operating expenses of the program described in subsection (2), with the remaining 50% paid by local United Way organizations and other nonprofit organizations and foundations.

(2) Funds distributed under subsection (1) shall be distributed to Michigan 2-1-1, a nonprofit corporation organized under the laws of this state that is exempt from federal income tax under section 501(c)(3) of the internal revenue code of 1986, 26 USC 501, and whose mission is to coordinate and support a statewide 2-1-1 system. Michigan 2-1-1 shall use the funds only to fulfill the Michigan 2-1-1 business plan adopted by Michigan 2-1-1 in January 2005.

(3) Michigan 2-1-1 shall refer to the department any calls received reporting fraud, waste, or abuse of state-administered public assistance.

(4) Michigan 2-1-1 shall report annually to the department and the house and senate standing committees with primary jurisdiction over matters relating to human services and telecommunications on 2-1-1 system performance, the senate and house appropriations subcommittees on the department budget, and the senate and house fiscal agencies, including, but not limited to, call volume by health and human service needs and unmet needs identified through caller data and number and percentage of callers referred to public or private provider types.

Sec. 316. From the funds appropriated in part 1 for terminal leave payments, the department shall not spend in excess of its annual gross appropriation unless it identifies and requests a legislative transfer from another budgetary line item supporting administrative costs, as provided by section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

#### **CHILD SUPPORT ENFORCEMENT**

Sec. 401. (1) The appropriations in part 1 assume a total federal child support incentive payment of \$26,000,000.00.

(2) From the federal money received for child support incentive payments, \$11,500,000.00 shall be retained by the state and expended for child support program expenses.

(3) From the federal money received for child support incentive payments, \$14,500,000.00 shall be paid to the counties based on each county's performance level for each of the federal performance measures as established in 45 CFR 305.2.

(4) If the child support incentive payment to the state from the federal government is greater than \$26,000,000.00, then 100% of the excess shall be retained by the state and is appropriated until the total retained by the state reaches \$15,397,400.00.

(5) If the child support incentive payment to the state from the federal government is greater than the amount needed to satisfy the provisions identified in subsections (1), (2), (3), and (4), the additional funds shall be subject to appropriation by the legislature.

(6) If the child support incentive payment to the state from the federal government is less than \$26,000,000.00, then the state and county share shall each be reduced by 50% of the shortfall.

Sec. 409. (1) If statewide retained child support collections exceed \$38,300,000.00, 75% of the amount in excess of \$38,300,000.00 is appropriated to legal support contracts. This excess appropriation may be distributed to eligible counties to supplement and not supplant county title IV-D funding.

(2) Each county whose retained child support collections in the current fiscal year exceed its fiscal year 2004-2005 retained child support collections, excluding tax offset and financial institution data match collections in both the current fiscal year and fiscal year 2004-2005, shall receive its proportional share of the 75% excess.

Sec. 410. (1) If title IV-D-related child support collections are escheated, the state budget director is authorized to adjust the sources of financing for the funds appropriated in part 1 for legal support contracts to reduce federal authorization by 66% of the escheated amount and increase general fund/general purpose authorization by the same amount. This budget adjustment is required to offset the loss of federal revenue due to the escheated amount being counted as title IV-D program income in accordance with federal regulations at 45 CFR 304.50.

(2) The department shall notify the chairs of the house and senate appropriations subcommittees on the department budget and the house and senate fiscal agencies within 15 days of the authorization adjustment in subsection (1).

#### **COMMUNITY SERVICES AND OUTREACH**

Sec. 450. (1) From the funds appropriated in part 1 for school success partnership program, the department shall allocate \$525,000.00 by December 1 of the current fiscal year to support the Northeast Michigan Community Service Agency programming. The department shall require the following performance objectives be measured and reported for the duration of the state funding for the school success partnership program:

(a) Increasing school attendance and decreasing chronic absenteeism.

(b) Increasing academic performance based on grades with emphasis on math and reading.

(c) Identifying barriers to attendance and success and connecting families with resources to reduce these barriers.

(d) Increasing parent involvement with the parent's child's school and community.

(2) By July 15 of the current fiscal year, the Northeast Michigan Community Service Agency shall provide reports to the department on the number of children and families served and the services that were provided to families to meet the performance objectives identified in this section. The department shall distribute the reports within 1 week after receipt to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office.

Sec. 452. From the funds appropriated in part 1 for crime victim justice assistance grants, the department shall continue to support forensic nurse examiner programs to facilitate training for improved evidence collection for the prosecution of sexual assault. The funds shall be used for program coordination and training.

Sec. 453. (1) From the funds appropriated in part 1 for homeless programs, the department shall maintain emergency shelter program per diem rates at \$18.00 per bed night to support efforts of shelter providers to move homeless individuals and households into permanent housing as quickly as possible. Expected outcomes are increased shelter discharges to stable housing destinations, decreased recidivism rates for shelter clients, and a reduction in the average length of stay in emergency shelters.

(2) By March 1 of the current fiscal year, the department shall submit to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, the house and senate policy offices, and the state budget office a report on the total amount expended for the program in the previous year, as well as the total number of shelter nights provided and the average length of stay in an emergency shelter.

Sec. 454. The department shall allocate the full amount of funds appropriated in part 1 for homeless programs to provide services for homeless individuals and families, including, but not limited to, third-party contracts for emergency shelter services.

Sec. 455. As a condition of receipt of federal TANF funds, homeless shelters and human services agencies shall collaborate with the department to obtain necessary TANF eligibility information on families as soon as possible after admitting a family to the homeless shelter. From the funds appropriated in part 1 for homeless programs, the department is authorized to make allocations of TANF funds only to the homeless shelters and human services agencies that report necessary data to the department for the purpose of meeting TANF eligibility reporting requirements. Homeless shelters or human services agencies that do not report necessary data to the department for the purpose of meeting TANF eligibility reporting requirements will not receive reimbursements that exceed the per diem amount they received in fiscal year 2000. The use of TANF funds under this section is not an ongoing commitment of funding.

Sec. 456. From the funds appropriated in part 1 for homeless programs, the department shall allocate \$90,000.00 to reimburse public service agencies that provide documentation of paying birth certificate fees on behalf of category 1 homeless clients at county clerk's offices. Public service agencies shall be reimbursed for the cost of the birth certificate fees quarterly until this allocation is fully spent.

Sec. 457. (1) From the funds appropriated in part 1 for the uniform statewide sexual assault evidence kit tracking system, in accordance with the final report of the Michigan sexual assault evidence kit tracking and reporting commission, \$800,000.00 is allocated from the sexual assault evidence tracking fund to contract for the administration of a uniform statewide sexual assault evidence kit tracking system. The system shall include the following:

(a) A uniform statewide system to track the submission and status of sexual assault evidence kits.

(b) A uniform statewide system to audit untested kits that were collected on or before March 1, 2015 and were released by victims to law enforcement.

(c) Secure electronic access for victims.

(d) The ability to accommodate concurrent data entry with kit collection through various mechanisms, including web entry through computer or smartphone, and through scanning devices.

(2) By March 30 of the current fiscal year, the department shall submit to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office a status report on the administration of the uniform statewide sexual assault evidence kit tracking system, including operational status and any known issues regarding implementation.

(3) The sexual assault evidence tracking fund established in section 1451 of 2017 PA 158 shall continue to be maintained in the department of treasury. Money in the sexual assault evidence tracking fund at the close of a fiscal year shall remain in the sexual assault evidence tracking fund and shall not revert to the general fund and shall be appropriated as provided by law for the development and implementation of a uniform statewide sexual assault evidence kit tracking system as described in subsection (1).

(4) By September 30 of the current fiscal year, the department shall submit to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office a report on the findings of the annual audit of the proper submission of sexual assault evidence kits as required by the sexual assault kit evidence submission act, 2014 PA 227, MCL 752.931 to 752.935. The report must include, but is not limited to, a detailed county-by-county compilation of the number of sexual assault evidence kits that were properly submitted and the number that met or did not meet deadlines established in the sexual assault kit evidence submission act, 2014 PA 227, MCL 752.931 to 752.935, the number of sexual assault evidence kits retrieved by law enforcement after analysis, and the physical location of all released sexual assault evidence kits collected by health care providers in that year, as of the date of the annual draft report for each reporting agency.

Sec. 458. From the funds appropriated in part 1 for crime victim rights services grants, the department shall allocate \$2,000,000.00 of crime victim's rights fund to maintain increased grant funding to support the further use of crime victim advocates in the criminal justice system. The purpose of the additional funding is to increase available grant funding for crime victim advocates to ensure that the advocates have the resources, training, and funding needed to respond to the physical and emotional needs of crime victims and to provide victims with the necessary services, information, and assistance in order to help them understand and participate in the criminal justice system and experience a measure of safety and security throughout the legal process.

Sec. 459. From the funds appropriated in part 1 for child advocacy centers, \$1,000,000.00 shall be allocated to provide additional funding to child advocacy centers to support the general operations of child advocacy centers. The purpose of this additional funding is to increase the amount of services provided to children and their families who are victims of abuse over the amount provided in the previous fiscal year. None of the additional funding directed in this section shall be used for purposes other than those described under section 4 of the children's advocacy center act, 2008 PA 544, MCL 722.1044.

**CHILDREN'S SERVICES AGENCY - CHILD WELFARE**

Sec. 501. (1) A goal is established that not more than 25% of all children in foster care at any given time during the current fiscal year, if in the best interest of the child, will have been in foster care for 24 months or more.

(2) By March 1 of the current fiscal year, the department shall provide to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office a report describing the steps that will be taken to achieve the specific goal established in this section and on the percentage of children who currently are in foster care and who have been in foster care a total of 24 or more months.

Sec. 502. From the funds appropriated in part 1 for foster care, the department shall provide 50% reimbursement to Indian tribal governments for foster care expenditures for children who are under the jurisdiction of Indian tribal courts and who are not otherwise eligible for federal foster care cost sharing.

Sec. 503. (1) In accordance with the final report of the Michigan child welfare performance-based funding task force issued in response to section 503 of article X of 2013 PA 59, the department shall continue to review, update, or develop actuarially sound case rates for necessary child welfare foster care case management services that achieve permanency by the department and private child placing agencies in a prospective payment system under a performance-based funding model.

(2) By March 1 of the current fiscal year, the department shall provide to the senate and house appropriations committees on the department budget, the senate and house fiscal agencies and policy offices, and the state budget office a report on the full cost analysis of the performance-based funding model. The report shall include background information on the project and give details about the contractual costs covered through the case rate.

(3) In accordance with the final report of the Michigan child welfare performance-based funding task force issued in response to section 503 of article X of 2013 PA 59, the department shall continue an independent, third-party evaluation of the performance-based funding model.

(4) The department shall only implement the performance-based funding model into additional counties where the department, private child welfare agencies, the county, and the court operating within that county have signed a memorandum of understanding that incorporates the intentions of the concerned parties in order to implement the performance-based funding model.

(5) The department, in conjunction with members from both the house of representatives and senate, private child placing agencies, the courts, and counties shall continue to implement the recommendations that are described in the workgroup report that was provided in section 503 of article X of 2013 PA 59 to establish a performance-based funding for public and private child welfare services providers. The department shall provide quarterly reports on the status of the performance-based contracting model to the senate and house appropriations subcommittees on the department budget, the senate and house standing committees on families and human services, and the senate and house fiscal agencies and policy offices.

(6) From the funds appropriated in part 1 for the performance-based funding model pilot, the department shall continue to work with the West Michigan Partnership for Children Consortium on the implementation of the performance-based funding model pilot. The consortium shall accept and comprehensively assess referred youth, assign cases to members of its continuum or leverage services from other entities, and make appropriate case management decisions during the duration of a case. The consortium shall operate an integrated continuum of care structure, with services provided by both private and public agencies, based on individual case needs. The consortium shall demonstrate significant organizational capacity and competencies, including experience with managing risk-based contracts, financial strength, experienced staff and leadership, and appropriate governance structure.

Sec. 504. (1) The department may continue a master agreement with the West Michigan Partnership for Children Consortium for a performance-based child welfare contracting pilot program. The consortium shall consist of a network of affiliated child welfare service providers that will accept and comprehensively assess referred youth, assign cases to members of its continuum or leverage services from other entities, and make appropriate case management decisions during the duration of a case.

(2) The consortium shall operate an integrated continuum of care structure, with services provided by private or public agencies, based on individual case needs.

(3) By March 1 of the current fiscal year, the consortium shall provide to the department and the senate appropriations subcommittees on the department budget a report on the consortium, including, but not limited to, actual expenditures, number of children placed by agencies in the consortium, fund balance of the consortium, and the status of the consortium evaluation.

Sec. 505. By March 1 of the current fiscal year, the department and Wayne County shall provide to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies and policy offices, and the state budget office a report for youth referred or committed to the department for care or supervision in the previous fiscal year and in the first quarter of the current fiscal year outlining the number of youth served by the department within the juvenile justice system, the type of setting for each youth, performance outcomes, and financial costs or savings.

Sec. 507. The department's ability to satisfy appropriation deducts in part 1 for foster care private collections shall not be limited to collections and accruals pertaining to services provided only in the current fiscal year but may include revenues collected during the current fiscal year for services provided in prior fiscal years.

Sec. 508. (1) In addition to the amount appropriated in part 1 for children's trust fund grants, money granted or money received as gifts or donations to the children's trust fund created by 1982 PA 249, MCL 21.171 to 21.172, is appropriated for expenditure.

(2) The department and the child abuse and neglect prevention board shall collaborate to ensure that administrative delays are avoided and the local grant recipients and direct service providers receive money in an expeditious manner. The department and board shall make available the children's trust fund contract funds to grantees within 31 days of the start date of the funded project.

Sec. 511. The department shall provide reports on a semiannual basis to the senate and house appropriations subcommittees on the department budget, the senate and house standing committees on families and human services, and the senate and house fiscal agencies and policy offices on the number and percentage of children who received timely physical and mental health examinations after entry into foster care. The goal of the program is that at least 85% of children shall have an initial medical and mental health examination within 30 days after entry into foster care.

Sec. 512. (1) As required by the settlement, by March 1 of the current fiscal year, the department shall report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office on the following information for cases of child abuse or child neglect from the previous fiscal year:

- (a) The total number of relative care placements.
- (b) The total number of relatives with a placement who became licensed.
- (c) The number of waivers of foster care licensure granted to relative care providers.
- (d) The number of waivers of foster care denied to relative care providers.
- (e) A list of the reasons from a sample of cases the department denied granting a waiver of foster care licensure for a relative care provider.
- (f) A list of the reasons from a sample of cases where relatives were declined foster care licensure as documented by the department.

(2) The caseworker shall request a waiver of foster care licensure if both of the following apply:

- (a) The caseworker has fully informed the relative of the benefits of licensure and the option of a licensure waiver.
- (b) The caseworker has assessed the relative and the relative's home using the department's initial relative safety screen and the department's relative home assessment and has determined that the relative's home is safe and placement there is in the child's best interest.

Sec. 513. (1) The department shall not expend funds appropriated in part 1 to pay for the direct placement by the department of a child in an out-of-state facility unless all of the following conditions are met:

- (a) There is no appropriate placement available in this state as determined by the department interstate compact office.
- (b) An out-of-state placement exists that is nearer to the child's home than the closest appropriate in-state placement as determined by the department interstate compact office.
- (c) The out-of-state facility meets all of the licensing standards of this state for a comparable facility.
- (d) The out-of-state facility meets all of the applicable licensing standards of the state in which it is located.
- (e) The department has done an on-site visit to the out-of-state facility, reviewed the facility records, reviewed licensing records and reports on the facility, and believes that the facility is an appropriate placement for the child.

(2) The department shall not expend money for a child placed in an out-of-state facility without approval of the executive director of the children's services agency.



(3) The department shall submit an annual report by March 1 of the current fiscal year to the state court administrative office, the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, the house and senate policy offices, and the state budget office on the number of Michigan children residing in out-of-state facilities in the previous fiscal year and shall include the total cost and average per diem cost of these out-of-state placements to this state, and a list of each such placement arranged by the Michigan county of residence for each child.

Sec. 514. The department shall make a comprehensive report concerning children's protective services (CPS) to the legislature, including the senate and house policy offices and the state budget director, by March 1 of the current fiscal year, that shall include all of the following:

(a) Statistical information including, but not limited to, all of the following:

(i) The total number of reports of child abuse or child neglect investigated under the child protection law, 1975 PA 238, MCL 722.621 to 722.638, and the number of cases classified under category I or category II and the number of cases classified under category III, category IV, or category V.

(ii) Characteristics of perpetrators of child abuse or child neglect and the child victims, such as age, relationship, race, and ethnicity and whether the perpetrator exposed the child victim to drug activity, including the manufacture of illicit drugs, that exposed the child victim to substance abuse, a drug house, or methamphetamine.

(iii) The mandatory reporter category in which the individual who made the report fits, or other categorization if the individual is not within a group required to report under the child protection law, 1975 PA 238, MCL 722.621 to 722.638.

(iv) The number of cases that resulted in the separation of the child from the parent or guardian and the period of time of that separation, up to and including termination of parental rights.

(v) For the reported complaints of child abuse or child neglect by teachers, school administrators, and school counselors, the number of cases classified under category I or category II and the number of cases classified under category III, category IV, or category V.

(vi) For the reported complaints of child abuse or child neglect by teachers, school administrators, and school counselors, the number of cases that resulted in separation of the child from the parent or guardian and the period of time of that separation, up to and including termination of parental rights.

(b) New policies related to children's protective services including, but not limited to, major policy changes and court decisions affecting the children's protective services system during the immediately preceding 12-month period. The report shall also include a summary of the actions undertaken and applicable expenditures to achieve compliance with the office of the auditor general audit number 431-1285-16.

(c) Statistical information regarding families that were classified in category III, including, but not limited to, all of the following:

(i) The total number of cases classified in category III.

(ii) The number of cases in category III referred to voluntary community services and closed with no additional monitoring.

(iii) The number of cases in category III referred to voluntary community services and monitored for up to 90 days.

(iv) The number of cases in category III for which the department entered more than 1 determination that there was evidence of child abuse or child neglect.

(v) The number of cases in category III that the department reclassified from category III to category II.

(vi) The number of cases in category III that the department reclassified from category III to category I.

(vii) The number of cases in category III that the department reclassified from category III to category I that resulted in a removal.

(d) The department policy, or changes to the department policy, regarding children who have been exposed to the production or manufacture of methamphetamines.

Sec. 515. If a child protection services caseworker requests approval for another child protection services caseworker or other department employee to accompany them on a home visit because the caseworker believes it would be unsafe to conduct the home visit alone, the department shall not deny the request.

Sec. 516. From funds appropriated in part 1 for child care fund, the administrative or indirect cost payment equal to 10% of a county's total monthly gross expenditures shall be distributed to the county on a monthly basis and a county is not required to submit documentation to the department for any of the expenditures that are covered under the 10% payment as described in section 117a(4)(b)(ii) and (iv) of the social welfare act, 1939 PA 280, MCL 400.117a.

Sec. 517. The department shall retain the same title IV-E appeals policy in place as of the fiscal year ending September 30, 2017.

Sec. 518. Supervisors must make an initial read of a caseworker's report on a child abuse or child neglect investigation and note any corrections required, or approve the report, within 5 business days. The caseworker must resubmit a report that needs corrections within 3 business days.

Sec. 519. The department shall permit any private agency that has an existing contract with this state to provide foster care services to be also eligible to provide treatment foster care services.

Sec. 520. The department shall submit a report to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, the house and senate policy offices, and the state budget office by February 15 of the current fiscal year on the number of days of care and expenditures by funding source for the previous fiscal year for out-of-home placements by specific placement programs for child abuse or child neglect and juvenile justice, including, but not limited to, paid relative placement, department direct family foster care, private agency supervised foster care, private child caring institutions, county-supervised facilities, court-supervised facilities, and independent living. The report shall also include the number of days of care for department-operated residential juvenile justice facilities by security classification.

Sec. 521. (1) From the funds appropriated in part 1 for child care fund – indirect cost allotment, the department shall allocate \$4,211,400.00 to counties and tribal governments that receive reimbursements in part 1 from child care fund.

(2) The amount described in subsection (1) shall be distributed to each county or tribal government in the same proportion as indirect cost allotments are provided to counties in the manner described in section 117a of the social welfare act, 1939 PA 280, MCL 400.117a.

Sec. 522. (1) From the funds appropriated in part 1 for youth in transition, the department shall allocate \$750,000.00 for scholarships through the fostering futures scholarship program in the Michigan education trust to youths who were in foster care because of child abuse or child neglect and are attending a college or a career technical educational institution located in this state. Of the funds appropriated, 100% shall be used to fund scholarships for the youths described in this section.

(2) On a semiannual basis, the department shall provide a report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office that includes the number of youths who received scholarships and the amount of each scholarship, and the total amount of funds spent or encumbered in the current fiscal year.

Sec. 523. (1) By February 15 of the current fiscal year, the department shall submit to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office a report on the families first, family reunification, and families together building solutions family preservation programs. The report shall provide population and outcome data based on contractually required follow-up evaluations for families who received family preservation services and shall include information for each program on any innovations that may increase child safety and risk reduction.

(2) From the funds appropriated in part 1 for youth in transition and domestic violence prevention and treatment, the department is authorized to make allocations of TANF funds only to agencies that report necessary data to the department for the purpose of meeting TANF eligibility reporting requirements.

(3) By October 1 of the current fiscal year, from the funds appropriated in part 1 for family preservation services, the department shall allocate \$1,000,000.00 of state general fund/general purpose revenue and \$1,075,000.00 of TANF and any eligible federal matching funds to increase rates paid to family preservation service providers by at least 5.5% for the families first, family reunification, and families together building solutions programs.

Sec. 524. As a condition of receiving funds appropriated in part 1 for strong families/safe children, counties must submit the service spending plan to the department by October 1 of the current fiscal year for approval. The department shall approve the service spending plan within 30 calendar days after receipt of a properly completed service spending plan.

Sec. 525. The department shall implement the same on-site evaluation processes for privately operated child welfare and juvenile justice residential facilities as is used to evaluate state-operated facilities. Penalties for noncompliance shall be the same for privately operated child welfare and juvenile justice residential facilities and state-operated facilities.

Sec. 527. With the approval of the settlement monitor, for the purposes of calculating adoption worker caseloads for private child placing agencies, the department shall exclude the following case types:

(a) Cases in which there are multiple applicants as that term is defined in section 22(e) of chapter X of the probate code of 1939, 1939 PA 288, MCL 710.22, also known as a competing party case, in which the case has a consent motion pending from Michigan's children's institute or the court for more than 30 days.

(b) Cases in which a birth parent has an order or motion for a rehearing or an appeal as of right that has been pending for more than 15 days.

Sec. 530. (1) All master contracts relating to foster care and adoption services as funded by the appropriations in section 105 of part 1 shall be performance-based contracts that employ a client-centered results-oriented process that is based on measurable performance indicators and desired outcomes and includes the annual assessment of the quality of services provided.

(2) By February 1 of the current fiscal year, the department shall provide the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies and policy offices, and the state budget office a report detailing measurable performance indicators, desired outcomes, and an assessment of the quality of services provided by the department during the previous fiscal year.

Sec. 531. The department shall notify the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, and the house and senate policy offices of any changes to a child welfare master contract template, including the adoption master contract template, the independent living plus master contract template, the child placing agency foster care master contract template, and the residential foster care juvenile justice master contract template, not less than 30 days before the change takes effect.

Sec. 532. The department, in collaboration with representatives of private child and family agencies, shall revise and improve the annual licensing review process and the annual contract compliance review process for child placing agencies and child caring institutions. The improvement goals shall be safety and care for children. Improvements to the review process shall be directed toward alleviating administrative burdens so that agency resources may be focused on children. The revision shall include identification of duplicative staff activities and information sought from child placing agencies and child caring institutions in the annual review process. The department shall report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies and policy offices, and the state budget director on or before January 15 of the current fiscal year on the findings of the annual licensing review and include summaries of actions undertaken to revise, improve, and identify weaknesses in the current annual licensing process and annual contract compliance.

Sec. 533. The department shall make payments to child placing facilities for in-home and out-of-home care services and adoption services within 30 days of receiving all necessary documentation from those agencies. It is the intent of the legislature that the burden of ensuring that these payments are made in a timely manner and no payments are in arrears is upon the department.

Sec. 534. The department shall submit to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office by March 1 of the current fiscal year a report on the adoption subsidies expenditures from the previous fiscal year. The report shall include, but is not limited to, the range of annual adoption support subsidy amounts, for both title IV-E eligible cases and state-funded cases, paid to adoptive families, the number of title IV-E and state-funded cases, the number of cases in which the adoption support subsidy request of adoptive parents for assistance was denied by the department, and the number of adoptive parents who requested a redetermination of adoption support subsidy.

Sec. 535. (1) By December 1 of the current fiscal year, the department shall create a process in which unlicensed relatives are reviewed and approved as meeting the standards established for state licensing for foster care. For any placements approved as meeting the standards established for state licensing for foster care, the department shall seek title IV-E claims for foster care maintenance payments and foster care administrative payments.

(2) By March 1 of the current fiscal year, the department shall submit to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the senate and house policy offices a report on the number of unlicensed relative placements not approved as meeting the standards established for state licensing and the status of title IV-E claims described in subsection (1).

Sec. 536. By March 1 of the current fiscal year, the department shall submit to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the policy offices a report on the status of the department's planned and achieved implementation of the federal family first prevention services act, Public Law 115-123. The report shall include, but not be limited to, an estimate of the 5-year spending plan for administrative and compliance costs, information regarding compliance with title IV-E prevention requirements, the status of statewide compliance with the qualified residential treatment program requirements, the department's conformity with federal model licensing standards, the department's plan for tracking and preventing child maltreatment deaths, and the department's plan for extending John H. Chaffee foster care independence programs up to age 23.

Sec. 537. The department, in collaboration with child placing agencies, shall implement section 115o of the social welfare act, 1939 PA 280, MCL 400.115o. Department caseworkers responsible for preparing a recommendation to a court concerning a juvenile placement shall provide, as part of the recommendation, information regarding the requirements of section 115o of the social welfare act, 1939 PA 280, MCL 400.115o.

Sec. 538. By October 1 of the current fiscal year, the department shall submit to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the policy offices a report on the status of the department's program improvement plan associated with round 3 of the child and family services review (CFSR). The report shall also include, but not be limited to, a specific and

detailed plan to address the areas of substantial nonconformity identified in the CFSR such as the inadequacy of caseworker training provided by the department, the estimated costs necessary to reduce travel time for service delivery to rural areas, plans to improve caseworker engagement to reduce maltreatment in care, and steps undertaken by the department to emphasize permanency in case planning.

Sec. 540. If a physician or psychiatrist who is providing services to state or court wards placed in a residential facility submits a formal request to the department to change the psychotropic medication of a ward, the department shall, if the ward is a state ward, make a determination on the proposed change within 7 business days after the request or, if the ward is a temporary court ward, seek parental consent within 7 business days after the request. If parental consent is not provided within 7 business days, the department shall petition the court on the eighth business day.

Sec. 546. (1) From the funds appropriated in part 1 for foster care payments and from child care fund, the department shall pay providers of general foster care, independent living, and trial reunification services not less than a \$46.20 administrative rate.

(2) From the funds appropriated in part 1, the department shall pay providers of independent living plus services statewide per diem rates for staff-supported housing and host-home housing based on proposals submitted in response to a solicitation for pricing. The independent living plus program provides staff-supported housing and services for foster youth ages 16 through 19 who, because of their individual needs and assessments, are not initially appropriate for general independent living foster care.

(3) If required by the federal government to meet title IV-E requirements, providers of foster care services shall submit quarterly reports on expenditures to the department to identify actual costs of providing foster care services.

(4) From the funds appropriated in part 1, the department shall maintain the rates in place on March 20, 2019 provided to each private provider of residential services.

Sec. 547. (1) From the funds appropriated in part 1 for the guardianship assistance program, the department shall pay a minimum rate that is not less than the approved age-appropriate payment rates for youth placed in family foster care.

(2) The department shall report quarterly to the state budget office, the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the senate and house policy offices on the number of children enrolled in the guardianship assistance and foster care – children with serious emotional disturbance waiver programs.

Sec. 550. (1) The department shall not offset against reimbursement payments to counties or seek reimbursement from counties for charges that were received by the department more than 12 months before the department seeks to offset against reimbursement. A county shall not request reimbursement for and reimbursement payments shall not be paid for a charge that is more than 12 months after the date of service or original status determination when initially submitted by the county.

(2) All service providers shall submit a request for payment within 12 months after the date of service. Any request for payment submitted 12 months or more after the date of service requires the provider to submit an exception request to the county or the department for approval or denial.

(3) The county is not subject to any offset, chargeback, or reimbursement liability for prior expenditures resulting from an error in foster care fund source determinations.

Sec. 551. The department shall respond to counties within 30 days regarding any request for a clarification requested through the department's child care fund management unit electronic mail address.

Sec. 552. Sixty days after a county's child care fund on-site review is completed, the department shall provide the results of the review to the county. The department shall not evaluate the relevancy, quality, effectiveness, efficiency, or impact of the services provided to youth of the county's child care fund programs in the review. Pursuant to state law, the department shall not release the results of the review to a third-party without the permission of the county being reviewed.

Sec. 558. From the funds appropriated in part 1 for child welfare institute, by January 1 of the current fiscal year, the department shall provide all the necessary training and materials to designated private child placing agency staff in order for all pre-service training requirements specified by the settlement to be completed by private child placing agency staff at agency facilities. It shall be department policy that the designated private child placing agency staff trained by the department to deliver training are authorized to deliver pre-service training to any private child placing agency staff, regardless of agency. This section does not modify or amend current licensing, certification, or subject matter standards required by federal law, state law, or the settlement.

Sec. 559. (1) From the funds appropriated in part 1 for adoption support services, the department shall allocate \$250,000.00 to the Adoptive Family Support Network by December 1 of the current fiscal year to operate and expand its adoptive parent mentor program to provide a listening ear, knowledgeable guidance, and community connections to adoptive parents and children who were adopted in this state or another state.

(2) The Adoptive Family Support Network shall submit to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office by March 1 of the current fiscal year a report on the program described in subsection (1), including, but not limited to, the number of cases served and the number of cases in which the program prevented an out-of-home placement.

Sec. 562. The department shall provide time and travel reimbursements for foster parents who transport a foster child to parent-child visitations. As part of the foster care parent contract, the department shall provide written confirmation to foster parents that states that the foster parents have the right to request these reimbursements for all parent-child visitations. The department shall provide these reimbursements within 60 days of receiving a request for eligible reimbursements from a foster parent.

Sec. 564. (1) The department shall develop a clear policy for parent-child visitations. The local county offices, caseworkers, and supervisors shall meet an 85% success rate, after accounting for factors outside of the caseworkers' control.

(2) Per the court-ordered number of required meetings between caseworkers and a parent, the caseworkers shall achieve a success rate of 85%, after accounting for factors outside of the caseworkers' control.

(3) By March 1 of the current fiscal year, the department shall provide to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office a report on the following:

(a) The percentage of success rate for parent-child visitations and court-ordered required meetings between caseworkers referenced in subsections (1) and (2) for the previous year.

(b) The barriers to achieve the success rates in subsections (1) and (2) and how this information is tracked.

Sec. 567. The department shall submit to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office by March 1 of the current fiscal year a report on transfer of medical passports for children in foster care, including the following:

(a) From the total medical passports transferred, the percentage that transferred within 2 weeks from the date of placement or return to the home.

(b) From the total school records, the percentage that transferred within 2 weeks from the date of placement or return to the home.

(c) The implementation steps that have been taken to improve the outcomes for the measures in subdivision (a).

Sec. 569. The department shall reimburse private child placing agencies that complete adoptions at the rate according to the date on which the petition for adoption and required support documentation was accepted by the court and not according to the date the court's order placing for adoption was entered.

Sec. 573. (1) From the funds appropriated in part 1 for foster care payments and child care fund, the department shall, if funds become available, pay providers of foster care services a per diem daily administrative rate for every case on a caseworker's caseload for the duration of a case from referral acceptance to the discharge of wardship.

(2) The department shall complete an actuarial study to review case rates paid to private child placing agencies every even-numbered year.

(3) The department shall submit a request to the settlement monitor to define caseload ratios in the settlement to only include active cases or to designate a zero case weight for cases that are routed for case closure but remain open to complete administrative activities.

Sec. 574. (1) From the funds appropriated in part 1 for foster care payments, \$2,000,000.00 is allocated to support performance-based contracts with child placing agencies to facilitate the licensure of relative caregivers as foster parents. Agencies shall receive \$4,500.00 for each facilitated licensure if completed within 180 days after case acceptance, or, if a waiver was previously approved, 180 days from the referral date. If the facilitated licensure, or approved waiver, is completed after 180 days, the agency shall receive up to \$3,500.00. The agency facilitating the licensure would retain the placement and continue to provide case management services for the newly licensed cases for which the placement was appropriate to the agency. The 180-day period shall not include any delay due to actions solely in the control of the department as accounted for by the child placing agency assisting with licensure.

(2) By March 1 of the current fiscal year, the department shall submit to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, the house and senate policy offices, and the state budget office a report on the total amount expended in the previous year for payments to child placing agencies for completed licensures of relative caregivers as foster parents as referenced in subsection (1) and the number of newly licensed caregivers for which the child placing agencies received these payments.

(3) From the funds appropriated for foster care payments, \$375,000.00 is allocated to support family incentive grants to private and community-based foster care service providers to assist with home improvements or payment for physical exams for applicants needed by foster families to accommodate foster children.

(4) By March 1 of the current fiscal year, the department shall submit to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, the house and senate policy offices, and the state budget office a report on the total amount expended in the previous year for grants to private and community-based foster care service providers for home improvements or physical exams as referenced in subsection (3) and the number of grants issued.

Sec. 583. By March 1 of the current fiscal year, the department shall provide to the senate and house appropriations subcommittees on the department budget, the senate and house standing committees on families and human services, the senate and house fiscal agencies and policy offices, and the state budget office a report that includes:

(a) The number and percentage of foster parents that dropped out of the program in the previous fiscal year and the reasons the foster parents left the program and how those figures compare to prior fiscal years.

(b) The number and percentage of foster parents successfully retained in the previous fiscal year and how those figures compare to prior fiscal years.

Sec. 585. The department shall make available at least 1 pre-service training class each month in which new caseworkers for private foster care and adoption agencies can enroll.

Sec. 588. (1) Concurrently with public release, the department shall transmit all reports from the court-appointed settlement monitor, including, but not limited to, the needs assessment and period outcome reporting, to the state budget office, the senate and house appropriations subcommittees on the department budget, and the senate and house fiscal agencies and policy offices, without revision.

(2) By October 1 of the current fiscal year, the department shall submit to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the policy offices a detailed plan that will terminate and dismiss with prejudice the settlement by September 30 of the current fiscal year.

Sec. 589. (1) From the funds appropriated in part 1 for child care fund, the department shall pay 100% of the administrative rate for all new cases referred to providers of foster care services.

(2) On a quarterly basis, the department shall report on the monthly number of all foster care cases administered by the department and all foster care cases administered by private providers.

Sec. 594. From the funds appropriated in part 1 for foster care payments, the department shall support regional resource teams to provide for the recruitment, retention, and training of foster and adoptive parents and shall expand the Michigan youth opportunities initiative to all Michigan counties. The purpose of this funding is to increase the number of annual inquiries from prospective foster parents, increase the number of nonrelative foster homes that achieve licensure each year, increase the annual retention rate of nonrelative foster homes, reduce the number of older foster youth placed outside of family settings, and provide older youth with enhanced support in transitioning to adulthood.

Sec. 595. (1) Due to the exigent circumstances found in the department's children's protective services (CPS) program by the office of the auditor general (OAG) audit number 431-1285-16, from the funds appropriated in part 1, the department shall expend \$162,849,600.00 for children's protective services - caseload staff in order to dedicate resources to CPS investigations. The department shall hire staff from the funds appropriated in part 1 for children's protective services - caseload staff for the department to come into compliance and sustain measured corrective action as determined by the OAG for OAG audit number 431-1285-16.

(2) From the funds appropriated in part 1 for foster care services - caseload staff, the department shall not expend any funds on hiring foster care workers or licensing workers and shall not assume any direct supervisory responsibility of foster care cases unless 1 of the following conditions is met:

(a) An initial review of the case indicated that the case is not eligible for title IV-E reimbursement.

(b) The department is already providing direct foster care service to 1 or more siblings of the child ordered into a placement, and a department direct service provision can provide placement to the entire sibling group.

(c) The court has ordered placement for only some of the children in the family, requiring the department to monitor the children remaining at home.

(3) From the funds appropriated in part 1 for foster care payments, all new foster care cases coming into care shall be placed with a private child placing agency supervision unless any of the conditions in subsection (1) are met or until the statewide ratio of foster care cases is 55% for private child placing agency supervision to 45% department case management supervision respectively.

(4) This section does not require an individual county to meet the case ratio described in subsection (3).

(5) This section does not modify or amend caseload ratios required under the settlement.

Sec. 596. (1) From the funds appropriated in part 1 for youth in transition, the department shall maintain the recent \$500,000.00 state general fund/general purpose revenue increase to funding to support the runaway and homeless youth services program. The purpose of the additional funding is to support current programs for contracted providers that provide emergency shelter and services to homeless and runaway youth.

(2) From the funds appropriated in part 1 for runaway and homeless youth services program, the department shall allocate \$300,000.00 state general fund/general purpose revenue and \$500,000.00 TANF revenue to increase funding to support runaway and homeless youth services programs. The purpose of the additional funding is to support current programs for contracted providers that provide emergency shelter and services to homeless and runaway youth.

(3) By March 1 of the current fiscal year, the department shall submit to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, the house and senate policy offices, and the state budget office a report on the total amount expended for runaway and homeless youth services programs in the previous year, as well as the total number of shelter nights for youth provided.

Sec. 598. Partial child care fund reimbursements to counties for undisputed charges shall be made within 45 business days after the receipt of the required forms and documentation. The department shall notify a county within 15 business days after a disputed reimbursement request. The department shall reimburse for corrected charges within 45 business days after a properly corrected submission by the county.

#### **PUBLIC ASSISTANCE**

Sec. 601. Whenever a client agrees to the release of his or her name and address to the local housing authority, the department shall request from the local housing authority information regarding whether the housing unit for which vrending has been requested meets applicable local housing codes. Vending shall be terminated for those units that the local authority indicates in writing do not meet local housing codes until such time as the local authority indicates in writing that local housing codes have been met.

Sec. 602. The department shall conduct a full evaluation of an individual's assistance needs if the individual has applied for disability more than 1 time within a 1-year period.

Sec. 603. For any change in the income of a recipient of the food assistance program, the family independence program, or state disability assistance that results in a benefit decrease, the department must notify the affected recipient of the decrease in benefits amount no later than 15 work days for the food assistance program, the family independence program, and state disability assistance before the first day of the month in which the change takes effect.

Sec. 604. (1) The department shall operate a state disability assistance program. Except as provided in subsection (3), persons eligible for this program shall include needy citizens of the United States or aliens exempted from the supplemental security income citizenship requirement who are at least 18 years of age or emancipated minors meeting 1 or more of the following requirements:

(a) A recipient of supplemental security income, social security, or medical assistance due to disability or 65 years of age or older.

(b) A person with a physical or mental impairment that meets federal supplemental security income disability standards, except that the minimum duration of the disability shall be 90 days. Substance use disorder alone is not defined as a basis for eligibility.

(c) A resident of an adult foster care facility, a home for the aged, a county infirmary, or a substance use disorder treatment center.

(d) A person receiving 30-day postresidential substance use disorder treatment.

(e) A person diagnosed as having acquired immunodeficiency syndrome.

(f) A person receiving special education services through the local intermediate school district.

(g) A caretaker of a disabled person who meets the requirements specified in subdivision (a), (b), (e), or (f).

(2) Applicants for and recipients of the state disability assistance program shall be considered needy if they:

(a) Meet the same asset test as is applied for the family independence program.

(b) Have a monthly budgetable income that is less than the payment standards.

(3) Except for a person described in subsection (1)(c) or (d), a person is not disabled for purposes of this section if his or her drug addiction or alcoholism is a contributing factor material to the determination of disability. "Material to the determination of disability" means that, if the person stopped using drugs or alcohol, his or her remaining physical or mental limitations would not be disabling. If his or her remaining physical or mental limitations would be disabling, then the drug addiction or alcoholism is not material to the determination of disability and the person may receive state disability assistance. Such a person must actively participate in a substance abuse treatment program, and the assistance must be paid to a third party or through vendor payments. For purposes of this section, substance abuse treatment includes receipt of inpatient or outpatient services or participation in alcoholics anonymous or a similar program.

Sec. 605. The level of reimbursement provided to state disability assistance recipients in licensed adult foster care facilities shall be the same as the prevailing supplemental security income rate under the personal care category.

Sec. 606. County department offices shall require each recipient of family independence program and state disability assistance who has applied with the social security administration for supplemental security income to sign a contract to repay any assistance rendered through the family independence program or state disability assistance program upon receipt of retroactive supplemental security income benefits.

Sec. 607. (1) The department's ability to satisfy appropriation deductions in part 1 for state disability assistance/supplemental security income recoveries and public assistance recoupment revenues shall not be limited to recoveries and accruals pertaining to state disability assistance, or family independence assistance grant payments provided only in the current fiscal year, but may include revenues collected during the current year that are prior year related and not a part of the department's accrued entries.

(2) The department may use supplemental security income recoveries to satisfy the deduct in any line in which the revenues are appropriated, regardless of the source from which the revenue is recovered.

Sec. 608. Adult foster care facilities providing domiciliary care or personal care to residents receiving supplemental security income or homes for the aged serving residents receiving supplemental security income shall not require those residents to reimburse the home or facility for care at rates in excess of those legislatively authorized. To the extent permitted by federal law, adult foster care facilities and homes for the aged serving residents receiving supplemental security income shall not be prohibited from accepting third-party payments in addition to supplemental security income if the payments are not for food, clothing, shelter, or result in a reduction in the recipient's supplemental security income payment.

Sec. 609. The state supplementation level under the supplemental security income program for the personal care/adult foster care and home for the aged categories shall not be reduced during the current fiscal year. The legislature shall be notified not less than 30 days before any proposed reduction in the state supplementation level.

Sec. 610. (1) In developing good cause criteria for the state emergency relief program, the department shall grant exemptions if the emergency resulted from unexpected expenses related to maintaining or securing employment.

(2) For purposes of determining housing affordability eligibility for state emergency relief, a group is considered to have sufficient income to meet ongoing housing expenses if their total housing obligation does not exceed 75% of their total net income.

(3) State emergency relief payments shall not be made to individuals who have been found guilty of fraud in regard to obtaining public assistance.

(4) State emergency relief payments shall not be made available to persons who are out-of-state residents or illegal immigrants.

(5) State emergency relief payments for rent assistance shall be distributed directly to landlords and shall not be added to Michigan bridge cards.

Sec. 611. The state supplementation level under the supplemental security income program for the living independently or living in the household of another categories shall not exceed the minimum state supplementation level as required under federal law or regulations.

Sec. 613. (1) The department shall provide reimbursements for the final disposition of indigent persons. The reimbursements shall include the following:

(a) The maximum allowable reimbursement for the final disposition is \$800.00.

(b) The adult burial with services allowance is \$725.00.

(c) The adult burial without services allowance is \$490.00.

(d) The infant burial allowance is \$170.00.

(2) Reimbursement for a cremation permit fee of up to \$75.00 and for mileage at the standard rate will be made available for an eligible cremation. The reimbursements under this section shall take into consideration religious preferences that prohibit cremation.

Sec. 614. The department shall report to the senate and house of representatives appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the senate and house policy offices by January 15 of the current fiscal year on the number and percentage of state disability assistance recipients who were determined to be eligible for federal supplemental security income benefits in the previous fiscal year.

Sec. 615. Except as required by federal law or regulations, funds appropriated in part 1 shall not be used to provide public assistance to a person who is an illegal alien. This section shall not prohibit the department from entering into contracts with food banks, emergency shelter providers, or other human services agencies who may, as a normal part of doing business, provide food or emergency shelter.

Sec. 616. The department shall require retailers that participate in the electronic benefits transfer program to charge no more than \$2.50 in fees for cash back as a condition of participation.

Sec. 618. By March 1 of the current fiscal year, the department shall report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office the quarterly number of supervised individuals who have absconded from supervision and whom a law enforcement agency, the department of corrections, or the department is actively seeking according to section 84 of the corrections code of 1953, 1953 PA 232, MCL 791.284.



Sec. 619. (1) Subject to subsection (2), the department shall not deny title IV-A assistance and food assistance benefits under 21 USC 862a to any individual who has been convicted of a single felony that included the possession, use, or distribution of a controlled substance, for which the act that resulted in the conviction occurred after August 22, 1996, if the individual is not in violation of his or her probation or parole requirements. Benefits shall be provided to an individual, if the individual is the grantee (head of household), as follows:

(a) Family independence program benefits must be paid in the form of restricted payments when the grantee has been convicted, for conduct occurring after August 22, 1996, of a felony for the use, possession, or distribution of a controlled substance.

(b) An authorized representative shall be required for food assistance receipt. If the individual with the conviction is not the grantee, the food assistance shall be provided to the grantee.

(2) Subject to federal approval, an individual is not entitled to the exemption in this section if the individual was convicted of 2 or more separate felony acts that included the possession, use, or distribution of a controlled substance and both acts occurred after August 22, 1996.

Sec. 620. (1) The department shall make a determination of Medicaid eligibility not later than 90 days if disability is an eligibility factor. For all other Medicaid applicants, including patients of a nursing home, the department shall make a determination of Medicaid eligibility within 45 days of application.

(2) The department shall provide quarterly reports to the senate and house appropriations subcommittees on the department budget, the senate and house standing committees on families and human services, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office on the average Medicaid eligibility standard of promptness for each of the required standards of promptness under subsection (1) and for medical review team reviews achieved statewide and at each local office.

Sec. 625. From the funds appropriated in part 1 for SSI advocacy legal services grant, the department shall allocate \$175,000.00 as a grant to the Legal Services Association of Michigan (LSAM). The purpose of the grant is to assist current or potential recipients of state disability assistance who have applied for or wish to apply for SSI or other federal disability benefits. LSAM shall provide a list of new recipients to the department to verify services provided to department referrals. The department shall distribute informational materials or literature provided by LSAM to clients who have been referred to LSAM for assistance under this section. LSAM and the department shall develop release forms to share information in appropriate cases. LSAM shall provide quarterly reports indicating cases opened, cases closed, level of services provided on closed cases, and case outcomes on closed cases.

Sec. 645. An individual or family is considered homeless, for purposes of eligibility for state emergency relief, if living temporarily with others in order to escape domestic violence. For purposes of this section, domestic violence is defined and verified in the same manner as in the department's policies on good cause for not cooperating with child support and paternity requirements.

Sec. 653. From the funds appropriated in part 1 for food assistance, an individual who is the victim of domestic violence and does not qualify for any other exemption may be exempt from the 3-month in 36-month limit on receiving food assistance under 7 USC 2015. This exemption can be extended an additional 3 months upon demonstration of continuing need.

Sec. 654. The department shall notify recipients of food assistance program benefits that their benefits can be spent with their bridge cards at many farmers' markets in the state. The department shall also notify recipients about the Double Up Food Bucks program that is administered by the Fair Food Network. Recipients shall receive information about the Double Up Food Bucks program, including information that when the recipient spends \$20.00 at participating farmers' markets through the program, the recipient can receive an additional \$20.00 to buy Michigan produce.

Sec. 655. Within 14 days after the spending plan for low-income home energy assistance program is approved by the state budget office, the department shall provide the spending plan, including itemized projected expenditures, to the chairpersons of the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office.

Sec. 660. From the funds appropriated in part 1 for Food Bank Council of Michigan, the department is authorized to make allocations of TANF funds only to the agencies that report necessary data to the department for the purpose of meeting TANF eligibility reporting requirements. The agencies that do not report necessary data to the department for the purpose of meeting TANF eligibility reporting requirements will not receive allocations in excess of those received in fiscal year 2000. The use of TANF funds under this section is not an ongoing commitment of funding.

Sec. 669. From the funds appropriated in part 1 for family independence program, the department shall allocate \$7,230,000.00 for the annual clothing allowance. The allowance shall be granted to all eligible children in a family independence program group.

Sec. 672. (1) The department's office of inspector general shall report to the senate and house of representatives appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the senate and house policy offices by February 15 of the current fiscal year on department efforts to reduce inappropriate use of Michigan bridge cards. The department shall provide information on the number of recipients of services who used their electronic benefit transfer card inappropriately and the current status of each case, the number of recipients whose benefits were revoked, whether permanently or temporarily, as a result of inappropriate use, and the number of retailers that were fined or removed from the electronic benefit transfer program for permitting inappropriate use of the cards. The report shall distinguish between savings and cost avoidance. Savings include receivables established from instances of fraud committed. Cost avoidance includes expenditures avoided due to front-end eligibility investigations and other preemptive actions undertaken in the prevention of fraud.

(2) It shall be the policy of the department that the department shall require an explanation from a recipient if a bridge card is replaced more than 2 times over any 3-month period.

(3) As used in this section, "inappropriate use" means not used to meet a family's ongoing basic needs, including food, clothing, shelter, utilities, household goods, personal care items, and general incidentals.

Sec. 677. (1) The department shall establish a state goal for the percentage of family independence program cases involved in employment activities. The percentage established shall not be less than 50%. The goal for long-term employment shall be 15% of cases for 6 months or more.

(2) The department shall provide quarterly reports to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies and policy offices, and the state budget director on the number of cases referred to Partnership. Accountability. Training. Hope. (PATH), the current percentage of family independence program cases involved in PATH employment activities, an estimate of the current percentage of family independence program cases that meet federal work participation requirements on the whole, and an estimate of the current percentage of the family independence program cases that meet federal work participation requirements for those cases referred to PATH.

(3) The department shall submit to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office quarterly reports that include all of the following:

- (a) The number and percentage of nonexempt family independence program recipients who are employed.
- (b) The average and range of wages of employed family independence program recipients.
- (c) The number and percentage of employed family independence program recipients who remain employed for 6 months or more.

Sec. 686. (1) The department shall ensure that program policy requires caseworkers to confirm that individuals presenting personal identification issued by another state seeking assistance through the family independence program, food assistance program, state disability assistance program, or medical assistance program are not receiving benefits from any other state.

(2) The department shall require caseworkers to confirm the address provided by any individual seeking family independence program benefits or state disability assistance benefits.

(3) The department shall prohibit individuals with property assets assessed at a value higher than \$200,000.00 from accessing assistance through department-administered programs, unless such a prohibition would violate federal rules and guidelines.

(4) The department shall require caseworkers to obtain an up-to-date telephone number during the eligibility determination or redetermination process for individuals seeking medical assistance benefits.

Sec. 687. (1) The department shall, in quarterly reports, compile and make available on its website all of the following information about the family independence program, state disability assistance, the food assistance program, Medicaid, and state emergency relief:

- (a) The number of applications received.
- (b) The number of applications approved.
- (c) The number of applications denied.
- (d) The number of applications pending and neither approved nor denied.
- (e) The number of cases opened.
- (f) The number of cases closed.
- (g) The number of cases at the beginning of the quarter and the number of cases at the end of the quarter.

(2) The information provided under subsection (1) shall be compiled and made available for the state as a whole and for each county and reported separately for each program listed in subsection (1).

(3) The department shall, in quarterly reports, compile and make available on its website the family independence program information listed as follows:

- (a) The number of new applicants who successfully met the requirements of the 21-day assessment period for PATH.

(b) The number of new applicants who did not meet the requirements of the 21-day assessment period for PATH.

(c) The number of cases sanctioned because of the school truancy policy.

(d) The number of cases closed because of the 48-month and 60-month lifetime limits.

(e) The number of first-, second-, and third-time sanctions.

(f) The number of children ages 0-5 living in FIP-sanctioned households.

Sec. 688. From the funds appropriated in part 1 for the low-income home energy assistance program, the department shall make an additional \$20.01 payment to each food assistance program case that is not currently eligible for the standard utility allowance to enable each case to receive expanded food assistance benefits through the program commonly known as the heat and eat program.

#### **CHILDREN'S SERVICES AGENCY - JUVENILE JUSTICE**

Sec. 701. Unless required from changes to federal or state law or at the request of a provider, the department shall not alter the terms of any signed contract with a private residential facility serving children under state or court supervision without written consent from a representative of the private residential facility.

Sec. 706. Counties shall be subject to 50% chargeback for the use of alternative regional detention services, if those detention services do not fall under the basic provision of section 117e of the social welfare act, 1939 PA 280, MCL 400.117e, or if a county operates those detention services programs primarily with professional rather than volunteer staff.

Sec. 707. In order to be reimbursed for child care fund expenditures, counties are required to submit department-developed reports to enable the department to document potential federally claimable expenditures. This requirement is in accordance with the reporting requirements specified in section 117a(11) of the social welfare act, 1939 PA 280, MCL 400.117a.

Sec. 708. (1) As a condition of receiving funds appropriated in part 1 for the child care fund line item, by October 15 of the current fiscal year, counties shall have an approved service spending plan for the current fiscal year. Counties must submit the service spending plan for the following fiscal year to the department by August 15 of the current fiscal year for approval. Upon submission of the county service spending plan, the department shall approve within 30 calendar days after receipt of a properly completed service plan that complies with the requirements of the social welfare act, 1939 PA 280, MCL 400.1 to 400.119b. The department shall notify and submit county service spending plan revisions to any county whose county service spending plan is not accepted upon initial submission. The department shall not request any additional revisions to a county service spending plan outside of the requested revision notification submitted to the county by the department. The department shall notify a county within 30 days after approval that its service plan was approved.

(2) Counties must submit amendments to current fiscal year county service plans no later than August 30. Counties must submit current fiscal year payable estimates to the department no later than September 15.

(3) The department shall submit a report to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, the house and senate policy offices, and the state budget office by February 15 of the current fiscal year on the number of counties that fail to submit a service spending plan by August 15 of the previous fiscal year and the number of service spending plans not approved by October 15. The report shall include the number of county service spending plans that were not approved as first submitted by the counties, as well as the number of plans that were not approved by the department after being resubmitted by the county with the first revisions that were requested by the department.

Sec. 709. The department's master contract for juvenile justice residential foster care services shall prohibit contractors from denying a referral for placement of a youth, or terminating a youth's placement, if the youth's assessed treatment needs are in alignment with the facility's residential program type, as identified by the court or the department. In addition, the master contract shall require that youth placed in juvenile justice residential foster care facilities must have regularly scheduled treatment sessions with a licensed psychologist or psychiatrist, or both, and access to the licensed psychologist or psychiatrist as needed.

#### **FIELD OPERATIONS AND SUPPORT SERVICES**

Sec. 807. From the funds appropriated in part 1 for Elder Law of Michigan MiCAFE contract, the department shall allocate not less than \$350,000.00 to the Elder Law of Michigan MiCAFE to assist this state's elderly population in participating in the food assistance program. Of the \$350,000.00 allocated under this section, the department shall use \$175,000.00, which are general fund/general purpose funds, as state matching funds for not less than \$175,000.00 in United States Department of Agriculture funding to provide outreach program activities, such as eligibility screening and information services, as part of a statewide food assistance hotline.

Sec. 808. By March 1 of the current fiscal year, the department shall provide a report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office on the nutrition education program. The report

shall include requirements made by the agriculture improvement act of 2018, Public Law 115-334, such as how the department shall use an electronic reporting system to evaluate projects and an accounting of allowable state agency administrative costs. The report shall also include documentation of the steps the department shall take to ensure that projects and subgrantee programs are evidence-based, appropriated for, and meet the criteria for eligible individuals as defined in section 2036a(a) of the food and nutrition act, 7 USC 2036, and quantitative evidence that the programs contribute to a reduction in obesity or an increase in the consumption of healthy foods. Additionally, the report shall include planned allocation and actual expenditures for the supplemental nutrition assistance program education funding, planned and actual grant amounts for the supplemental nutrition assistance program education funding, the total amount of expected carryforward balance at the end of the current fiscal year for the supplemental nutrition assistance program education funding and for each subgrantee program, a list of all supplemental nutrition assistance program education funding programs by implementing agency, and the stated purpose of each of the programs and each of the subgrantee programs.

Sec. 809. (1) The purpose of the pathways to potential program is to reduce chronic absenteeism and decrease the number of students who repeat grades for schools that are current or future participants in the pathways to potential program. Before any deployment of resources into a participant school, the department and the participant school shall establish performance objectives for each participant school based on a 2-year baseline prior to pathways to potential being established in the participant school and shall evaluate the progress made in the above categories from the established baseline. By March 1 of the current fiscal year, the department shall provide to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the senate and house policy offices a report listing all participant schools, the number of staff assigned to each school by participant school, and the percentage of participating schools that achieved improved performance in each of the 2 outcomes listed above compared to the previous year, by each individual outcome. It is the intent of the legislature that after a 2-year period without attaining an increase in success in meeting the 2 listed outcomes from the established baseline, the department shall work with the participant school to examine the cause of the lack of progress and shall seek to implement a plan to increase success in meeting the identified outcomes. It is the intent of the legislature that progress or the lack of progress made in meeting the performance objectives shall be used as a determinant in future pathways to potential resource allocation decisions.

(2) As used in this section, "baseline" means the initial set of data from the center for educational performance and information in the department of technology, management, and budget of the 2 measured outcomes as described in subsection (1).

Sec. 825. From the funds appropriated in part 1, the department shall provide individuals not more than \$500.00 for vehicle repairs, including any repairs done in the previous 12 months. However, the department may in its discretion pay for repairs up to \$900.00. Payments under this section shall include the combined total of payments made by the department and work participation program.

Sec. 850. (1) The department shall maintain out-stationed eligibility specialists in community-based organizations, community mental health agencies, nursing homes, adult placement and independent living settings, federally qualified health centers, and hospitals unless a community-based organization, community mental health agency, nursing home, adult placement and independent living setting, federally qualified health centers, or hospital requests that the program be discontinued at its facility.

(2) From the funds appropriated in part 1 for donated funds positions, the department shall enter into contracts with agencies that are able and eligible under federal law to provide the required matching funds for federal funding, as determined by federal statute and regulations.

(3) A contract for an assistance payments donated funds position must include, but not be limited to, the following performance metrics:

(a) Meeting a standard of promptness for processing applications for Medicaid and other public assistance programs under state law.

(b) Meeting required standards for error rates in determining programmatic eligibility as determined by the department.

(4) The department shall only fill additional donated funds positions after a new contract has been signed. That position shall also be abolished when the contract expires or is terminated.

(5) The department shall classify as limited-term FTEs any new employees who are hired to fulfill the donated funds position contracts or are hired to fill any vacancies from employees who transferred to a donated funds position.

(6) By March 1 of the current fiscal year, the department shall submit a report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies and policy offices, and the state budget office detailing information on the donated funds positions, including the total number of occupied positions, the total private contribution of the positions, and the total cost to the state for any nonsalary expenditure for the donated funds position employees.

Sec. 851. (1) From the funds appropriated in part 1 for adult services field staff, the department shall seek to reduce the number of older adults who are victims of crime and fraud by increasing the standard of promptness in every county, as measured by commencing an investigation within 24 hours after a report is made to the department, establishing face-to-face contact with the client within 72 hours after a report is made to the department, and completing the investigation within 30 days after a report is made to the department.

(2) The department shall report no later than March 1 of the current fiscal year to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, and the house and senate policy offices on the services provided to older adults who were victims of crime or fraud in the previous fiscal year. The report shall include, but is not limited to, the following by county: the percentage of investigations commenced within 24 hours after a report is made to the department, the number of face-to-face contacts established with the client within 72 hours after a report is made to the department, the number of investigations completed within 30 days after a report is made to the department, and the total number of older adults that were victims of crime or fraud in the previous fiscal year and were provided services by the department as a result of being victims of crime or fraud.

#### **DISABILITY DETERMINATION SERVICES**

Sec. 890. From the funds appropriated in part 1 for disability determination services, the department shall maintain the unit rates in effect on September 30, 2019 for medical consultants performing disability determination services, including physicians, psychologists, and speech-language pathologists.

#### **BEHAVIORAL HEALTH SERVICES ADMINISTRATION AND SPECIAL PROJECTS**

Sec. 901. Except for the pilot projects and demonstration models described in section 298 of this part, the funds appropriated in part 1 are intended to support a system of comprehensive community mental health services under the full authority and responsibility of local CMHSPs or PIHPs in accordance with the mental health code, 1974 PA 258, MCL 330.1001 to 330.2106, the Medicaid provider manual, federal Medicaid waivers, and all other applicable federal and state laws.

Sec. 902. (1) Except for the pilot projects and demonstration models described in section 298 of this part, from the funds appropriated in part 1, final authorizations to CMHSPs or PIHPs shall be made upon the execution of contracts between the department and CMHSPs or PIHPs. The contracts shall contain an approved plan and budget as well as policies and procedures governing the obligations and responsibilities of both parties to the contracts. Each contract with a CMHSP or PIHP that the department is authorized to enter into under this subsection shall include a provision that the contract is not valid unless the total dollar obligation for all of the contracts between the department and the CMHSPs or PIHPs entered into under this subsection for the current fiscal year does not exceed the amount of money appropriated in part 1 for the contracts authorized under this subsection.

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

(a) Any new contracts the department has entered into with CMHSPs or PIHPs that would affect rates or expenditures.

(b) Any amendments to contracts the department has entered into with CMHSPs or PIHPs that would affect rates or expenditures.

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

Sec. 904. (1) By May 31 of the current fiscal year, the department shall provide a report on the CMHSPs, PIHPs, and designated regional entities for substance use disorder prevention and treatment to the members of the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, and the state budget director that includes the information required by this section.

(2) The report shall contain information for each CMHSP, PIHP, and designated regional entity for substance use disorder prevention and treatment, and a statewide summary, each of which shall include at least the following information:

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

(b) Per capita expenditures in total and by client population group and cultural and ethnic groups of the services area, including the deaf and hard of hearing population.

(c) Financial information that, minimally, includes a description of funding authorized; expenditures by diagnosis group, service category, and reimbursement eligibility; and cost information by Medicaid, Healthy Michigan plan, state appropriated non-Medicaid mental health services, local funding, and other fund sources, including administration and funds specified for all outside contracts for services and products. Financial information must include the amount of funding, from each fund source, used to cover clinical services and supports. Service category includes all department-approved services.

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

(e) Information about access to CMHSPs and designated regional entities for substance use disorder prevention and treatment that includes, but is not limited to, the following:

(i) The number of people receiving requested services.

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

(f) The number of second opinions requested under the mental health code, 1974 PA 258, MCL 330.1001 to 330.2106, and the determination of any appeals.

(g) Lapses and carryforwards during the previous fiscal year for CMHSPs, PIHPs, and designated regional entities for substance use disorder prevention and treatment.

(h) Performance indicator information required to be submitted to the department in the contracts with CMHSPs, PIHPs, and designated regional entities for substance use disorder prevention and treatment.

(i) Administrative expenditures of each CMHSP, PIHP, and designated regional entity for substance use disorder prevention and treatment that include a breakout of the salary, benefits, and pension of each executive-level staff and shall include the director, chief executive, and chief operating officers and other members identified as executive staff.

(3) The report shall contain the following information from the previous fiscal year on substance use disorder prevention, education, and treatment programs:

(a) Expenditures stratified by department-designated community mental health entity, by central diagnosis and referral agency, by fund source, by subcontractor, by population served, and by service type.

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

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

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

(4) The department shall include data reporting requirements listed in subsections (2) and (3) in the annual contract with each individual CMHSP, PIHP, and designated regional entity for substance use disorder treatment and prevention.

(5) The department shall take all reasonable actions to ensure that the data required are complete and consistent among all CMHSPs, PIHPs, and designated regional entities for substance use disorder prevention and treatment.

Sec. 905. (1) From the funds appropriated in part 1 for behavioral health program administration, the department shall maintain a psychiatric transitional unit and children's transition support team. These services will augment the continuum of behavioral health services for high-need youth and provide additional continuity of care and transition into supportive community-based services.

(2) Outcomes and performance measures for this initiative include, but are not limited to, the following:

(a) The rate of rehospitalization for youth served through the program at 30 and 180 days.

(b) Measured change in the Child and Adolescent Functional Assessment Scale for children served through the program.

Sec. 907. (1) The amount appropriated in part 1 for community substance use disorder prevention, education, and treatment shall be expended to coordinate care and services provided to individuals with severe and persistent mental illness and substance use disorder diagnoses.

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

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

Sec. 909. From the funds appropriated in part 1 for community substance use disorder prevention, education, and treatment, the department shall use available revenue from the marijuana regulatory fund established in section 604 of the medical marijuana facilities licensing act, 2016 PA 281, MCL 333.27604, to improve physical health; expand access to substance use disorder prevention and treatment services; and strengthen the existing prevention, treatment, and recovery systems.

Sec. 910. The department shall ensure that substance use disorder treatment is provided to applicants and recipients of public assistance through the department who are required to obtain substance use disorder treatment as a condition of eligibility for public assistance.

Sec. 911. (1) The department shall ensure that each contract with a CMHSP or PIHP requires the CMHSP or PIHP to implement programs to encourage diversion of individuals with serious mental illness, serious emotional disturbance, or developmental disability from possible jail incarceration when appropriate.

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

Sec. 912. The department shall contract directly with the Salvation Army Harbor Light program to provide non-Medicaid substance use disorder services if the local coordinating agency or the department confirms the Salvation Army Harbor Light program meets the standard of care. The standard of care shall include, but is not limited to, utilization of the medication assisted treatment option.

Sec. 915. (1) By March 1 of the current fiscal year, the department shall report the following information on the mental health and wellness commission to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, the house and senate policy offices, and the state budget office:

(a) Previous fiscal year expenditures by actionable recommendation of the mental health and wellness commission.

(b) Programs utilized during the previous fiscal year to address each actionable recommendation of the mental health and wellness commission.

(c) Outcomes and performance measures achieved during the previous fiscal year by actionable recommendation of the mental health and wellness commission.

(d) Current fiscal year funding by actionable recommendation of the mental health and wellness commission.

(e) Current fiscal year funding by program utilized to address each actionable recommendation of the mental health and wellness commission.

(2) By April 1 of the current fiscal year, the department shall report on funding within the executive budget proposal for the fiscal year ending September 30, 2021, by actionable recommendation of the mental health and wellness commission to the same report recipients listed in subsection (1).

Sec. 918. On or before the twenty-fifth of each month, the department shall report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the state budget director on the amount of funding paid to PIHPs to support the Medicaid managed mental health care program in the preceding month. The information shall include the total paid to each PIHP, per capita rate paid for each eligibility group for each PIHP, and number of cases in each eligibility group for each PIHP, and year-to-date summary of eligibles and expenditures for the Medicaid managed mental health care program.

Sec. 920. (1) As part of the Medicaid rate-setting process for behavioral health services, the department shall work with PIHP network providers and actuaries to include any state and federal wage and compensation increases that directly impact staff who provide Medicaid-funded community living supports, personal care services, respite services, skill-building services, and other similar supports and services as part of the Medicaid rate.

(2) It is the intent of the legislature that any increased Medicaid rate related to state minimum wage increases shall also be distributed to direct care employees.

Sec. 924. From the funds appropriated in part 1 for autism services, for the purposes of actuarially sound rate certification and approval for Medicaid behavioral health managed care programs, the department shall maintain a fee schedule for autism services reimbursement rates for direct services. Expenditures used for rate setting shall not exceed those identified in the fee schedule. The rates for behavioral technicians shall not be more than \$55.00 per hour.

Sec. 926. (1) From the funds appropriated in part 1 for community substance use disorder prevention, education, and treatment, \$500,000.00 is allocated for a specialized substance use disorder detoxification pilot project administered by a 9-1-1 service district in conjunction with a substance use and case management provider and at a hospital in a city with a population between 95,000 and 97,000 according to the most recent decennial census within a county with a population of at least 1,500,000 according to the most recent decennial census. The hospital must have a wing with at least 10 beds dedicated to stabilizing patients suffering from addiction by providing a specialized trauma therapist as well as a peer support specialist to assist with treatment and counseling.

(2) From the funds appropriated in part 1 for community substance use disorder prevention, education, and treatment, \$500,000.00 is allocated for a specialized substance use disorder detoxification pilot project administered by a nonprofit hospital in a city with a population between 185,000 and 190,000 according to the most recent decennial census within a county with a population between 600,000 and 605,000 according to the most recent decennial census. The hospital must have a wing with at least 3 beds dedicated to

stabilizing patients suffering from addiction by providing a specialized trauma therapist as well as a peer support specialist to assist with treatment and counseling.

(3) The substance use and case management providers receiving funds under this section shall collect and submit to the department data on the outcomes of the pilot project throughout the duration of the pilot project and shall provide a report on the pilot project's outcomes to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, and the state budget office.

Sec. 927. The department shall determine what steps are necessary to allow a behavioral health services provider operating in multiple counties to utilize a single audit or consolidate audits, in whole or in part, in order to reduce the administrative and financial burden on both the service provider and the department. The department shall submit a report identifying potential barriers and solutions to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office by December 31 of the current fiscal year.

Sec. 928. (1) Each PIHP shall provide, from internal resources, local funds to be used as a part of the state match required under the Medicaid program in order to increase capitation rates for PIHPs. These funds shall not include either state funds received by a CMHSP for services provided to non-Medicaid recipients or the state matching portion of the Medicaid capitation payments made to a PIHP.

(2) It is the intent of the legislature that any funds that lapse from the funds appropriated in part 1 for Medicaid mental health services shall be redistributed to individual CMHSPs as a reimbursement of local funds on a proportional basis to those CMHSPs whose local funds were used as state Medicaid match. By April 1 of the current fiscal year, the department shall report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office on the lapse by PIHP from the previous fiscal year and the projected lapse by PIHP in the current fiscal year.

(3) It is the intent of the legislature that the amount of local funds used in subsection (1) be phased out and offset with state general fund/general purpose revenue in equal amounts over a 5-year period.

(4) Until the local funds are phased out as described in subsection (3), each PIHP shall not be required to provide local funds, used as part of the state match required under the Medicaid program in order to increase capitation rates for PIHPs, at an amount greater than what each PIHP received from local units of government during the fiscal year ending September 30, 2018 for this purpose.

Sec. 935. A county required under the provisions of the mental health code, 1974 PA 258, MCL 330.1001 to 330.2106, to provide matching funds to a CMHSP for mental health services rendered to residents in its jurisdiction shall pay the matching funds in equal installments on not less than a quarterly basis throughout the fiscal year, with the first payment being made by October 1 of the current fiscal year.

Sec. 940. (1) According to section 236 of the mental health code, 1974 PA 258, MCL 330.1236, the department shall do both of the following:

(a) Review expenditures for each CMHSP to identify CMHSPs with projected allocation surpluses and to identify CMHSPs with projected allocation shortfalls. The department shall encourage the board of a CMHSP with a projected allocation surplus to concur with the department's recommendation to reallocate those funds to CMHSPs with projected allocation shortfalls.

(b) Withdraw unspent funds that have been allocated to a CMHSP if other reallocated funds were expended in a manner not provided for in the approved contract, including expending funds on services and programs provided to individuals residing outside of the CMHSP's geographic region.

(2) A CMHSP that has its funding allocation transferred out or withdrawn during the current fiscal year as described in subsection (1) is not eligible for any additional funding reallocations during the remainder of the current fiscal year, unless that CMHSP is responding to a public health emergency as determined by the department.

(3) CMHSPs shall report to the department on any proposed reallocations described in this section at least 30 days before any reallocations take effect.

(4) The department shall notify the chairs of the appropriation subcommittees on the department budget when a request is made and when the department grants approval for reallocation or withdraw as described in subsection (1). By September 30 of the current fiscal year, the department shall provide a report on the amount of funding reallocated or withdrawn to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office.

Sec. 942. A CMHSP shall provide at least 30 days' notice before reducing, terminating, or suspending services provided by a CMHSP to CMHSP clients, with the exception of services authorized by a physician that no longer meet established criteria for medical necessity.



Sec. 950. From the funds appropriated in part 1 for court-appointed guardian reimbursements, the department shall allocate not more than \$2,700,000.00 to reimburse court-appointed public guardians for recipients who also receive CMHSP services at a reimbursement of \$50.00 per month. It is the intent of the legislature that these funds be used in addition to any other funds currently paid to court-appointed public guardians, but a court-appointed public guardian shall not be compensated more than \$83.00 per month for any CMHSP eligible recipients regardless of funding source. By September 15 of the current fiscal year, the department shall provide a report to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, the house and senate policy offices, and the state budget office on the number of court-appointed public guardians who received these funds, the number of court-appointed public guardians who were also reimbursed by the counties, and the per-month reimbursement rates provided by the counties.

Sec. 959. (1) The department shall continue to convene a workgroup in collaboration with the chairs of the house and senate appropriations subcommittees on the department budget or their designees, CMHSP members, autism services provider clinical and administrative staff, community members, Medicaid autism services clients, and family members of Medicaid autism services clients to make recommendations to ensure appropriate cost and service provision, including, but not limited to, the following:

- (a) Ways to prevent fraud and overdiagnosis.
- (b) Comparison of Medicaid rates for autism services to commercial insurance rates.
- (c) Comparison of diagnosis process between Medicaid, Tricare, and commercial insurance.
- (d) Comparison of the state's Medicaid autism benefit to current best practices in autism treatment.
- (e) Comparison of the state's autism applied behavior analysis (ABA) outcomes with other states.

Outcomes to be compared must include, but are not limited to, the following:

- (i) Number of children enrolled in ABA therapy.
- (ii) Number of children enrolled in non-ABA interventions.
- (iii) ABA benefit utilization and cost per child.
- (iv) Average length of time children enrolled in ABA therapy receive ABA therapy.
- (v) Short- and long-term outcomes for children enrolled in both ABA therapy and non-ABA interventions.
- (f) Evaluation of the diagnostic and outcome factors cited by the autism diagnostic and therapy recommendation pilot project described in section 458 of 2018 PA 618.

(2) By March 1 of the current fiscal year, the department shall provide an update on the workgroup's recommendations to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the state budget office.

Sec. 960. (1) From the funds appropriated in part 1 for autism services, the department shall continue to cover all Medicaid autism services to Medicaid enrollees eligible for the services that were covered on January 1, 2019.

(2) To restrain cost increases in the autism services line item, the department shall do all of the following:

(a) Develop and implement specific written guidance for standardization of Medicaid PIHPs and CMHSPs autism spectrum disorder administrative services, including, but not limited to, reporting requirements, coding, and reciprocity of credentialing and training between PIHPs and CMHSPs to reduce administrative duplication at the PIHP, CMHSP, and service provider levels.

(b) Develop and implement recommended autism diagnosis improvements as determined by the study required under section 458 of 2018 PA 618 to provide for fidelity reviews and secondary approvals of diagnostic and therapy recommendations for children receiving Medicaid who are evaluated for autism services. The department must consider the following when developing their recommendations:

(i) Requiring consultation with the client's diagnostician and CMHSP to approve the client's ongoing therapy every 6 months if the initial treatment would cost more than a monthly threshold amount to be specified by the department.

(ii) Limiting the authority to perform a diagnostic evaluation for Medicaid autism services to qualified licensed practitioners. Qualified licensed practitioners are limited to the following:

(A) A physician with a specialty in psychiatry or neurology.

(B) A physician with a subspecialty in developmental pediatrics, development-behavioral pediatrics, or a related discipline.

(C) A physician with a specialty in pediatrics or other appropriate specialty with training, experience, or expertise in autism spectrum disorders or behavioral health.

(D) A psychologist with a specialty in clinical child psychology, behavioral and cognitive psychology, or clinical neuropsychology, or other appropriate specialty with training, experience, or expertise in autism spectrum disorders or behavioral health.

(E) A clinical social worker working within his or her scope of practice who is qualified and experienced in diagnosing autism spectrum disorders.

(F) An advanced practice registered nurse with training, experience, or expertise in autism spectrum disorders or behavioral health.

(G) A physician assistant with training, experience, or expertise in autism spectrum disorders or behavioral health.

(iii) Requiring that diagnoses made by a clinical social worker must be approved by another qualified licensed practitioner who is not a clinical social worker.

(iv) Requiring that a client whose initial diagnosis was performed by a nurse practitioner or a clinical social worker and who requires at least 20 hours a week of therapy must go through a rediagnosis by a multi-disciplinary team.

(v) Prohibiting CMHSPs from allowing specific providers to provide both diagnosis and treatment services to individual clients.

(c) Coordinate with the department of insurance and financial services oversight for compliance with the Paul Wellstone and Pete Domenici mental health parity and addiction equity act of 2008, Public Law 110-343, as it relates to autism spectrum disorder services, to ensure appropriate cost sharing between public and private payers.

(3) By March 1 of the current fiscal year, the department shall identify a definition of administrative costs for the Medicaid autism benefit and report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office on what the definition of administrative costs for the Medicaid autism benefit is; total autism services spending broken down by PIHP, and CMHSP for the previous fiscal year and current fiscal year; and total administrative costs broken down by PIHP, CMHSP, and type of administrative cost for the previous fiscal year and current fiscal year.

Sec. 961. From the funds appropriated in part 1 for behavioral health program administration, the department shall allocate \$150,000.00 to administer an electronic inpatient psychiatric bed registry consistent with the requirements in section 151 of the mental health code, 1974 PA 258, MCL 330.1151.

Sec. 962. For the purposes of special projects involving high-need children or adults, including the not guilty by reason of insanity population, the department may contract directly with providers of services to these identified populations.

Sec. 963. From the funds appropriated in part 1 for court-ordered assisted outpatient treatment, up to \$1,000,000.00 shall be allocated to address the implementation of court-ordered assisted outpatient treatment as provided under chapter 4 of the mental health code, 1974 PA 258, MCL 330.1400 to 330.1490.

Sec. 964. The department shall develop and implement a standardized fee schedule for all required Medicaid behavioral health services by January 1 of the current fiscal year. The department shall also develop and implement necessary adequacy standards for use in all contracts with PIHPs and CMHSPs.

Sec. 965. The department shall explore requiring that CMHSPs reimburse medication assisted treatment providers no less than \$12.00 per dose, and reimburse drug screen collection at no less than \$12.00 per manual screen.

Sec. 970. The department shall maintain the policies in effect on October 1, 2018 for the federal home and community-based services rule as it relates to skill building assistance services. The skill building assistance services shall remain eligible for federal match until March 17, 2022 as stated in the CMS informational bulletin dated May 9, 2017. From the funds appropriated in part 1, the department shall continue to seek federal matching funds for skill building assistance services.

Sec. 972. From the funds appropriated in part 1 for behavioral health program administration, the department shall allocate \$2,000,000.00 general fund/general purpose revenue and any associated federal revenue to contract for the development, operation, and maintenance of a Michigan community, access, resources, education, and safety (CARES) hotline consistent with the requirements in section 165 of the mental health code, 1974 PA 258, MCL 330.1165. It is the intent of the legislature that this hotline would be available to all residents of this state, including those residing in rural communities.

Sec. 973. By May 1 of the current fiscal year, the department shall provide a report to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, the house and senate policy offices, and the state budget office on evidence-based medically supported protocols for initiation and withdrawal or detoxification from all treatments medically approved by the United States Food and Drug Administration for substance use disorders. The report shall include, but is not limited to, the following:

(a) The percentage of patients on treatments medically approved by the United States Food and Drug Administration for substance use disorders that are transitioned to a comprehensive relapse prevention program that includes a monthly extended-release injectable medication assisted treatment.

(b) Outcomes of different types of comprehensive management programs utilized for all treatments medically approved by the United States Food and Drug Administration for substance use disorders.

(c) Outcomes of different types of evidence-based medically supported protocols for withdrawal or detoxification for all treatments medically approved by the United States Food and Drug Administration, including a monthly extended-release injectable medication-assisted treatment, including instances of patient deaths from overdose that occur within 1 year after the completion of evidence-based medically supported protocols for withdrawal or detoxification.

(d) Whether the department recommends changes in how the department administers, whether directly or through the PIHPs, comprehensive evidence-based treatment protocols for all treatments medically approved by the United States Food and Drug Administration for substance use disorders.

Sec. 974. The department and PIHPs may allow an individual with an intellectual or developmental disability who receives supports and services from a CMHSP to instead receive supports and services from another provider if the individual shows that he or she is eligible and qualified to receive supports and services from another provider. Other providers may include, but are not limited to, MIChoice and program of all-inclusive care for the elderly (PACE).

Sec. 977. From the funds appropriated in part 1 for community substance use disorder prevention, education, and treatment, \$600,000.00 of federal state response to the opioid crisis grant revenue is allocated as grants to high schools specifically designated for students recovering from a substance use disorder to support the costs of counselors, therapeutic staff, and recovery coaching staff, with a priority placed on the cost of substance use disorder counselors. Each grant shall not exceed \$150,000.00 per high school.

Sec. 978. From the funds appropriated in part 1 for community substance use disorder prevention, education, and treatment, the department shall allocate \$600,000.00 of federal state response to the opioid crisis grant revenue to create a competitive grant for recovery community organizations to offer or expand recovery support center services or recovery community center services to individuals seeking long-term recovery from substance use disorders. An organization may not receive a grant in excess of \$150,000.00. In awarding grants, priority shall be placed on recovery community organizations that do the following:

(a) Provide recovery support navigation that includes the following:

(i) Multiple recovery pathways.

(ii) Assisting individuals navigate recovery resources such as detoxification, treatment, recovery housing, support groups, peer support, and family support.

(iii) The promotion of community wellness and engagement.

(iv) Recovery advocacy that provides hope and encourages recovery.

(v) A peer-led, peer-driven organization that offers recovery to any individual seeking recovery from addiction.

(b) Provide recovery outreach education that includes the following:

(i) On-site recovery education in the workplace.

(ii) All staff employee meetings.

(iii) On-site support for employees and family members.

(iv) Connections for employees and family members of employees suffering from addiction to local recovery resources such as treatment, recovery housing, and support groups.

(v) Connections with employers to provide recovery advocacy.

(c) Provide recovery activities and events that include the following:

(i) Safe, ongoing recovery activities and events.

(ii) Opportunities to volunteer and participate in activities and events.

(iii) Opportunities for family members and supporters of recovery to be involved.

(iv) Meetings and activities on nutrition, health, and wellness.

(v) Meetings and activities on mindfulness, meditation, and yoga.

Sec. 979. The department shall review the feasibility of utilizing Medicaid funding for services provided at adult psychiatric residential treatment facilities. By March 1 of the current fiscal year, the department shall report its findings to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, the house and senate policy offices, and the state budget office.

Sec. 994. (1) By January 1 of the current fiscal year, the department shall seek, if necessary, federal approval through either a waiver request or state plan amendment to allow a CMHSP, PIHP, or subcontracting provider agency that is reviewed and accredited by a national accrediting entity for behavioral health care services to be considered in compliance with state program review and audit requirements that are addressed and reviewed by that national accrediting entity.

(2) By April 1 of the current fiscal year, the department shall report to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, and the state budget office all of the following:

(a) The status of the federal approval process required in subsection (1).

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

(c) For each CMHSP, PIHP, or subcontracting provider agency described in subdivision (b), both of the following:

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

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

(3) The department shall continue to comply with state and federal law and shall not initiate an action that negatively impacts beneficiary safety. Any cost savings attributed to this action shall be reinvested back into services.

(4) As used in this section, "national accrediting entity" means the Joint Commission, formerly known as the Joint Commission on Accreditation of Healthcare Organizations, the Commission on Accreditation of Rehabilitation Facilities, the Council on Accreditation, the URAC, formerly known as the Utilization Review Accreditation Commission, the National Committee for Quality Assurance, or another appropriate entity, as approved by the department.

Sec. 995. From the funds appropriated in part 1 for mental health diversion council, \$4,350,000.00 is intended to address the recommendations of the mental health diversion council.

Sec. 996. From the funds appropriated in part 1 for family support subsidy, the department shall make monthly payments of \$229.31 to the parents or legal guardians of children approved for the family support subsidy by a CMHSP.

Sec. 997. The population data used in determining the distribution of substance use disorder block grant funds shall be from the most recent federal census.

Sec. 998. For distribution of state general funds to CMHSPs, if the department decides to use census data, the department shall use the most recent federal census data available.

Sec. 999. Within 30 days after the completion of a statewide PIHP reimbursement audit, the department shall provide the audit report to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, the house and senate policy offices, and the state budget office.

#### **BEHAVIORAL HEALTH SERVICES**

Sec. 1001. By December 31 of the current fiscal year, each CMHSP shall submit a report to the department that identifies populations being served by the CMHSP broken down by program eligibility category. The report shall also include the percentage of the operational budget that is related to program eligibility enrollment. By February 15 of the current fiscal year, the department shall submit the report described in this section to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office.

Sec. 1003. The department shall notify the Community Mental Health Association of Michigan when developing policies and procedures that will impact PIHPs or CMHSPs.

Sec. 1004. The department shall provide the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the state budget office any rebased formula changes to either Medicaid behavioral health services or non-Medicaid mental health services 90 days before implementation. The notification shall include a table showing the changes in funding allocation by PIHP for Medicaid behavioral health services or by CMHSP for non-Medicaid mental health services.

Sec. 1008. PIHPs and CMHSPs shall do all of the following:

(a) Work to reduce administration costs by ensuring that PIHP and CMHSP responsible functions are efficient in allowing optimal transition of dollars to those direct services considered most effective in assisting individuals served. Any consolidation of administrative functions must demonstrate, by independent analysis, a reduction in dollars spent on administration resulting in greater dollars spent on direct services. Savings resulting from increased efficiencies shall not be applied to PIHP and CMHSP net assets, internal service fund increases, building costs, increases in the number of PIHP and CMHSP personnel, or other areas not directly related to the delivery of improved services.

(b) Take an active role in managing mental health care by ensuring consistent and high-quality service delivery throughout its network and promote a conflict-free care management environment.

(c) Ensure that direct service rate variances are related to the level of need or other quantifiable measures to ensure that the most money possible reaches direct services.

(d) Whenever possible, promote fair and adequate direct care reimbursement, including fair wages for direct service workers.

Sec. 1009. (1) From the funds appropriated in part 1 for Medicaid mental health services and Healthy Michigan plan - behavioral health, the department shall maintain the hourly wage for direct care workers from the previous fiscal year. Funds provided in this section must be utilized by a PIHP to maintain the wage

increase for direct care worker wages, for the employer's share of federal insurance contributions act costs, purchasing worker's compensation insurance, or the employer's share of unemployment costs.

(2) Each PIHP shall report to the department by February 1 of the current fiscal year the range of wages paid to direct care workers, including information on the number of direct care workers at each wage level.

(3) The department shall report the information required to be reported according to subsection (2) to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office by March 1 of the current fiscal year.

Sec. 1010. The funds appropriated in part 1 for behavioral health community supports and services must be used to expand assertive community treatment (ACT), forensic assertive community treatment (FACT), and supportive housing and residential programs for the purpose of reducing waiting lists at state-operated hospitals and centers through cost-effective community-based services.

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

Sec. 1051. The department shall continue a revenue recapture project to generate additional revenues from third parties related to cases that have been closed or are inactive. A portion of revenues collected through project efforts may be used for departmental costs and contractual fees associated with these retroactive collections and to improve ongoing departmental reimbursement management functions.

Sec. 1052. The purpose of gifts and bequests for patient living and treatment environments is to use additional private funds to provide specific enhancements for individuals residing at state-operated facilities. Use of the gifts and bequests shall be consistent with the stipulation of the donor. The expected completion date for the use of gifts and bequests donations is within 3 years unless otherwise stipulated by the donor.

Sec. 1053. The funds appropriated in part 1 for behavioral health facility contingency are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

Sec. 1055. (1) The department shall not implement any closures or consolidations of state hospitals, centers, or agencies until CMHSPs or PIHPs have programs and services in place for those individuals currently in those facilities and a plan for service provision for those individuals who would have been admitted to those facilities.

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

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

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

Sec. 1056. The department may collect revenue for patient reimbursement from first- and third-party payers, including Medicaid and local county CMHSP payers, to cover the cost of placement in state hospitals and centers. The department is authorized to adjust financing sources for patient reimbursement based on actual revenues earned. If the revenue collected exceeds current year expenditures, the revenue may be carried forward with approval of the state budget director. The revenue carried forward shall be used as a first source of funds in the subsequent year.

Sec. 1057. From the funds appropriated in part 1 for Kalamazoo Psychiatric Hospital, the department shall appropriate \$1,000,000.00 to hire additional staff at the Kalamazoo Psychiatric Hospital.

Sec. 1058. Effective October 1 of the current fiscal year, the department, in consultation with the department of technology, management, and budget, may maintain a bid process to identify 1 or more private contractors to provide food service and custodial services for the administrative areas at any state hospital identified by the department as capable of generating savings through the outsourcing of such services.

Sec. 1059. (1) The department shall identify specific outcomes and performance measures for state-operated hospitals and centers, including, but not limited to, the following:

(a) The average wait time for persons determined incompetent to stand trial before admission to the center for forensic psychiatry.

(b) The average wait time for persons determined incompetent to stand trial before admission to other state-operated psychiatric facilities.

(c) The number of persons waiting to receive services at the center for forensic psychiatry.

(d) The number of persons waiting to receive services at other state-operated hospitals and centers.

(e) The number of persons determined not guilty by reason of insanity or incompetent to stand trial by an order of a probate court that have been determined to be ready for discharge to the community, and the average wait time between being determined to be ready for discharge to the community and actual community placement.

(f) The number of persons denied services at the center for forensic psychiatry.

(g) The number of person denied services at other state-operated hospitals and centers.

(2) By March 1 of the current fiscal year, the department shall report to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, the house and senate policy offices, and the state budget office on the outcomes and performance measures in subsection (1).

Sec. 1060. (1) The department shall continue to convene a workgroup that meets at least quarterly in collaboration with the chairs of the house and senate appropriations subcommittees on the department budget or their designees, labor union representation, civil service, and any other appropriate parties to recommend solutions to address mandatory overtime, staff turnover, and staff retention at the state psychiatric hospitals and centers, including, but not limited to, permitting retired workers to return, permitting 12-hour shifts, and permitting hiring of part-time workers.

(2) By March 1 of the current fiscal year, the department shall provide a status update on the department's implementation of the workgroup's recommendations to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the state budget office. The report shall include, but is not limited to, the following:

(a) Descriptions of the measures being implemented.

(b) Descriptions of the measures not being implemented and barriers preventing implementation.

(c) The number of direct care and clinical staff positions that are currently vacant by hospital.

(d) A breakdown of voluntary and mandatory overtime hours worked by position and by hospital.

(e) The ranges of wages paid by position and by hospital.

Sec. 1061. The funds appropriated in part 1 for Caro Regional Mental Health Center shall only be utilized to support a psychiatric hospital located at its current location. It is the intent of the legislature that the Caro Regional Mental Health Center shall remain open and operational at its current location on an ongoing basis. Capital outlay funding shall be utilized for planning and construction of a new or updated facility at the current location instead of at a new location.

#### **HEALTH AND HUMAN SERVICES POLICY AND INITIATIVES**

Sec. 1140. From the funds appropriated in part 1 for primary care services, \$400,000.00 shall be allocated to free health clinics operating in the state. The department shall distribute the funds equally to each free health clinic. For the purpose of this appropriation, "free health clinics" means nonprofit organizations that use volunteer health professionals to provide care to uninsured individuals.

Sec. 1141. From the funds appropriated in part 1 for Michigan essential health provider, \$1,000,000.00 of general fund/general purpose revenue shall be appropriated to assist in the repayment of a medical education loan for a participating physician who enters into a contract to work with an employer for no less than 2 years in a federally designated health provider shortage area with a population no greater than 40,000 according to the most recent decennial census.

Sec. 1142. The department shall continue to seek means to increase retention of Michigan medical school students for completion of their primary care residency requirements within this state and ultimately, for some period of time, to remain in this state and serve as primary care physicians. The department is encouraged to work with Michigan institutions of higher education.

Sec. 1143. From the funds appropriated in part 1 for primary care services, the department shall allocate no less than \$675,000.00 for island primary health care access and services including island clinics, in the following amounts:

(a) Beaver Island, \$250,000.00.

(b) Mackinac Island, \$250,000.00.

(c) Drummond Island, \$150,000.00.

(d) Bois Blanc Island, \$25,000.00.

Sec. 1144. (1) From the funds appropriated in part 1 for health policy administration, the department shall allocate the federal state innovation model grant funding that supports implementation of the health delivery system innovations detailed in this state's "Reinventing Michigan's Health Care System: Blueprint for Health Innovation" document. This initiative will test new payment methodologies, support improved population health outcomes, and support improved infrastructure for technology and data sharing and reporting. The funds will be used to provide financial support directly to regions participating in the model test and to support statewide stakeholder guidance and technical support.

(2) Outcomes and performance measures for the initiative under subsection (1) include, but are not limited to, the following:

(a) Increasing the number of physician practices fulfilling patient-centered medical home functions.

(b) Reducing inappropriate health utilization, specifically reducing preventable emergency department visits, reducing the proportion of hospitalizations for ambulatory sensitive conditions, and reducing this state's 30-day hospital readmission rate.

(3) On a semiannual basis, the department shall submit a written report to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, and the state budget office on the status of the program and progress made since the prior report.

(4) From the funds appropriated in part 1 for health policy administration, any data aggregator created as part of the allocation of the federal state innovation model grant funds must meet the following standards:

(a) The primary purpose of the data aggregator must be to increase the quality of health care delivered in this state, while reducing costs.

(b) The data aggregator must be governed by a nonprofit entity.

(c) All decisions regarding the establishment, administration, and modification of the database must be made by an advisory board. The membership of the advisory board must include the director of the department or a designee of the director and representatives of health carriers, consumers, and purchasers.

(d) The Michigan Data Collaborative shall be the data aggregator to receive health care claims information from, without limitation, commercial health carriers, nonprofit health care corporations, health maintenance organizations, and third party administrators that process claims under a service contract.

(e) The data aggregator must use existing data sources and technological infrastructure, to the extent possible.

Sec. 1145. The department will take steps necessary to work with Indian Health Service, tribal health program facilities, or Urban Indian Health Program facilities that provide services under a contract with a Medicaid managed care entity to ensure that those facilities receive the maximum amount allowable under federal law for Medicaid services.

Sec. 1150. The department shall coordinate with the department of licensing and regulatory affairs, the department of the attorney general, all appropriate law enforcement agencies, and the Medicaid health plans to reduce fraud related to opioid prescribing within Medicaid, and to address other appropriate recommendations of the prescription drug and opioid abuse task force outlined in its report of October 2015. By October 1 of the current fiscal year, the department shall submit a report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office on steps the department has taken to coordinate with the entities listed in this section and other stakeholders to reduce fraud related to opioid prescribing, and to address other appropriate recommendations of the task force.

Sec. 1151. The department shall coordinate with the department of licensing and regulatory affairs, the department of the attorney general, all appropriate law enforcement agencies, and the Medicaid health plans to work with local substance use disorder agencies and addiction treatment providers to help inform Medicaid beneficiaries of all medically appropriate treatment options for opioid addiction when their treating physician stops prescribing prescription opioid medication for pain, and to address other appropriate recommendations of the prescription drug and opioid abuse task force outlined in its report of October 2015. By October 1 of the current fiscal year, the department shall submit a report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office on how the department is working with local substance use disorder agencies and addiction treatment providers to ensure that Medicaid beneficiaries are informed of all available and medically appropriate treatment options for opioid addiction when their treating physician stops prescribing prescription opioid medication for pain, and to address other appropriate recommendations of the task force. The report shall include any potential barriers to medication-assisted treatment, as recommended by the Michigan medication-assisted treatment guidelines, for Medicaid beneficiaries in both office-based opioid treatment and opioid treatment program facility settings.

Sec. 1152. The Michigan rehabilitation services shall work collaboratively with the bureau of services for blind persons, service organizations, and government entities to identify qualified match dollars to maximize use of available federal vocational rehabilitation funds.

Sec. 1153. The department shall provide an annual report by February 1 to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, the house and senate policy offices, and the state budget office on efforts taken to improve the Michigan rehabilitation services. The report shall include all of the following items:

(a) Reductions and changes in administration costs and staffing.

(b) Service delivery plans and implementation steps achieved.

(c) Reorganization plans and implementation steps achieved.

(d) Plans to integrate Michigan rehabilitative services programs into other services provided by the department.

(e) Quarterly expenditures by major spending category.

(f) Employment and job retention rates from both Michigan rehabilitation services and its nonprofit partners.

(g) Success rate of each district in achieving the program goals.

Sec. 1154. (1) From the funds appropriated in part 1 for Michigan rehabilitation services, the department shall allocate \$50,000.00 along with available federal match to support the provision of vocational rehabilitation services to eligible agricultural workers with disabilities. Authorized services shall assist agricultural workers with disabilities in acquiring or maintaining quality employment and independence.

(2) By March 1 of the current fiscal year, the department shall report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office on the total number of clients served and the total amount of federal matching funds obtained throughout the duration of the program.

Sec. 1155. (1) It is the intent of the legislature that Michigan rehabilitation services shall not implement an order of selection for vocational and rehabilitative services. If the department is at risk of entering into an order of selection for services, the department shall notify the chairs of the senate and house appropriations subcommittees on the department budget and the senate and house fiscal agencies and policy offices within 2 weeks of receiving notification.

(2) It is the intent of the legislature that the department coordinate with Michigan rehabilitation services, Michigan Works!, local technological and trade schools and programs, local community mental health offices, and other local entities, public and private, in order to fully utilize open Michigan rehabilitation services programming space, regardless of eligibility criteria.

Sec. 1156. From the funds appropriated in part 1 for Michigan rehabilitation services, the department shall allocate \$6,100,300.00, including federal matching funds, to service authorizations with community-based rehabilitation organizations for an array of needed services throughout the rehabilitation process.

Sec. 1158. (1) Funds appropriated in part 1 for independent living shall be used to support the general operations of centers for independent living in delivering mandated independent living services in compliance with federal rules and regulations for the centers, by existing centers for independent living to serve underserved areas, and for projects to build the capacity of centers for independent living to deliver independent living services. Applications for the funds shall be reviewed in accordance with criteria and procedures established by the department. The funds appropriated in part 1 may be used to leverage federal vocational rehabilitation funds up to \$5,543,000.00, if available. If the possibility of matching federal funds exists, the centers for independent living network will negotiate a mutually beneficial cooperative agreement with Michigan rehabilitation services. Funds shall be used in a manner consistent with the state plan for independent living. Services provided should assist people with disabilities to move toward self-sufficiency, including support for accessing transportation and health care, obtaining employment, community living, nursing home transition, information and referral services, education, youth transition services, veterans, and stigma reduction activities and community education. This includes the independent living guide services that specifically focus on economic self-sufficiency.

(2) The Michigan centers for independent living shall provide a report by March 1 of the current fiscal year to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, the house and senate policy offices, and the state budget office on direct customer and system outcomes and performance measures.

#### **EPIDEMIOLOGY AND POPULATION HEALTH**

Sec. 1180. From the funds appropriated in part 1 for epidemiology administration and for childhood lead program, the department shall maintain a public health drinking water unit and maintain enhanced efforts to monitor child blood lead levels. The public health drinking water unit shall ensure that appropriate investigations of potential health hazards occur for all community and noncommunity drinking water supplies where chemical exceedances of action levels, health advisory levels, or maximum contaminant limits are identified. The goals of the childhood lead program shall include improving the identification of affected children, the timeliness of case follow-up, and attainment of nurse care management for children with lead exposure, and to achieve a long-term reduction in the percentage of children in this state with elevated blood lead levels.

Sec. 1181. From the funds appropriated in part 1 for epidemiology administration, the department shall maintain a vapor intrusion response unit. The vapor intrusion response unit shall assess risks to public health at vapor intrusion sites and respond to vapor intrusion risks where appropriate. The goals of the vapor intrusion response unit shall include reducing the number of residents of this state exposed to toxic substances through vapor intrusion and improving health outcomes for individuals that are identified as having been exposed to vapor intrusion.

Sec. 1182. (1) From the funds appropriated in part 1 for the healthy homes program, no less than \$4,607,400.00 of general fund/general purpose funds and \$20,942,600.00 of federal funds shall be allocated for lead abatement of homes.



(2) By January 1 of the current fiscal year, the department shall provide a report to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, and the state budget office on the expenditures and activities undertaken by the lead abatement program in the previous fiscal year from the funds appropriated in part 1 for the healthy homes program. The report shall include, but is not limited to, a funding allocation schedule, expenditures by category of expenditure and by subcontractor, revenues received, description of program elements, and description of program accomplishments and progress.

#### **LOCAL HEALTH AND ADMINISTRATIVE SERVICES**

Sec. 1220. The amount appropriated in part 1 for implementation of the 1993 additions of or amendments to sections 9161, 16221, 16226, 17014, 17015, and 17515 of the public health code, 1978 PA 368, MCL 333.9161, 333.16221, 333.16226, 333.17014, 333.17015, and 333.17515, shall be used to reimburse local health departments for costs incurred related to implementation of section 17015(18) of the public health code, 1978 PA 368, MCL 333.17015.

Sec. 1221. If a county that has participated in a district health department or an associated arrangement with other local health departments takes action to cease to participate in such an arrangement after October 1 of the current fiscal year, the department shall have the authority to assess a penalty from the local health department's operational accounts in an amount equal to no more than 6.25% of the local health department's essential local public health services funding. This penalty shall only be assessed to the local county that requests the dissolution of the health department.

Sec. 1222. (1) Funds appropriated in part 1 for essential local public health services shall be prospectively allocated to local health departments to support immunizations, infectious disease control, sexually transmitted disease control and prevention, hearing screening, vision services, food protection, public water supply, private groundwater supply, and on-site sewage management. Food protection shall be provided in consultation with the department of agriculture and rural development. Public water supply, private groundwater supply, and on-site sewage management shall be provided in consultation with the department of environment, Great Lakes, and energy.

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

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

(4) By December 1 of the current fiscal year, the department shall provide a report to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, and the state budget director on the planned allocation of the funds appropriated for essential local public health services.

Sec. 1225. The department shall work with the Michigan health endowment fund corporation established under section 653 of the nonprofit health care corporation reform act, 1980 PA 350, MCL 550.1653, to explore ways to fund and evaluate current and future policies and programs.

Sec. 1226. From the funds appropriated in part 1 for chronic disease control and health promotion administration, \$1,000,000.00 shall be allocated for a school children's healthy exercise program to promote and advance physical health for school children in kindergarten through grade 8. The department shall recommend model programs for sites to implement that incorporate evidence-based best practices. The department shall grant no less than 1/2 of the funds appropriated in part 1 for before- and after-school programs. The department shall establish guidelines for program sites, which may include schools, community-based organizations, private facilities, recreation centers, or other similar sites. The program format shall encourage local determination of site activities and shall encourage local inclusion of youth in the decision-making regarding site activities. Program goals shall include children experiencing improved physical health and access to physical activity opportunities, the reduction of obesity, providing a safe place to play and exercise, and nutrition education. To be eligible to participate, program sites shall provide a 20% match to the state funding, which may be provided in full, or in part, by a corporation, foundation, or private partner. The department shall seek financial support from corporate, foundation, or other private partners for the program or for individual program sites.

Sec. 1227. The department shall establish criteria for all funds allocated for health and wellness initiatives. The criteria must include a requirement that all programs funded be evidence-based and supported by research, include interventions that have been shown to demonstrate outcomes that lower cost and improve quality, and be designed for statewide impact. Preference must be given to programs that utilize the funding as match for additional resources, including, but not limited to, federal sources.

Sec. 1228. (1) From the funds appropriated in part 1 for injury control intervention project, \$1,500,000.00 shall be allocated for implementation of evidence-based, real-time, quality assurance decision support software in the treatment of traumatic brain injury and for protocols that are to be available to all hospitals providing those trauma services. The funds shall be used to purchase statewide licenses for traumatic brain injury treatment software and related software services and to offset hospital software integration costs. The department shall seek federal matching funds that may be available for implementation of this section.

(2) By March 1 of the current fiscal year, the department shall report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office on both of the following:

- (a) Expenditures broken down by purpose of expenditure.
- (b) Expenditures broken down by hospital.

Sec. 1231. (1) From the funds appropriated for local health services, up to \$4,750,000.00 shall be allocated for grants to local public health departments to support PFAS response and emerging public health threat activities. A portion of the funding shall be allocated by the department in a collaborative fashion with local public health departments in jurisdictions experiencing PFAS contamination. The remainder of the funding shall be allocated to address infectious and vector-borne disease threats, and other environmental contamination issues such as vapor intrusion, drinking water contamination, and lead exposure. The funding shall be allocated to address issues including, but not limited to, staffing, planning and response, and creation and dissemination of materials related to PFAS contamination issues and other emerging public health issues and threats.

(2) By February 1 of the current fiscal year, the department shall provide a report to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, and the state budget office on actual expenditures in the previous fiscal year and planned spending in the current fiscal year of the funds described in subsection (1), including recipient entities, amount of allocation, general category of allocation, and detailed uses.

Sec. 1232. It is the intent of the legislature that the United States Department of Defense shall reimburse the state for costs associated with PFAS and environmental contamination response at military training sites and support facilities.

Sec. 1233. General fund and state restricted fund appropriations in part 1 shall not be expended for PFAS and environmental contamination response where federal funding or private grant funding is available for the same expenditures.

Sec. 1234. (1) By October 1 of the current fiscal year, the department shall implement the distribution formula for the allocation of essential local public health services funding to local health departments as specified by section 1234 of article X of 2018 PA 207.

(2) From the funds appropriated in part 1 for essential local public health services, each local public health department is allocated not less than the amount allocated to that local public health department during the previous fiscal year.

Sec. 1238. The department shall establish a workgroup to determine the cost of establishing lead elimination and response. By March 1 of the current fiscal year, the department shall provide a report on the findings of the workgroup to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, the house and senate policy offices, and the state budget director.

Sec. 1239. The department shall participate in and give necessary assistance to the Michigan PFAS action response team (MPART) pursuant to Executive Order No. 2019-03. The department shall collaborate with MPART and other departments to carry out appropriate activities, actions, and recommendations as coordinated by MPART. Efforts shall be continuous to ensure that the department's activities are not duplicative with activities of another department or agency.

#### **FAMILY HEALTH SERVICES**

Sec. 1301. (1) Before April 1 of the current fiscal year, the department shall submit a report to the house and senate fiscal agencies and the state budget director on planned allocations from the amounts appropriated in part 1 for local MCH services, prenatal care outreach and service delivery support, family planning local agreements, and pregnancy prevention programs. Using applicable federal definitions, the report shall include information on all of the following:

- (a) Funding allocations.

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

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

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

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

Sec. 1302. Each family planning program receiving federal title X family planning funds under 42 USC 300 to 300a-8 shall be in compliance with all performance and quality assurance indicators that the office of population affairs within the United States Department of Health and Human Services specifies in the program guidelines for project grants for family planning services. An agency not in compliance with the indicators shall not receive supplemental or reallocated funds.

Sec. 1303. The department shall not contract with an organization that provides elective abortions, abortion counseling, or abortion referrals, for services that are to be funded with state restricted or state general fund/general purpose funds appropriated in part 1 for family planning local agreements. An organization under contract with the department shall not subcontract with an organization that provides elective abortions, abortion counseling, or abortion referrals, for services that are to be funded with state restricted or state general fund/general purpose funds appropriated in part 1 for family planning local agreements.

Sec. 1304. The department shall not use state restricted funds or state general funds, or allow grantees or subcontractors to use those funds, appropriated in part 1 in the pregnancy prevention program or family planning local agreements appropriation line items for abortion counseling, referrals, or services.

Sec. 1305. (1) From the funds appropriated in part 1 for family planning local agreements and the pregnancy prevention program, the department shall not contract with or award grants to an entity that engages in 1 or more of the activities described in section 1(2) of 2002 PA 360, MCL 333.1091, if the entity is located in a county or health district where family planning or pregnancy prevention services are provided by the county, the health district, or a qualified entity that does not engage in any of the activities described in section 1(2) of 2002 PA 360, MCL 333.1091.

(2) The department shall give priority to counties or health districts where no contracts or grants currently exist for family planning or pregnancy prevention services before contracting with or awarding grants to an entity that engages in 1 or more of the activities described in section 1(2) of 2002 PA 360, MCL 333.1091, if that entity is located in a county where family planning and pregnancy prevention services are provided by the county, the health district, or another qualified entity that does not engage in the activities described in section 1(2) of 2002 PA 360, MCL 333.1091.

Sec. 1307. From the funds appropriated in part 1 for prenatal care outreach and service delivery support, \$700,000.00 of TANF revenue shall be allocated for a pregnancy and parenting support services program, which must promote childbirth, alternatives to abortion, and grief counseling. The department shall establish a program with a qualified contractor that will contract with qualified service providers to provide free counseling, support, and referral services to eligible women during pregnancy through 12 months after birth. As appropriate, the goals for client outcomes shall include an increase in client support, an increase in childbirth choice, an increase in adoption knowledge, an improvement in parenting skills, and improved reproductive health through abstinence education. The contractor of the program shall provide for program training, client educational material, program marketing, and annual service provider site monitoring. The department shall submit a report to the house and senate appropriations subcommittees on the department budget and the house and senate fiscal agencies by April 1 of the current fiscal year on the number of clients served.

Sec. 1308. From the funds appropriated in part 1 for prenatal care outreach and service delivery support, not less than \$500,000.00 of funding shall be allocated for evidence-based programs to reduce infant mortality including nurse family partnership programs. The funds shall be used for enhanced support and education to nursing teams or other teams of qualified health professionals, client recruitment in areas designated as underserved for obstetrical and gynecological services and other high-need communities, strategic planning to expand and sustain programs, and marketing and communications of programs to raise awareness, engage stakeholders, and recruit nurses.

Sec. 1309. The department shall allocate funds appropriated in section 117 of part 1 for family, maternal, and child health according to section 1 of 2002 PA 360, MCL 333.1091.

Sec. 1310. Each family planning program receiving federal title X family planning funds under 42 USC 300 to 300a-8 must be in compliance with all title X rules established by the Office of Population Affairs within the United States Department of Health and Human Services. The department shall monitor all title X family planning programs to ensure compliance with all federal title X rules. An agency not in compliance with the rules shall not receive supplemental or reallocated funds.

Sec. 1311. From the funds appropriated in part 1 for prenatal care outreach and service delivery support, not less than \$2,750,000.00 state general fund/general purpose funds shall be allocated for a rural home visit program. Equal consideration shall be given to all eligible evidence-based providers in all regions in contracting for rural home visitation services.

Sec. 1312. From the funds appropriated in part 1 for prenatal care and premature birth avoidance grant, the department shall allocate \$1,000,000.00 as a grant to help fulfill contract obligations between the department and a federal Healthy Start Program located in a county with a population between 600,000 and 610,000 according to the most recent decennial census. To be eligible to receive funding, the organization must be a partnership between various health agencies, and utilize a social impact bonding strategy approved by the department to enhance support to underserved populations for prenatal care and premature birth avoidance.

Sec. 1313. (1) The department shall continue developing an outreach program on fetal alcohol syndrome services, targeting health promotion, prevention, and intervention as described in the Michigan fetal alcohol spectrum disorders 5-year plan 2015-2020.

(2) The department shall explore federal grant funding to address prevention services for fetal alcohol syndrome and reduce alcohol consumption among pregnant women.

(3) By February 1 of the current fiscal year, the department shall provide a report to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, and the state budget office on planned spending of appropriations within the department budget for fetal alcohol syndrome projects and services, including appropriation line item, agency or recipient entities, amount and purpose of allocation, and detailed uses.

Sec. 1314. The department shall seek to enhance education and outreach efforts that encourage women of childbearing age to seek confirmation at the earliest indication of possible pregnancy and initiate continuous and routine prenatal care upon confirmation of pregnancy. The department shall seek to ensure that department programs, policies, and practices promote prenatal and obstetrical care by doing the following:

- (a) Supporting access to care.
- (b) Reducing and eliminating barriers to care.
- (c) Supporting recommendations for best practices.
- (d) Encouraging optimal prenatal habits such as prenatal medical visits, use of prenatal vitamins, and cessation of use of tobacco, alcohol, or drugs.
- (e) Tracking of birth outcomes to study improvements in prevalence of fetal drug addiction, fetal alcohol syndrome, and other preventable neonatal disease.
- (f) Tracking of maternal increase in healthy behaviors following childbirth.

Sec. 1315. (1) From the funds appropriated in part 1 for dental programs, \$150,000.00 shall be allocated to the Michigan Dental Association for the administration of a volunteer dental program that provides dental services to the uninsured.

(2) By December 1 of the current fiscal year, the department shall report to the senate and house appropriations subcommittees on the department budget, the senate and house standing committees on health policy, the senate and house fiscal agencies, and the state budget office the number of individual patients treated, number of procedures performed, and approximate total market value of those procedures from the previous fiscal year.

Sec. 1316. The department shall use revenue from mobile dentistry facility permit fees received under section 21605 of the public health code, 1978 PA 368, MCL 333.21605, to offset the cost of the permit program.

Sec. 1317. (1) From the funds appropriated in part 1 for dental programs, \$1,550,000.00 of general fund/general purpose revenue and any associated federal match shall be distributed to local health departments who partner with a qualified nonprofit provider of dental services for the purpose of providing high-quality dental homes for seniors, children, and adults enrolled in Medicaid, and low-income uninsured.

(2) In order to be considered a qualified nonprofit provider of dental services, the provider must demonstrate the following:

- (a) An effective health insurance enrollment process for uninsured patients.
  - (b) An effective process of charging patients on a sliding scale based on the patient's ability to pay.
  - (c) Utilization of additional fund sources including, but not limited to, federal Medicaid matching funds.
- (3) Providers shall report to the department by September 30 of the current fiscal year on outcomes and performance measures for the program under this section including, but not limited to, the following:
- (a) The number of uninsured patients who visited a participating dentist over the previous year, broken down between adults and children.
  - (b) The number of patients assisted with health insurance enrollment, broken down between adults and children.
  - (c) A 5-year trend of the number of uninsured patients being served, broken down between adults and children.

- (d) The number of unique patient visits by center.
  - (e) The number of unique Medicaid or Healthy Michigan plan patients served broken down by center.
  - (f) The number of children, seniors, and veterans served broken down by center.
  - (g) The total value of services rendered by the organization broken down by center.
- (4) Within 15 days after receipt of the report required in subsection (3), the department shall provide a copy of the report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office.

Sec. 1319. From the funds appropriated in part 1 for dental programs, \$2,000,000.00 shall be allocated for an oral health assessment program for children entering public school kindergarten. The program shall provide assessments free of charge to children who do not have dental coverage. The department shall consider cost-effectiveness and quality of services when awarding contracts to administer and provide services under this program. The department shall not mandate that local health departments provide assessments. It is the

intent of the legislature that, if needed, non-state matching funding shall be procured in an equivalent amount to support the costs of the program.

Sec. 1320. It is the intent of the legislature that funds appropriated in part 1 that may be expended for a public media campaign regarding publicly funded family planning or pregnancy prevention services shall not be used to communicate in that media campaign any message that implies, states, or can be interpreted to mean that abortion is a method of family planning or pregnancy prevention.

Sec. 1340. The department shall include national brand options on the list of approved women, infants, and children special supplemental nutrition program basket items for all categories.

Sec. 1341. The department shall utilize income eligibility and verification guidelines established by the Food and Nutrition Service agency of the United States Department of Agriculture in determining eligibility of individuals for the special supplemental nutrition program for women, infants, and children (WIC) as stated in current WIC policy.

#### **EMERGENCY MEDICAL SERVICES, TRAUMA, AND PREPAREDNESS**

Sec. 1350. The department shall not require a life support agency that does not charge for its services to submit data to the Michigan emergency medical services information system or any other quality improvement program.

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

Sec. 1360. The department may do 1 or more of the following:

- (a) Provide special formula for eligible clients with specified metabolic and allergic disorders.
- (b) Provide medical care and treatment to eligible patients with cystic fibrosis who are 21 years of age or older.
- (c) Provide medical care and treatment to eligible patients with hereditary coagulation defects, commonly known as hemophilia, who are 21 years of age or older.
- (d) Provide human growth hormone to eligible patients.

Sec. 1361. From the funds appropriated in part 1 for medical care and treatment, the department may spend those funds for the continued development and expansion of telemedicine capacity to allow families with children in the children's special health care services program to access specialty providers more readily and in a more timely manner. The department may spend funds to support chronic complex care management of children enrolled in the children's special health care services program to minimize hospitalizations and reduce costs to the program while improving outcomes and quality of life.

#### **AGING AND ADULT SERVICES AGENCY**

Sec. 1402. The department may encourage the Food Bank Council of Michigan to collaborate directly with each area agency on aging and any other organizations that provide senior nutrition services to secure the food access of vulnerable seniors.

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

- (a) The recipient's degree of frailty.
- (b) The recipient's inability to prepare his or her own meals safely.
- (c) Whether the recipient has another care provider available.
- (d) Any other qualifications normally necessary for the recipient to receive home-delivered meals.

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

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

- (a) The total allocation of state resources made to each area agency on aging by individual program and administration.
- (b) Detail expenditure by each area agency on aging by individual program and administration including both state-funded resources and locally funded resources.

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

Sec. 1422. (1) From the funds appropriated in part 1 for aging and adult services administration, not less than \$300,000.00 shall be allocated for the department to contract with the Prosecuting Attorneys Association of Michigan to provide the support and services necessary to increase the capability of the state's prosecutors, adult protective service system, and criminal justice system to effectively identify, investigate, and prosecute elder abuse and financial exploitation.

(2) By March 1 of the current fiscal year, the Prosecuting Attorneys Association of Michigan shall provide a report on the efficacy of the contract to the state budget office, the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, and the house and senate policy offices.

Sec. 1425. The department shall coordinate with the department of licensing and regulatory affairs to ensure that, upon receipt of the order of suspension of a licensed adult foster care home, home for the aged, or nursing home, the department of licensing and regulatory affairs shall provide notice to the department, to the house and senate appropriations subcommittees on the department budget, and to the members of the house and senate that represent the legislative districts of the county in which the facility lies.

#### **MEDICAL SERVICES ADMINISTRATION**

Sec. 1501. The unexpended funds appropriated in part 1 for the electronic health records incentive program are designated as a work project appropriation, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures for projects under this section until the projects have been completed. The following is in compliance with section 451a(1) of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the work project is to implement the Medicaid electronic health record program that provides financial incentive payments to Medicaid health care providers to encourage the adoption and meaningful use of electronic health records to improve quality, increase efficiency, and promote safety.

(b) The projects will be accomplished by utilizing state employees or contracts with service providers, or both, and according to the approved federal advanced planning document.

(c) The total estimated cost of the work project is \$37,501,000.00.

(d) The tentative completion date is September 30, 2024.

Sec. 1502. Except as otherwise provided under state law, if the department issues a new interpretation of existing Medicaid provider policy directly affecting nursing facility Medicaid cost reports, that change in policy must have a prospective effective date. A policy may have a retrospective effective date as part of a state plan amendment approval or waiver approval, or if required by state law, federal law, or judicial ruling.

Sec. 1504. (1) From the funds appropriated in part 1 for medical services administration, the department shall allocate \$200,000.00 of general fund/general purpose revenue and any associated federal match toward the existing cloud-based analytics platform for Medicaid claims to focus on behavioral health services. The vendor shall identify areas of best practice, cost reduction, opportunities for quality improvement, and comparative cost analysis among providers, hospitals, and managed care organizations. Through the existing platform, the vendor shall facilitate specific analysis of the unique behavioral health cohort of patients that compares specific episodic metrics combined with substance use disorder data for the same time period. The data analysis shall include the ability to adjust for variations in patient risk and acuity differences when comparing performance across regions and hospitals. Specific analytics for this cohort shall provide data analysis on, but not be limited to, the following:

(a) Readmission rates.

(b) Mortality rates and complication rates.

(c) Total episode costs, including pre- and post-discharge costs, across high-volume episodes of care.

(2) Within 30 days after the end of the previous fiscal quarter, the department shall make available state medical assistance program claims data from the previous quarter, without charge, to the vendor in subsection (1).

Sec. 1505. By March 1 of the current fiscal year, the department shall submit a report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the state budget office on the actual reimbursement savings and cost offsets that have resulted from the funds appropriated in part 1 for the office of inspector general and third party liability efforts in the previous fiscal year.

Sec. 1506. The department shall submit to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office quarterly reports on the implementation status of the public assistance call center that include all of the following information:

(a) Call volume during the prior quarter.

(b) Percentage of calls resolved through the public assistance call center.

(c) Percentage of calls transferred to a local department office or other office for resolution.

Sec. 1507. From the funds appropriated in part 1 for office of inspector general, the inspector general shall audit and recoup inappropriate or fraudulent payments from Medicaid managed care organizations to health care providers. Unless authorized by federal or state law, the department shall not fine, temporarily halt operations of, disenroll as a Medicaid provider, or terminate a managed care organization or health care provider from providing services due to the discovery of an inappropriate payment found during the course of an audit.

Sec. 1508. (1) From the funds appropriated in part 1 for medical services administration, \$700,000.00 is appropriated for the operation and maintenance of the Michigan dental registry in support of the enhanced dental benefit for the Healthy Kids Dental program. Additionally, the department shall explore the expansion of the scope of the Michigan dental registry to enhance the Medicaid adult dental benefit for pregnant women.

(2) The department shall monitor childhood caries preventative services delivered to pediatric Medicaid recipients in both medical and dental settings. By March 1 of the current fiscal year, the department shall submit a report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office on the results of the program. The report shall include, but not be limited to, all of the following:

(a) Comparative data on completed referral rates from pediatric medical providers to dental providers.

(b) The reduction of caries in the Medicaid child population.

(c) Any associated long-term or short-term cost savings to the Medicaid program.

Sec. 1509. By September 30 of the current fiscal year, the department shall report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office on the implementation of employment-related activity requirements for medical assistance. The report shall include, but is not limited to, the number of recipients who are noncompliant with the required self-sufficiency goals, an explanation of the actions undertaken, and the number of recipients subject to employment-related activity requirements.

Sec. 1511. On a monthly basis, the department shall work with the department of labor and economic opportunity to report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office on the utilization of workforce development programs by Healthy Michigan plan recipients through Michigan Works!. The report shall include, but not be limited to, all of the following:

(a) The number of recipients currently receiving employment supports and services through workforce development programs.

(b) The total year-to-date number of recipients who have received employment supports and services through workforce development programs.

(c) The number of recipients who secured employment in this state after receiving employment supports and services through workforce development programs.

(d) A summary of employment supports and services provided to recipients through workforce development programs.

Sec. 1513. (1) The department shall create and participate in a workgroup to determine an equitable and adequate reimbursement methodology for Medicaid inpatient psychiatric hospital care. The workgroup shall include representatives from the department, CMHSPs, PIHPs, the Michigan Association of Health Plans, the Michigan Health and Hospital Association, inpatient psychiatric facilities, Blue Cross Blue Shield of Michigan, the Community Mental Health Association of Michigan, and other individuals or organizations as determined appropriate by the department.

(2) By September 30 of the current fiscal year, the workgroup shall report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office on all of the following:

(a) Recommended statewide per diem rate covering professional and facility costs.

(b) A list of factors, with assigned weights, that impact the provision of care in the inpatient psychiatric hospital care and recommendations for addressing those factors. Factors must include, but are not limited to, the following:

(i) Patient severity level, based on APR-DRGs.

(ii) Patient acuity level.

(iii) Involuntary stay.

(iv) Patient violence level.

(v) Presence of a developmental disability.

(vi) Need for 1-1 care.

(vii) State bed transfer for patients awaiting transfer to a state bed.

(c) The recommended state funding level for inpatient psychiatric hospital care to ensure inpatient psychiatric hospital reimbursement is equitable across hospitals and adequately covers hospital costs.

(d) Recommendations for separate additional reimbursement for the following:

(i) High cost capital improvements including nonfunded government mandates.

(ii) Costs to bring involuntary patients to court or telecourt.

(iii) Costs to cover the required 2 weeks of medications at discharge.

(iv) Transitions of care interventions by a hospital social worker when there are additional needs above standard discharge planning.

(v) Telehealth services, including pre-admission screening on inpatient units, assessments by a nonphysician provider, and ongoing psychiatric care.

(vi) Provide funding support for emergency department stays while patients await appropriate transfer or admission.

(vii) Provide reimbursement for mental health evaluation consultations conducted by specialists in the emergency department.

(3) The department shall assist in providing data to inform the workgroup discussion, assist in modeling appropriate reimbursement methods, and assist in developing the final report.

Sec. 1515. A qualified job placement agency may request contact information from the department for Healthy Michigan plan recipients subject to the workforce engagement requirements program in section 107b of the social welfare act, 1939 PA 280, MCL 400.107b, for the geographic region the agency services, who have not verified their employment in the previous quarter and are at risk of losing Medicaid benefits as a result of failure by the recipient to verify employment. This contact information shall not include personal health information or extensive personal identifying information. For the purposes of this section, a “qualified job placement agency” means a regional Michigan Works! agency or another nonprofit, governmental, or quasi-governmental body that provides job placement assistance as designated by the department.

#### **MEDICAL SERVICES**

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

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

Sec. 1606. For the purpose of guardian and conservator charges, the department may deduct up to \$83.00 per month as an allowable expense against a recipient’s income when determining medical services eligibility and patient pay amounts.

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

(2) All qualifying applicants shall be entitled to receive all medically necessary obstetrical and prenatal care without preauthorization from a health plan. All claims submitted for payment for obstetrical and prenatal care shall be paid at the Medicaid fee-for-service rate in the event a contract does not exist between the Medicaid participating obstetrical or prenatal care provider and the managed care plan. The applicant shall receive a listing of Medicaid physicians and managed care plans in the immediate vicinity of the applicant’s residence.

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

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

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

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

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

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



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

Sec. 1620. (1) For fee-for-service Medicaid recipients, the professional dispensing fee for drugs indicated as specialty medications on the Michigan pharmaceutical products list is \$20.02 or the pharmacy's usual or customary cash charge, whichever is less.

(2) For fee-for-service Medicaid recipients, for drugs not indicated as specialty drugs on the Michigan pharmaceutical products list, the professional dispensing fee for medications is as follows:

(a) For medications indicated as preferred on the department's preferred drug list, \$10.80 or the pharmacy's usual or customary cash charge, whichever is less.

(b) For medications not on the department's preferred drug list, \$10.64 or the pharmacy's usual or customary cash charge, whichever is less.

(c) For medications indicated as nonpreferred on the department's preferred drug list, \$9.00 or the pharmacy's usual or customary cash charge, whichever is less.

(3) The department shall require a prescription co-payment for Medicaid recipients not enrolled in the Healthy Michigan plan or with an income less than 100% of the federal poverty level of \$1.00 for a generic drug indicated as preferred on the department's preferred drug list and \$3.00 for a brand-name drug indicated as nonpreferred on the department's preferred drug list, except as prohibited by federal or state law or regulation.

(4) The department shall require a prescription co-payment for Medicaid recipients enrolled in the Healthy Michigan plan with an income of at least 100% of the federal poverty level of \$4.00 for a generic drug indicated as preferred on the department's preferred drug list and \$8.00 for a brand-name drug indicated as nonpreferred on the department's preferred drug list, except as prohibited by federal or state law or regulation.

Sec. 1625. (1) Beginning February 1, 2020, the department shall not enter into any contract with a Medicaid managed care organization that relies on a pharmacy benefit manager that does not do all of the following:

(a) For pharmacies with not more than 7 retail outlets, utilizes a pharmacy reimbursement methodology of the national average drug acquisition cost plus a professional dispensing fee comparable to the applicable professional dispensing fee provided through section 1620. The pharmacy benefit manager or the involved pharmacy services administrative organization shall not receive any portion of the additional professional dispensing fee. The department shall identify the pharmacies this subdivision applies to and provide the list of applicable pharmacies to the Medicaid managed care organizations.

(b) For pharmacies with not more than 7 retail outlets, utilizes a pharmacy reimbursement methodology, when a national average drug acquisition cost price is not available, for brand drugs of the lesser of the wholesale acquisition cost, the average wholesale price less 16.7% plus a professional dispensing fee comparable to the applicable professional dispensing fee provided through section 1620, or the usual and customary charge by the pharmacy. The department shall identify the pharmacies this subdivision applies to and provide the list of applicable pharmacies to the Medicaid managed care organizations.

(c) For pharmacies with not more than 7 retail outlets, utilizes a pharmacy reimbursement methodology, when a national average drug acquisition cost price is not available, for generic drugs of the lesser of wholesale acquisition cost plus a professional dispensing fee comparable to the applicable professional dispensing fee provided through section 1620, average wholesale price less 30.0% plus a professional dispensing fee comparable to the applicable professional dispensing fee provided through section 1620, or the usual and customary charge by the pharmacy. The department shall identify the pharmacies this subdivision applies to and provide the list of applicable pharmacies to the Medicaid managed care organizations.

(d) Reimburses for a legally valid claim at a rate not less than the rate in effect at the time the original claim adjudication as submitted at the point of sale.

(e) Agrees to move to a transparent "pass-through" pricing model, in which the pharmacy benefit manager discloses the administrative fee as a percentage of the professional dispensing costs to the department.

(f) Agrees to not create new pharmacy administration fees and to not increase current fees more than the rate of inflation. This subdivision does not apply to any federal rule or action that creates a new fee.

(g) Agrees to not terminate an existing contract with a pharmacy with not more than 7 retail outlets for the sole reason of the additional professional dispensing fee authorized under this section.

(2) Nothing in this section shall prohibit a Medicaid managed care organization from implementing this section before February 1, 2020.

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

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

(2) Except as otherwise prohibited by federal or state law or regulation, the department shall require Medicaid recipients not enrolled in the Healthy Michigan plan or with an income less than 100% of the federal poverty level to pay not less than the following co-payments:

- (a) Two dollars for a physician office visit.
- (b) Three dollars for a hospital emergency room visit.
- (c) Fifty dollars for the first day of an inpatient hospital stay.
- (d) Two dollars for an outpatient hospital visit.

(3) Except as otherwise prohibited by federal or state law or regulation, the department shall require Medicaid recipients enrolled in the Healthy Michigan plan with an income of at least 100% of the federal poverty level to pay the following co-payments:

- (a) Four dollars for a physician office visit.
- (b) Eight dollars for a hospital emergency room visit.
- (c) One hundred dollars for the first day of an inpatient hospital stay.
- (d) Four dollars for an outpatient hospital visit or any other medical provider visit to the extent allowed by federal or state law or regulation.

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

Sec. 1645. (1) For the current fiscal year, the department shall establish the class I nursing facility current asset value bed limit based on the rolling 15-year history of new construction.

(2) It is the intent of the legislature that, for the fiscal year beginning October 1, 2020, the department shall modify the class I nursing facility current asset value bed limit based on the rolling 15-year history of new construction. The increase in the current asset value bed limit shall not exceed 4% of the limit for the fiscal year beginning October 1, 2019.

Sec. 1646. (1) From the funds appropriated in part 1 for long-term care services, the department shall continue to administer a nursing facility quality measure initiative program. The initiative shall be financed through the quality assurance assessment for nursing homes and hospital long-term care units, and the funds shall be distributed according to the following criteria:

(a) The department shall award more dollars to nursing facilities that have a higher CMS 5-star quality measure domain rating, then adjusted to account for both positive and negative aspects of a patient satisfaction survey.

(b) A nursing facility with a CMS 5-star quality measure domain star rating of 1 or 2 must file an action plan with the department describing how it intends to use funds appropriated under this section to increase quality outcomes before funding shall be released.

(c) The total incentive dollars must reflect the following Medicaid utilization scale:

(i) For nursing facilities with a Medicaid participation rate of above 63%, the facility shall receive 100% of the incentive payment.

(ii) For nursing facilities with a Medicaid participation rate between 50% and 63%, the facility shall receive 75% of the incentive payment.

(iii) For nursing facilities with a Medicaid participation rate of less than 50%, the facility shall receive a payment proportionate to their Medicaid participation rate.

(iv) For nursing facilities not enrolled in Medicaid, the facility shall not receive an incentive payment.

(d) Facilities designated as special focus facilities are not eligible for any payment under this section.

(e) Number of licensed beds.

(2) The department and nursing facility representatives shall evaluate the quality measure incentive program's effectiveness on quality, measured by the change in the CMS 5-star quality measure domain rating since the implementation of quality measure incentive program. By March 1 of the current fiscal year, the department shall report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the senate and house policy offices on the findings of the evaluation.

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

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

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

Sec. 1659. The following sections of this part are the only ones that shall apply to the following Medicaid managed care programs, including the comprehensive plan, MiChoice long-term care plan, and the mental health, substance use disorder, and developmentally disabled services program: 904, 911, 918, 920, 924, 928, 942, 964, 974, 994, 999, 1008, 1009, 1607, 1625, 1657, 1662, 1670, 1673, 1677, 1696, 1697, 1700, 1702, 1704, 1757, 1763, 1764, 1775, 1790, 1791, 1801, 1806, 1807, 1809, 1820, 1837, 1846, 1850, 1859, 1862, 1871, 1874, 1875, 1888, and 1894.

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

(2) The department shall require Medicaid HMOs to provide EPSDT utilization data through the encounter data system, and HEDIS well child health measures in accordance with the National Committee for Quality Assurance prescribed methodology.

(3) The department shall provide a copy of the analysis of the Medicaid HMO annual audited HEDIS reports and the annual external quality review report to the senate and house of representatives appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the state budget director, within 30 days of the department's receipt of the final reports from the contractors.

Sec. 1670. (1) The appropriation in part 1 for the MiChild program is to be used to provide comprehensive health care to all children under age 19 who reside in families with income at or below 212% of the federal poverty level, who are uninsured and have not had coverage by other comprehensive health insurance within 6 months of making application for MiChild benefits, and who are residents of this state. The department shall develop detailed eligibility criteria through the medical services administration public concurrence process, consistent with the provisions of this part and part 1.

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

(3) The department may make payments on behalf of children enrolled in the MiChild program as described in the MiChild state plan approved by the United States Department of Health and Human Services, or from other medical services.

Sec. 1673. The department may establish premiums for MiChild eligible individuals in families with income at or below 212% of the federal poverty level. The monthly premiums shall be \$10.00 per month.

Sec. 1677. The MiChild program shall provide, at a minimum, all benefits available under the Michigan benchmark plan that are delivered through contracted providers and consistent with federal law, including, but not limited to, the following medically necessary services:

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

(b) Outpatient mental health services, other than substance use disorder services, including services furnished in a state-operated mental hospital and community-based services.

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

(d) Dental services as outlined in the approved MiChild state plan.

(e) Substance use disorder treatment services that may include inpatient, outpatient, and residential substance use disorder treatment services.

(f) Care management services for mental health diagnoses.

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

(h) Emergency ambulance services.

Sec. 1682. (1) In addition to the appropriations in part 1, the department is authorized to receive and spend penalty money received as the result of noncompliance with medical services certification regulations. Penalty money, characterized as private funds, received by the department shall increase authorizations and allotments in the long-term care accounts.

(2) Any unexpended penalty money, at the end of the year, shall carry forward to the following year.

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

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

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

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

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

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

Sec. 1694. From the funds appropriated in part 1 for special Medicaid reimbursement, \$966,700.00 of general fund/general purpose revenue and any associated federal match shall be distributed for poison control services to an academic health care system that has a high indigent care volume.

Sec. 1696. It is the intent of the legislature that if an applicant for Medicaid coverage through the Healthy Michigan plan received medical coverage in the previous fiscal year through traditional Medicaid, and is still eligible for coverage through traditional Medicaid, the applicant is not eligible to receive coverage through the Healthy Michigan plan.

Sec. 1697. The department shall require that Medicaid health plans administering Healthy Michigan plan benefits maintain a network of dental providers in sufficient numbers, mix, and geographic locations throughout their respective service areas in order to provide adequate dental care for Healthy Michigan plan enrollees.

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

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

Sec. 1700. (1) By December 1 of the current fiscal year, the department shall report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the state budget office on the distribution of funding provided, and the net benefit if the special hospital payment is not financed with general fund/general purpose revenue, to each eligible hospital during the previous fiscal year from the following special hospital payments:

(a) DSH, separated out by unique DSH pool.

(b) GME.

(c) Special rural hospital payments provided under section 1802(2) of this part.

(d) Lump-sum payments to rural hospitals for obstetrical care provided under section 1802(1) of this part.

(2) By August 1 of the current fiscal year, the department shall report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the state budget office on the projected distribution of funding, and the projected net benefit if the special hospital payment is not financed with general fund/general purpose revenue, to each eligible hospital from the following special hospital payments:

(a) DSH, separated out by unique DSH pool.

(b) GME.

(c) Special rural hospital payments provided under section 1802(2) of this part.

(d) Lump-sum payments to rural hospitals for obstetrical care provided under section 1802(1) of this part.

Sec. 1702. From the funds appropriated in part 1, the department shall provide a 15% rate increase beginning January 1 of the current fiscal year for private duty nursing services for Medicaid beneficiaries under the age of 21. These additional funds must be used to attract and retain highly qualified registered nurses and licensed practical nurses to provide private duty nursing services so that medically frail children can be cared for in the most homelike setting possible.

Sec. 1704. (1) From the funds appropriated in part 1 for health plan services, the department shall maintain the Medicaid adult dental benefit for pregnant women enrolled in a Medicaid program.

(2) The department shall report to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, and the state budget office on the following:

(a) The number of pregnant women enrolled in Medicaid who visited a dentist over the prior year.

(b) The number of dentists statewide who participate in providing dental services to pregnant women enrolled in Medicaid.

Sec. 1730. The department shall continue to maintain enhanced assessment tools established in collaboration with the department of education that promote literacy development of pregnant women and new mothers in

the maternal infant health program. When possible, the department shall include new fathers of the infants in the literacy promotion efforts that are included in the assessment tools and in the subsequent services provided. The assessment tools shall expand the assessment of maternal and parental literacy and provide support and referrals to resources to enable program participants to achieve an increase in literacy that may contribute to improvements in family health, economic, and life outcomes.

Sec. 1757. The department shall obtain proof from all Medicaid recipients that they are legal United States citizens or otherwise legally residing in this country and that they are residents of this state before approving Medicaid eligibility.

Sec. 1763. Before the initial expiration of contract no. 071b7700073 on February 28 of the current fiscal year, the department shall issue an RFP for a 3-year contract for actuarial services, including, but not limited to, capitation rate setting for Medicaid and the Healthy Michigan plan. The department shall notify the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the senate and house policy offices on what vendors submitted bids for the contract, which vendor received the contract, the evaluation process, and the criteria used by the department in awarding the contract for actuarial services.

Sec. 1764. The department shall annually certify whether rates paid to Medicaid health plans and specialty PIHPs are actuarially sound in accordance with federal requirements and shall provide a copy of the rate certification and approval of rates paid to Medicaid health plans and specialty PIHPs within 5 business days after certification or approval to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the state budget office. Following the rate certification, the department shall ensure that no new or revised state Medicaid policy bulletin that is promulgated materially impacts the capitation rates that have been certified in a negative manner.

Sec. 1775. (1) By March 1 of the current fiscal year, the department shall report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the state budget office on progress in implementing the waiver to implement managed care for individuals who are eligible for both Medicare and Medicaid, known as MI Health Link, including any problems and potential solutions as identified by the ombudsman described in subsection (2).

(2) The department shall ensure the existence of an ombudsman program that is not associated with any project service manager or provider to assist MI Health Link beneficiaries with navigating complaint and dispute resolution mechanisms and to identify problems in the demonstrations and in the complaint and dispute resolution mechanisms.

Sec. 1782. Subject to federal approval, from the funds appropriated in part 1 for health plan services, the department shall allocate \$740,000.00 general fund/general purpose plus any available work project funds and federal match through an administered contract with oversight from Medical Services Administration and Population Health. The funds shall be used to support a statewide media campaign for improving this state's immunization rates.

Sec. 1790. The department shall increase the practitioner rates paid for current procedural terminology (CPT) codes in psychiatric diagnostic procedures through Medicaid fee-for-service and through the Medicaid health plans by 15% for psychiatric diagnostic procedure provided for Medicaid beneficiaries under the age of 21. It is the intent of the legislature that the CPT specific rates paid through the Medicaid health plans are not increased by a uniform 15% but reflect the greater of either the actual rates paid during the previous fiscal year or 100% of the Medicare rate received for those services on the date the services are provided.

Sec. 1791. From the funds appropriated in part 1 for health plan services and physician services, the department shall provide Medicaid reimbursement rates for neonatal services at 95% of the Medicare rate received for those services in effect on the date the services are provided to eligible Medicaid recipients. The current procedural terminology (CPT) codes that are eligible for this reimbursement rate increase are 99468, 99469, 99471, 99472, 99475, 99476, 99477, 99478, 99479, and 99480.

Sec. 1792. By April 30 of the current fiscal year, the department shall evaluate pharmacy encounter data through the first 2 quarters of the fiscal year to determine, in consultation with the Medicaid health plans, if rates must be recertified. By May 30 of the current fiscal year, the department shall report the evaluation results to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, the state budget office, and the Medicaid health plans.

Sec. 1793. Beginning October 1 of the current fiscal year, the department may recover a refund due to an overpayment to a Medicaid provider only if the department notifies the provider of the overpayment not later than 180 days after receipt of the overpayment.

Sec. 1800. For the distribution of each of the pools within the \$85,000,000.00 outpatient disproportionate share hospital payment, the department shall maintain a formula for the distribution of each pool based on the quality of care, cost, traditional disproportionate share hospital factors such as Medicaid utilization and uncompensated care, and any other factor that the department determines should be considered.

Sec. 1801. (1) From the funds appropriated in part 1 for physician services and health plan services, the department shall continue the increase to Medicaid rates for primary care services provided only by primary care providers. For the purpose of this section, a primary care provider is a physician, or a practitioner working in collaboration with a physician, who is either licensed under part 170 or part 175 of the public health code, 1978 PA 368, MCL 333.17001 to 333.17097 and 333.17501 to 333.17556, and working as a primary care provider in general practice or board-eligible or certified with a specialty designation of family medicine, general internal medicine, or pediatric medicine, or a provider who provides the department with documentation of equivalency. Providers performing a service and whose primary practice is as a non-primary-care subspecialty is not eligible for the increase. The department shall establish policies that most effectively limit the increase to primary care providers for primary care services only.

(2) By March 1 of the current fiscal year, the department shall provide to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office a list of medical specialties that were paid enhanced primary care rates in the fiscal year ending September 30, 2018.

Sec. 1802. (1) From the funds appropriated in part 1 for hospital services and therapy, \$7,995,200.00 in general fund/general purpose revenue shall be provided as lump-sum payments to noncritical access hospitals that qualified for rural hospital access payments in fiscal year 2013-2014 and that provide obstetrical care in the current fiscal year. Payment amounts shall be based on the volume of obstetrical care cases and newborn care cases for all such cases billed by each qualified hospital in the most recent year for which data is available. Payments shall be made by January 1 of the current fiscal year.

(2) From the funds appropriated in part 1 for hospital services and therapy and Healthy Michigan plan, \$13,904,800.00 in general fund/general purpose revenue and any associated federal match shall be awarded as rural access payments to noncritical access hospitals that meet criteria established by the department for services to low-income rural residents. One of the reimbursement components of the distribution formula shall be assistance with labor and delivery services. The department shall ensure that the rural access payments described in this subsection shall be distributed in a manner that ensures both of the following:

(a) No hospital or hospital system shall receive more than 10.0% of the total rural access funding referenced in this subsection.

(b) To allow hospitals to understand their rural payment amounts under this subsection, the department shall provide hospitals with the methodology for distribution under this subsection and provide each hospital with its applicable data that are 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.

Sec. 1803. To the extent allowed under federal law or regulation, the department shall establish rules to allow for billing to and reimbursement by the Medicaid program directly for transportation charges related to portable x-ray services rendered to patients residing in a nursing facility or an assisted living facility, or who are otherwise homebound. The corresponding reimbursement policies shall be effective as of October 1 of the current fiscal year.

Sec. 1804. (1) The department shall enter into an interagency agreement, in cooperation with the department of military and veterans affairs, in order to work with the federal public assistance reporting information system to identify Medicaid recipients who are veterans and who may be eligible for federal veterans health care benefits or other benefits. The interagency agreement shall include the specific outcome and performance reporting requirements described in this section. The interagency agreement shall require the department of military and veterans affairs to provide all of the following items by January 1 of the current fiscal year to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the senate and house policy offices:

(a) The number of veterans identified by the department through eligibility determinations.

(b) The number of veterans referred to the department of military and veterans affairs.

(c) The number of referrals made by the department that were contacted by the department of military and veterans affairs.

(d) The number of referrals made by the department that were eligible for veterans health care benefits or other benefits.

(e) The specific actions and efforts undertaken by the department and the department of military and veterans affairs to identify female veterans who are applying for public assistance benefits, but who are eligible for veterans benefits.

(2) By October 1 of the current fiscal year, the department shall change the public assistance application form from asking whether the prospective applicant was a veteran to asking whether the applicant had ever served in the military.

Sec. 1805. Excluding psychiatric care hospitals, hospitals receiving medical services payments for graduate medical education shall submit fully completed quality data to a nonprofit organization with extensive experience in collecting and reporting hospital quality data on a public website. The reporting must utilize consensus-based nationally endorsed standards that meet National Quality Forum-endorsed safe practices. The organization collecting the data must be an organization that uses severity-adjusted risk models and measures that will help patients and payers identify hospital campuses likely to have superior outcomes. The public website shall provide information to allow consumers to compare safe practices by hospital campus, including, but not limited to, perinatal care, hospital-acquired infection, and serious reportable events. Excluding psychiatric care hospitals, hospitals receiving medical services payments for graduate medical education shall also make their fully completed quality data available on the hospital's website. The department shall withhold 25% of a hospital's graduate medical education payment if the hospital does not submit the data to a qualifying nonprofit organization described in this section by January 1 of the current fiscal year.

Sec. 1806. (1) The department shall contractually require the Medicaid health plans to report to the department by February 1 of the current fiscal year on the following:

- (a) The progress of implementing the Medicaid health plan common formulary.
- (b) The participation by the Medicaid health plans in the Medicaid health plan common formulary.
- (c) The timeliness of prior authorization approvals or disapprovals.

(2) By March 1 of the current fiscal year, the department shall provide the Medicaid health plan report provided in subsection (1) and identify any areas of inconsistency across the Medicaid health plans' implementation and utilization of the Medicaid health plan common formulary to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, and the state budget office.

(3) The department shall maintain policies and procedures to govern the operations of the Michigan Medicaid health plan common formulary so that the department is able to receive fair and full public participation.

Sec. 1807. From the funds appropriated in part 1, the department shall increase hospital outpatient Medicaid rates by 7% over those effective January 1, 2019. The department shall also provide an additional \$6,400,000.00 in general fund/general purpose revenue and any associated federal match to further increase outpatient Medicaid rates for services performed at critical access hospitals.

Sec. 1810. The department shall enhance encounter data reporting processes and develop rules that would make each health plan's encounter data as complete as possible, provide a fair measure of acuity for each health plan's enrolled population for risk adjustment purposes, capitation rate setting, diagnosis-related group rate setting, and research and analysis of program efficiencies while minimizing health plan administrative expense. In advance of the annual rate setting development, Medicaid health plans shall be given at least 60 days to dispute and correct any discarded encounter data before rates are certified. The department shall notify each contracting Medicaid health plan of any encounter data that have not been accepted for the purposes of rate setting.

Sec. 1812. By June 1 of the current fiscal year, and using the most recent available cost reports, the department shall complete a report of all direct and indirect costs associated with residency training programs for each hospital that receives funds appropriated in part 1 for graduate medical education. The report shall be submitted to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, and the state budget office.

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

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

(3) As used in this section, "national accrediting entity" means the National Committee for Quality Assurance, the URAC, formerly known as the Utilization Review Accreditation Commission, or other appropriate entity, as approved by the department.

Sec. 1837. (1) The department shall continue, and expand where appropriate, utilization of telemedicine and telepsychiatry as strategies to increase access to services for Medicaid recipients.

(2) For the purpose of reimbursement for Medicaid services furnished via a telecommunications system, the department shall expand the definition of originating site used in the state Medicaid provider manual to include the patient's home, or any other established site considered appropriate by the provider.

(3) For the purpose of reimbursement for Medicaid services furnished via a telecommunications system, the department shall expand the definition of distant site used in the state Medicaid provider manual to include the provider's office, or any established site considered appropriate by the provider.

Sec. 1846. From the funds appropriated in part 1 for graduate medical education, the department shall distribute the funds with an emphasis on the following health care workforce goals:

(a) The encouragement of the training of physicians in specialties, including primary care, that are necessary to meet the future needs of residents of this state.

(b) The training of physicians in settings that include ambulatory sites and rural locations.

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

Sec. 1851. From the funds appropriated in part 1 for adult home help services, the department shall allocate \$150,000.00 state general fund/general purpose revenue plus any associated federal match to develop and deploy a mobile electronic visit verification solution to create administrative efficiencies, reduce error, and minimize fraud. The development of the solution shall be predicated on input from the results of the 2017 stakeholder survey.

Sec. 1855. From the funds appropriated in part 1 for program of all-inclusive care for the elderly (PACE), to the extent that funding is available in the PACE line item and unused program slots are available, the department may do the following:

(a) Increase the number of slots for an already-established local PACE program if the local PACE program has provided appropriate documentation to the department indicating its ability to expand capacity to provide services to additional PACE clients.

(b) Suspend the 10 member per month individual PACE program enrollment increase cap in order to allow unused and unobligated slots to be allocated to address unmet demand for PACE services.

Sec. 1856. (1) From the funds appropriated in part 1 for hospice services, \$3,318,000.00 shall be expended to provide room and board for Medicaid recipients who meet hospice eligibility requirements and receive services at Medicaid enrolled hospice residences in this state. The department shall distribute funds through grants based on the total beds located in all eligible residences that have been providing these services as of October 1, 2017. Any eligible grant applicant may inform the department of their request to reduce the grant amount allocated for their residence and the funds shall be distributed proportionally to increase the total grant amount of the remaining grant-eligible residences. Grant amounts shall be paid out monthly with 1/12 of the total grant amount distributed each month to the grantees.

(2) By September 15 of the current fiscal year, each Medicaid-enrolled hospice with a residence that receives funds under this section shall provide a report to the department on the utilization of the grant funding provided in subsection (1). The report shall be provided in a format prescribed by the department and shall include the following:

(a) The number of patients served.

(b) The number of days served.

(c) The daily room and board rates for the patients served.

(d) If there is not sufficient funding to cover the total room and board need, the number of patients who did not receive care due to insufficient grant funding.

(3) If there is funding remaining at the end of the current fiscal year, the Medicaid-enrolled hospice with a residence shall return funding to the state.

Sec. 1857. By July 1 of the current fiscal year, the department shall explore the implementation of a managed care long-term support service.

Sec. 1858. By April 1 of the current fiscal year, the department shall report to the senate and house appropriations subcommittees on the department budget and the senate and house fiscal agencies on all of the following elements related to the current Medicaid pharmacy carve-out of pharmaceutical products as provided for in section 109h of the social welfare act, 1939 PA 280, MCL 400.109h:

(a) The number of prescriptions paid by the department during the previous fiscal year.

(b) The total amount of expenditures for prescriptions paid by the department during the previous fiscal year.

(c) The number of and total expenditures for prescriptions paid for by the department for generic equivalents during the previous fiscal year.

Sec. 1859. The department shall partner with the Michigan Association of Health Plans (MAHP) and Medicaid health plans to develop and implement strategies for the use of information technology services for Medicaid research activities. The department shall make available state medical assistance program data, including Medicaid behavioral data, to MAHP and Medicaid health plans or any vendor considered qualified by the department for the purpose of research activities consistent with this state's goals of improving health; increasing the quality, reliability, availability, and continuity of care; and reducing the cost of care for the eligible population of Medicaid recipients.



Sec. 1860. By March 1 of the current fiscal year, the department shall provide a report to the senate and house appropriations subcommittees, the senate and house fiscal agencies, and the state budget office on uncollected co-pays and premiums in the Healthy Michigan plan. The report shall include information on the number of participants who have not paid their co-pays and premiums, the total amount of uncollected co-pays and premiums, and steps taken by the department and health plans to ensure greater collection of co-pays and premiums.

Sec. 1862. From the funds appropriated in part 1, the department shall maintain payment rates for Medicaid obstetrical services at 95% of Medicare levels effective October 1, 2014.

Sec. 1867. (1) The department shall continue a workgroup that includes psychiatrists, other relevant prescribers, and pharmacists to identify best practices and to develop a protocol for psychotropic medications. Any changes proposed by the workgroup shall protect a Medicaid beneficiary's current psychotropic pharmaceutical treatment regimen by not requiring a physician currently prescribing any treatment to alter or adjust that treatment.

(2) By March 1 of the current fiscal year, the department shall provide the workgroup's recommendations to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the state budget office.

Sec. 1870. (1) From the funds appropriated in part 1 for hospital services and therapy, the department shall appropriate \$3,750,000.00 in general fund/general purpose revenue plus any contributions from public entities, up to \$5,000,000.00, and any associated federal match to the MiDocs consortium to create new primary care residency slots in underserved communities. The new primary care residency slots must be in 1 of the following specialties: family medicine, general internal medicine, general pediatrics, general OB-GYN, psychiatry, or general surgery.

(2) The department shall seek any necessary approvals from CMS to allow the department to implement the program described in this section.

(3) Assistance with repayment of medical education loans, loan interest payments, or scholarships provided by MiDocs shall be contingent upon a minimum 2-year commitment to practice in an underserved community in this state post-residency and an agreement to forego any sub-specialty training for at least 2 years post-residency.

(4) The MiDocs shall work with the department to integrate the Michigan inpatient psychiatric admissions discussion (MIPAD) recommendations and, when possible, prioritize training opportunities in state psychiatric hospitals and community mental health organizations.

(5) In collaboration with the Michigan Health Council, the MiDocs consortium shall reserve at least 3 residency slots per class to be used for the Michigan early primary care incentive program.

(6) The department shall create a MiDocs initiative advisory council to help support implementation of the program described in this section, and provide oversight. The advisory council shall be composed of the MiDocs consortium, the Michigan Area Health Education Centers, the Michigan Primary Care Association, the Michigan Center for Rural Health, the Michigan Academy of Family Physicians, and any other appointees designated by the department.

(7) By September 1 of the current fiscal year, MiDocs shall report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office, on the following:

(a) Audited financial statement of per-resident costs.

(b) Education and clinical quality data.

(c) Roster of trainees, including areas of specialty and locations of training.

(d) Medicaid revenue by training site.

(8) Outcomes and performance measures for this program include, but are not limited to, the following:

(a) Increasing this state's ability to recruit, train, and retain primary care physicians and other select specialty physicians in underserved communities.

(b) Maximizing training opportunities with community health centers, rural critical access hospitals, solo or group private practice physician practices, schools, and other community-based clinics, in addition to required rotations at inpatient hospitals.

(c) Increasing the number of residency slots for family medicine, general internal medicine, general pediatrics, general OB-GYN, psychiatry, and general surgery.

(9) Unexpended and unencumbered funds up to a maximum \$3,750,000.00 in general fund/general purpose revenue plus any contributions from public entities, up to \$5,000,000.00, and any associated federal match remaining in accounts appropriated in part 1 for hospital services and therapy are designated as work project appropriations, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures for the MiDocs consortium to create new primary care residency slots in

underserved communities under this section until the work project has been completed. All of the following are in compliance with section 451a(1) of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the work project is to fund the cost of the MiDocs consortium to create new primary care residency slots in underserved communities.

(b) The work project will be accomplished by contracting with the MiDocs consortium to oversee the creation of new primary care residency slots.

(c) The total estimated completion cost of the work project is \$17,500,000.00.

(d) The tentative completion date is September 30, 2024.

Sec. 1871. The funds appropriated in part 1 for the Healthy Michigan plan healthy behaviors incentives program shall only provide reductions in cost-sharing responsibilities and shall not include other financial rewards such as gift cards.

Sec. 1872. From the funds appropriated in part 1 for personal care services, the department shall maintain the monthly Medicaid personal care supplement paid to adult foster care facilities and homes for the aged that provide personal care services to Medicaid recipients in place during the previous fiscal year.

Sec. 1873. From the funds appropriated in part 1 for long-term care services, the department may allocate up to \$3,700,000.00 for the purpose of outreach and education to nursing home residents and the coordination of housing in order to move out of the facility. In addition, any funds appropriated shall be used for other quality improvement activities of the program. The department shall consider working with all relevant stakeholders to develop a plan for the ongoing sustainability of the nursing facility transition initiative.

Sec. 1874. The department shall ensure, in counties where program of all-inclusive care for the elderly or PACE services are available, that the program of all-inclusive care for the elderly (PACE) is included as an option in all options counseling and enrollment brokering for aging services and managed care programs, including, but not limited to, Area Agencies on Aging, centers for independent living, and the MiChoice home and community-based waiver. Such options counseling must include approved marketing and discussion materials.

Sec. 1875. (1) The department and its contractual agents may not subject Medicaid prescriptions to prior authorization procedures during the current fiscal year if that drug is carved out or is not subject to prior authorization procedures as of May 9, 2016, and is generally recognized in a standard medical reference or the American Psychiatric Association's Diagnostic and Statistical Manual for the Treatment of a Psychiatric Disorder.

(2) The department and its contractual agents may not subject Medicaid prescriptions to prior authorization procedures during the current fiscal year if that drug is carved out or is not subject to prior authorization procedures as of May 9, 2016 and is a prescription drug that is generally recognized in a standard medical reference for the treatment of human immunodeficiency virus or acquired immunodeficiency syndrome, epilepsy or seizure disorder, or organ replacement therapy.

(3) As used in this section, "prior authorization" means a process implemented by the department or its contractual agents that conditions, delays, or denies delivery or particular pharmacy services to Medicaid beneficiaries upon application of predetermined criteria by the department or its contractual agents to those pharmacy services. The process of prior authorization often requires that a prescriber do 1 or both of the following:

(a) Obtain preapproval from the department or its contractual agents before prescribing a given drug.

(b) Verify to the department or its contractual agents that the use of a drug prescribed for an individual meets predetermined criteria from the department or its contractual agents for a prescription drug that is otherwise available under the Medicaid program in this state.

Sec. 1878. By March 1 of the current fiscal year, the department shall provide a report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office on hepatitis C tracking data. At a minimum, the report shall include information on the following for individuals treated with Harvoni or any other treatment used to cure hepatitis C during the current fiscal year or a previous fiscal year:

(a) The total number of people treated broken down by those treated through traditional Medicaid and those treated through the Healthy Michigan plan.

(b) The total cost of treatment.

(c) The total cost of treatment broken down by those treated through traditional Medicaid and those treated through the Healthy Michigan plan.

(d) The cure rate broken down by Metavir Score, genotype, Medicaid match rate, and drug used during treatment.

(e) The reinfection rate broken down by Metavir Score, genotype, Medicaid match rate, and drug used during treatment.

Sec. 1888. The department shall establish contract performance standards associated with the capitation withhold provisions for Medicaid health plans at least 3 months in advance of the implementation of those standards. The determination of whether performance standards have been met shall be based primarily on recognized concepts such as 1-year continuous enrollment and the healthcare effectiveness data and information set, HEDIS, audited data.

Sec. 1894. By March 1 of the current fiscal year, the department shall report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office on the Healthy Kids Dental program. The report shall include, but is not limited to, the following:

(a) The number of children enrolled in the Healthy Kids Dental program who visited the dentist during the previous fiscal year broken down by dental benefit manager.

(b) The number of dentists who accept payment from the Healthy Kids Dental program broken down by dental benefit manager.

(c) The annual change in dental utilization of children enrolled in the Healthy Kids Dental program broken down by dental benefit manager.

(d) Service expenditures for the Healthy Kids Dental program broken down by dental benefit manager.

(e) Administrative expenditures for the Healthy Kids Dental program broken down by dental benefit manager.

### **INFORMATION TECHNOLOGY**

Sec. 1901. (1) The department shall provide a report on a quarterly basis to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office on all of the following information:

(a) The process used to define requests for proposals for each expansion of information technology projects, including timelines, project milestones, and intended outcomes.

(b) If the department decides not to contract the services out to design and implement each element of the information technology expansion, the department shall submit its own project plan that includes, at a minimum, the requirements in subdivision (a).

(c) A recommended project management plan with milestones and time frames.

(d) The proposed benefits from implementing the information technology expansion, including customer service improvement, form reductions, potential time savings, caseload reduction, and return on investment.

(e) Details on the implementation of the integrated service delivery project, and the progress toward meeting the outcomes and performance measures listed in section 1904(2) of this part.

(f) A list of projects approved in the previous quarter and the purpose for approving each project including any federal, state, court, or legislative requirement for each project.

(2) Once an award for an expansion of information technology is made, the department shall report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office a projected cost of the expansion broken down by use and type of expense.

Sec. 1902. From the funds appropriated in part 1 for the Michigan Medicaid information system (MMIS) line item, private revenue may be received from and allocated for other states interested in participating as part of the broader MMIS initiative. By March 1 of the current fiscal year, the department shall provide a report on the use of MMIS by other states for the previous fiscal year, including a list of states, type of use, and revenue and expenditures related to the agreements with the other states to use the MMIS. The report shall be provided to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, and the state budget office.

Sec. 1903. (1) The department shall report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office by November 1 of the current fiscal year the status of an implementation plan regarding the appropriation in part 1 to modernize the MiSACWIS. The report shall include, but not be limited to, an update on the status of the settlement and efforts to bring the system in compliance with the settlement and other federal guidelines set forth by the United States Department of Health and Human Services Administration for Children and Families.

(2) The department shall report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office by November 1, January 1, March 1, May 1, July 1, and September 1 of the current fiscal year a status report on the planning, implementation, and operation, regardless of the current operational status, regarding the appropriation in part 1 to implement the MiSACWIS. The report shall provide details on the planning, implementation, and operation of the system, including, but not limited to, all of the following:

(a) Areas where implementation went as planned, and in each area including whether the implementation results in either enhanced user interface or portal access, conversion to new modules, or substantial operation improvement to the MiSACWIS system.

- (b) The number of known issues.
- (c) The average number of help tickets submitted per day.
- (d) Any additional overtime or other staffing costs to address known issues and volume of help tickets.
- (e) Any contract revisions to address known issues and volume of help tickets.
- (f) Other strategies undertaken to improve implementation, and for each strategy area including whether the implementation results in either enhanced user interface or portal access, conversion to new modules, or substantial operation improvement to the MiSACWIS system.
- (g) Progress developing cross-system trusted data exchange with MiSACWIS.
- (h) Progress in moving away from a statewide automated child welfare information system (SACWIS) to a comprehensive child welfare information system (CCWIS).
- (i) Progress developing and implementing a program to monitor data quality.
- (j) Progress developing and implementing custom integrated systems for private agencies.
- (k) A list of all change orders, planned or in progress.
- (l) The status of all change orders, planned or in progress.
- (m) The estimated costs for all planned change orders.
- (n) The estimated and actual costs for all change orders in progress.

Sec. 1904. (1) From the funds appropriated in part 1 for the technology supporting integrated service delivery line item, the department shall maintain information technology tools and enhance existing systems to improve the eligibility and enrollment process for citizens accessing department administered programs. This information technology system will consolidate beneficiary information, support department caseworker efforts in building a success plan for beneficiaries, and better support department staff in supporting enrollees in assistance programs.

(2) Outcomes and performance measures for the initiative under subsection (1) include, but are not limited to, the following:

- (a) Successful consolidation of data warehouses maintained by the department.
- (b) The amount of time a department caseworker devotes to data entry when initiating an enrollee application.
- (c) A reduction in wait times for persons enrolled in assistance programs to speak with department staff and get necessary changes made.
- (d) A reduction in department caseworker workload.

Sec. 1905. (1) The department shall report on a monthly basis to the chairs of the senate and house standing committees on appropriations, the senate and house appropriations subcommittees on the department budget, the senate and house appropriations subcommittees on the general government budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office on all of the following:

- (a) Fiscal year-to-date information technology spending for the current fiscal year by service and project and by line-item appropriation.
- (b) Planned information technology spending for the remainder of the current fiscal year by service and project and by line-item appropriation.
- (c) Total fiscal year-to-date information technology spending and planned spending for the current fiscal year by service and project and by line-item appropriation.
- (d) A list of all information technology projects estimated to cost more than \$250,000.00 that exceed their allotted budget as well as all information technology projects that have exceeded their allotted budget by 25% or more.

(2) As used in subsection (1), "project" means all of, but not limited to, the following major projects:

- (a) Community health automated Medicaid processing system (CHAMPS).
- (b) Bridges and MiBridges eligibility determination.
- (c) MiSACWIS.
- (d) Integrated service delivery.

(3) By April 30 of the current fiscal year, the department, in coordination with the department of technology, management, and budget, shall provide to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office a 5-year strategic plan for information technology services and projects for the department. The strategic plan shall identify any scheduled changes in the federal and state shares of costs related to information technology services and projects over the 5-year period. As part of the strategic plan, the department shall include total information technology expenditures from the previous fiscal year by fund source, total information technology appropriations as a percentage of total department appropriations by fund source, and a return on investment, by project, for all information technology expenditures in the previous fiscal year. The strategic plan shall also include, for the previous 5 fiscal years, the department's information technology spending compared to similar departments in 3 other states located in the Midwest.

Sec. 1906. (1) The workgroup, in collaboration with the Michigan Federation of Children and Families and the Association of Accredited Child and Family Agencies, shall issue a report to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, the house and senate policy offices, and the state budget office no later than November 1, January 1, March 1, May 1, July 1, and September 1 of the current fiscal year that must consist of, but is not limited to, the following:

(a) Recommendations for the future funding and operations of MiSACWIS and the replacement state child welfare information system.

(b) Recommendations for any remedial actions that the workgroup considers necessary for the department to implement in order to improve the functions of MiSACWIS and the subsequent state child welfare information system, and measures established to determine the success of MiSACWIS and the replacement state child welfare information system.

(c) Any other information the workgroup would like to provide regarding MiSACWIS and the replacement state child welfare information system.

(2) As used in this section, "workgroup" means the workgroup established by the department to facilitate the transition from the use of MiSACWIS to a replacement state child welfare information system, according to the independent assessment of Michigan's statewide automated child welfare information system and child welfare data reporting infrastructure submitted to the United States District Court for the Eastern District of Michigan on February 25, 2019.

Sec. 1907. By October 1 and March 1 of the current fiscal year, the department shall report to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, the house and senate policy offices, and the state budget office on all current, contracted information technology-related projects, total contractual costs, spending in previous fiscal years, planned spending for the current fiscal year, and fiscal year-to-date spending, by project.

Sec. 1908. It is the intent of the legislature that all funds appropriated in part 1 for information technology shall prioritize projects directly dedicated to protecting the public health and safety through disease surveillance, cancer support, vital records, chronic disease, newborn screenings, public health registries, and associated training or technical assistance.

Sec. 1909. (1) The funds appropriated in part 1 for information technology contingency shall not be encumbered or expended until they are transferred to another line item in part 1 by the house and senate standing committees on appropriations in accordance with section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

(2) The funds appropriated in part 1 for one-time information technology contingency shall not be encumbered or expended until they are transferred to another line item in part 1 by the house and senate standing committees on appropriations in accordance with section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

(3) The department shall only encumber or expend funds for the operation, maintenance, and improvements of the Michigan child support enforcement system (MiCSES) from the funds appropriated in part 1 for child support automation.

(4) The department shall only encumber or expend funds for the operation, maintenance, and improvements of Bridges and MiBridges from the funds appropriated in part 1 for bridges information system.

(5) The department shall only encumber or expend funds for the operation, maintenance, and improvements of integrated service delivery from the funds appropriated in part 1 for technology supporting integrated service delivery.

(6) The department shall only encumber or expend funds for the operation, maintenance, and improvements of the community health automated Medicaid processing system (CHAMPS) from the funds appropriated in part 1 for Michigan Medicaid information system.

(7) The department shall only encumber or expend funds for the operation, maintenance, and improvements of MiSACWIS from the funds appropriated in part 1 for Michigan statewide automated child welfare information system.

(8) The department shall only encumber or expend funds for the operation, maintenance, and improvements to the state child welfare information system from the funds appropriated in part 1 for state child welfare information system.

(9) The department shall not encumber or expend funds for a system intended to replace MiSACWIS sooner than 30 days after submitting a spending plan for the development or procurement of the replacement system to the speaker of the house of representatives, the senate majority leader, the house and senate standing committees on appropriations, the house and senate fiscal agencies, the house and senate policy offices, and the state budget office.

#### **ONE-TIME APPROPRIATIONS**

Sec. 1910. (1) From the funds appropriated in part 1 for the drinking water declaration of emergency, the department shall allocate funds to address needs in a city in which a declaration of emergency was issued

because of drinking water contamination. These funds may support, but are not limited to, the following activities:

- (a) Nutrition assistance, nutritional and community education, food bank resources, and food inspections.
- (b) Epidemiological analysis and case management of individuals at risk of elevated blood lead levels.
- (c) Support for child and adolescent health centers, children's healthcare access program, and pathways to potential programming.
- (d) Nursing services, breastfeeding education, evidence-based home visiting programs, intensive services, and outreach for children exposed to lead coordinated through local community mental health organizations.
- (e) Department field operations costs.
- (f) Lead poisoning surveillance, investigations, treatment, and abatement.
- (g) Nutritional incentives provided to local residents through the Double Up Food Bucks Expansion Program.
- (h) Genesee County health department food inspectors to perform water testing at local food service establishments.
- (i) Transportation related to health care delivery.
- (j) Senior initiatives.
- (k) Lead abatement contractor workforce development.

(2) From the funds appropriated in part 1 for the drinking water declaration of emergency, the department shall allocate \$300,000.00 for Revive Community Health Center for health support services as the center pursues certification as a federally qualified health center.

(3) From the funds appropriated in part 1 for the drinking water declaration of emergency, the department shall allocate \$500,000.00 for Rides to Wellness through the Flint mass transportation authority.

Sec. 1911. From the funds appropriated in part 1 for child and adolescent health centers, the department shall allocate \$1,000,000.00 for the expansion of school-based child and adolescent health centers for the delivery of behavioral and physical health services. The department shall consult with the School-Community Health Alliance of Michigan in determining sites for new health centers or expansion of existing health centers. In determining sites, priority shall be given by the department to counties having a population of 125,000 or fewer persons according to the most recent decennial census, and to areas of the state that are currently underserved by school-based child and adolescent health centers.

Sec. 1912. From the funds appropriated in part 1 for co-responder crisis services pilot, \$60,000.00 is allocated for mobile crisis resolution services, to an existing mobile crisis resolution provider with an existing walk-in center, who is working in conjunction with a township police department within 6 miles of the walk-in center. The service provider shall be stationed in a county with a population of at least 1,500,000. The mobile crisis resolution service provider shall be engaged by the township police department when a call indicates a behavioral health concern that does not meet criteria for a criminal charge or petition for mental health evaluation. The mobile crisis provider shall provide crisis stabilization services, including assessment, care coordination, and referrals for ongoing treatment. The mobile crisis services provider shall collect and submit to the department data on the outcomes of the pilot project throughout the duration of the pilot project and shall provide a report on the pilot project's outcomes to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, and the state budget office.

Sec. 1913. (1) From the funds appropriated in part 1 for cercarial dermatitis prevention program, the department shall allocate \$250,000.00 for a program to address the presence of parasites in inland lakes causing cercarial dermatitis. The funds shall be distributed to a Michigan-based nonprofit organization for the purpose of pursuing comprehensive, science-based mitigation and research by appropriately qualified subject matter experts to prevent cercarial dermatitis outbreaks. This appropriation may be used to reimburse costs incurred before the effective date of this act.

(2) By January 1, the department must submit a report to the house and senate appropriations subcommittees on the department budget detailing data collected, program plan, and effectiveness measures of the cercarial dermatitis prevention program.

Sec. 1914. From the funds appropriated in part 1 for primary care and dental health services, \$150,000.00 shall be allocated for primary care clinic and dental health clinic services for indigent individuals to be provided in clinic locations in the city of Detroit and Wayne County by a public nonprofit organization with a stated mission of providing medical, behavioral, and mental health services, as well as other related support services, to underserved populations in Detroit, Wayne County, surrounding counties, and throughout Michigan.

Sec. 1915. From the funds appropriated in part 1 for healthy communities grant, \$300,000.00 shall be allocated for a 1-time grant to Leaders Advancing and Helping Communities for community healthy living, obesity prevention, and substance abuse prevention programs.

Sec. 1916. (1) From the funds appropriated in part 1 for human trafficking survivors' assistance, the department shall allocate \$500,000.00 of crime victim's rights fund to support a long-term women's shelter

in southeastern Michigan for women aged 18 and older who are survivors of human trafficking that offers housing and comprehensive services to address the physical, psychological, and spiritual aspects of recovery through a voluntary 2-year program. Services provided by the shelter include counseling and therapy for both trauma and addiction, medical and dental evaluations and services, job training, GED or high school completion programs or college, skilled trade training, computer skills training, job placement counseling, legal assistance, health and wellness consulting, addiction recovery meetings, and opportunities for spiritual growth.

(2) From the funds appropriated in part 1 for human trafficking survivors' assistance, the department shall allocate \$500,000.00 of crime victim's rights fund to support a long-term women's shelter in a city with a population between 188,000 and 189,000 according to the most recent decennial census. The shelter shall offer housing and comprehensive services to women who are survivors of human trafficking.

Sec. 1917. From the funds appropriated in part 1 for lead exposure response and abatement, the department shall allocate \$3,434,500.00 to address statewide and community needs to respond to situations that have caused lead contamination in water, soil, or housing, and elevated human blood lead levels and health consequences due to lead poisoning. Eligible communities may include a city in which a declaration of emergency was issued because of drinking water contamination. These funds may support, but are not limited to, the following activities:

- (a) Nutrition assistance, nutritional and community education, food bank resources, and food inspections.
- (b) Epidemiological analysis and case management of individuals at risk of elevated blood lead levels.
- (c) Support for access to health care for children and adolescents.
- (d) Nursing services, breastfeeding education, evidence-based home visiting programs, intensive services, and outreach for children exposed to lead coordinated through local community mental health organizations.
- (e) Department field operations costs.
- (f) Lead poisoning surveillance, investigations, treatment, and abatement.
- (g) Water testing at local food service establishments by local health department food inspectors.
- (h) Transportation related to health care delivery.
- (i) Senior initiatives.
- (j) Lead abatement contractor workforce development.

Sec. 1918. From the funds appropriated in part 1 for substance abuse community and school outreach, the department shall allocate \$100,000.00 to a coalition located in a county with a population of at least 1,500,000 with an aim to lead and support communities to dispel the myths and stigmas about drug addiction through public education, sharing stories of recovery, partnering with local and state leaders, creating positive social changes, and providing recovery support services for those in need.

Sec. 1919. (1) From the funds appropriated in part 1 for unified clinics resiliency center for families and children, the department shall allocate \$1,500,000.00 to a 4-year state university located in a county with a population between 250,000 and 251,000 according to the most recent decennial census to be used to develop and operate a resiliency center for families and children to address the multifaceted needs of those experiencing trauma, toxic stress, chronic disability, neurodevelopmental disorders, or addictions.

(2) Outcomes and performance measures for the resiliency center funded under this section shall include, but not be limited to, the following:

- (a) The number of children and families who received services from the center.
- (b) The types of screening offered by the center and the number of clients that received each screening type.
- (c) The number of trauma assessments completed through the center's programs and the average cost of a trauma assessment for each type of client, including children, adults, and families.
- (d) The types of services offered by the center and the number of clients that received each service type.
- (e) The number of referrals for services made to children and families.
- (f) A breakdown of the expenditures made for the development of the resiliency center for families and children by major category.

(3) By March 1 of the current fiscal year, the resiliency center for families and children shall report to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, the house and senate policy offices, and the state budget office on the status of the development of the resiliency center funded under this section and on the information required in subsection (2).

(4) The unexpended portion of funds appropriated in part 1 for unified clinics resiliency center for families and children is designated as a work project appropriation. Any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditure for the project under this section until the project has been completed. The following is in compliance with section 451a(1) of the management and budget act, 1984 PA 431, MCL 18.1451a:

- (a) The purpose of the work project is to provide funding for the operation and maintenance of a unified clinics resiliency center for families and children as provided by this section.

(b) The project will be accomplished through funding to a 4-year state university for the operation and maintenance of the center.

(c) The total estimated cost of the work project is \$1,500,000.00 of general fund/general purpose revenue.

(d) The estimated completion date is September 30, 2022.

(5) It is the intent of the legislature that this is the first year out of 3 years that funding is to be provided by the legislature for the unified clinics resiliency center for families and children described in this section, and that in each of the 2 following years, \$750,000.00 be provided by the legislature.

Sec. 1920. (1) From the funds appropriated in part 1 for autism navigator, the department shall require any contractor receiving funds from this line item to comply with performance-related metrics to maintain eligibility for funding. The organizational metrics shall include, but not be limited to, all of the following:

(a) Each contractor shall have accreditations that attest to their competency and effectiveness in providing services.

(b) Each contractor shall demonstrate cost-effectiveness.

(c) Each contractor shall ensure their ability to leverage private dollars to strengthen and maximize service provision.

(d) Each contractor shall provide quarterly reports to the department regarding the number of clients served, units of service provision, and ability to meet their stated goals.

(2) The department shall require an annual report from any contractor receiving funding from the autism navigator line item. The annual report, due to the department 60 days following the end of the contract period, shall include specific information on services and programs provided, the client base to which the services and programs were provided, and the expenditures for those services. The department shall provide the annual reports to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the state budget office.

Sec. 1921. (1) From the funds appropriated in part 1 for employment first, the department shall allocate \$500,000.00 to support the objectives stated in Executive Order No. 2015-15.

(2) The department shall use the funds to provide consultation and technical assistance to support best practices to increase competitive integrated employment for people with disabilities in areas such as statewide capacity building of professionals providing job preparation, placement, and retention supports and services; provider transformation among community rehabilitation organizations; rate restructuring of employment supports and services; blending and braiding of resources; seamless transition outcomes from education to employment; employer engagement; education and outreach to clients and their families, including information on benefits coordination and planning; and other systemic change activities leading to competitive integrated employment.

Sec. 1922. (1) From the funds appropriated in part 1 for wrap-around services, the department shall allocate \$600,000.00 as a grant, to implement a pilot program that will provide wrap-around services designed to promote academic achievement through targeting both academic and nonacademic barriers to learning during out-of-school periods. The department shall grant at least 3 awards to program applicants as funding is available. The funds shall be available to schools, school districts, and public school academies with an equal number of projects in each county where a grant is awarded. The grants shall be awarded in the following way: a county with a population of greater than 1,800,000 according to the most recent decennial census, a county with a population of between 601,000 and 605,000 according to the most recent decennial census, and a county with a population of between 420,000 and 430,000 according to the most recent decennial census. To be eligible for the grants, the school, school district, or public school academy shall have at least 67% of the population with an income of less than 185% of the federal poverty level. Priority for selection shall be given to schools, school districts, and public school academies that have signed agreements, signed contracts, or signed memorandums with nonprofit, community-based organizations organized under the laws of this state that are exempt from federal income tax under section 501(c)(3) of the internal revenue code of 1986, 26 USC 501. The pilot program shall include the following program elements:

(a) Schools, school districts, and public school academies are encouraged to offer educational awareness programs such as wrap-around programs and integrated student supports that promote academic achievement through overcoming academic and nonacademic barriers to learning.

(b) Activities of an integrated student supports program funded under this subsection may include, but not be limited to, tutoring, dental and health screenings, social-emotional, health, meals, and exercise.

(c) Schools, school districts, and public school academies are encouraged to facilitate coordination to ensure the integrated student supports program supplements the services currently available to students and families.

(d) Schools, school districts, and public school academies that are selected for participation under this section shall provide a plan to transition the cost of the program to existing funds or private funds raised over 5 years, by providing increasing matching funds throughout the pilot program.



(e) Participating schools, school districts, and public school academies shall track academic and nonacademic indicators of student progress, including, but not limited to, the following indicators:

(i) Pupil proficiency in mathematics and English language arts as measured by section 1280g(1)(a)(i) of the revised school code, 1976 PA 451, MCL 380.1280g.

(ii) Pupils achieving adequate growth in mathematics and English language arts as measured by section 1280g(1)(a)(ii) of the revised school code, 1976 PA 451, MCL 380.1280g.

(iii) Impact on chronic absenteeism rates as measured by section 1280g(1)(b)(i) of the revised school code, 1976 PA 451, MCL 380.1280g.

(iv) Impact on student discipline, suspensions, and expulsions using data as reported to and tracked by the center for educational performance and information.

(2) The department shall submit a report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office, by March 1 of the current fiscal year with information about the grant recipients including award amount, details about how the recipient organization will comply with the reporting requirements in subsection (1), and any advancement toward a transition to local funding sources to maintain the pilot program for 5 years.

(3) Unexpended and unencumbered funds up to a maximum \$600,000.00 in general fund/general purpose revenue plus any contributions from public entities, up to \$600,000.00, and any associated federal match remaining in accounts appropriated in part 1 for wrap-around services are designated as work project appropriations, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures for the out of school wrap-around services pilot for the creation of new programs that will promote academic achievement under this section until the work project has been completed. All of the following are in compliance with section 451a(1) of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the work project is to fund the cost of the creation of wrap-around service programs in 3 communities.

(b) The work project will be accomplished by contracting with nonprofit, community-based organizations to oversee the creation of the new out-of-school programs.

(c) The total estimated completion cost of the work project is \$600,000.00.

(d) The tentative completion date is September 30, 2022.

Sec. 1923. From the funds appropriated in part 1 for senior citizen center program grants, the department shall allocate \$500,000.00 for a grant program administered by the aging and adult services agency to support health-related senior programs at multipurpose senior citizen centers. Program goals shall include mental and physical health maintenance and improvement for senior participants. Grant awards shall not exceed \$5,000.00 for a program. Grantees are encouraged to match the funding with participant fees or other nonstate source of funds. A private housing facility with senior activity programs is not eligible for the grant program.

Sec. 1924. (1) From the funds appropriated in part 1 for senior community services, \$400,000.00 is appropriated for Alzheimer's disease services. The funds shall be remitted to the Alzheimer's Association-Michigan chapter for the purpose of carrying out a dementia care and support program in Allegan, Kent, Lenawee, Macomb, Midland, Monroe, Oakland, St. Clair, St. Joseph, and Wayne Counties. Program services shall be provided to individuals with Alzheimer's disease or dementia and their families in the 10 counties, and shall include a 24/7 helpline, continued care consultation, and referrals to support groups and other community-based services. The Alzheimer's Association-Michigan chapter shall also contract for an evaluation of the program. The total cost for program evaluation shall not exceed \$15,000.00.

(2) By March 1 of the current fiscal year, the department shall provide a report to the house and senate subcommittees on the department budget, the house and senate fiscal agencies and policy offices, and the state budget office on the status of the program and the evaluation, the number of employees funded by the program, the number of persons served by the program, and the number of persons served by the program who continue to live in their own home as known as of the date of the report. The report shall include an analysis of program data to assess whether providing the in-home support services significantly delays the need for residential long-term care services for individuals with Alzheimer's disease or dementia.

Sec. 1925. From the funds appropriated in part 1 for children's behavioral health counseling services, the department shall allocate \$100,000.00 as a grant to Mosaic Counseling for children's behavioral health counseling services for children in uninsured or underinsured households. As part of the grant agreement, Mosaic Counseling shall provide a report by September 30 of the current fiscal year to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, the house and senate policy offices, the state budget office, and the department on the number of children served, the counties where the children reside, and the value of the services with the goal of turning the funds appropriated in part 1 into a service value of over \$200,000.00.

Sec. 1926. From the funds appropriated in part 1 for food delivery, the department shall allocate \$470,000.00 to a nonprofit, community-based organization organized under the laws of this state that are exempt from federal income tax under section 501(c)(3) of the internal revenue code of 1986, 26 USC 501, located in a charter township with a population of between 30,900 and 31,000 according to the most recent decennial census which charter township is located in a county with a population of between 601,000 and 603,000 according to the most recent decennial census. The nonprofit selected shall use the funds to gather and distribute food to relieve hunger and increase food security.

Sec. 1927. From the funds appropriated in part 1 for Asian American health care and wellness initiative, the department shall appropriate \$150,000.00 to a nonprofit organization organized under the laws of this state that is exempt from federal income tax under section 501(c)(3) of the internal revenue code of 1986, 26 USC 501, and is located in a county with a population between 602,000 and 603,000 according to the most recent decennial census to implement a pilot program to provide health care services in a culturally and linguistically competent manner. To be eligible to receive funding, the organization must have a stated vision of building a collaborative, active, and committed Asian American community in west Michigan with a focus on health care, education, and empowerment.

Sec. 1928. From the funds appropriated in part 1 for opioid transitional housing and services grant, the department shall allocate \$750,000.00 to a nonprofit organization organized under the laws of this state that is exempt from federal income tax under section 501(c)(3) of the internal revenue code of 1986, 26 USC 501, and is located in a county with a population between 160,000 and 162,000 according to the most recent decennial census for operational use as it relates to the state's mission regarding substance use disorder and opioid abuse. To be eligible to receive funding, the organization must have a stated mission to educate the community on opiate abuse and provide support for families and those suffering addiction.

Sec. 1929. From the funds appropriated in part 1 for refugee assistance grant, the department shall allocate \$175,000.00 to a nonprofit corporation organized under the laws of this state that is exempt from federal income tax under section 501(c)(3) of the internal revenue code of 1986, 26 USC 501, to operate an initiative to transition low-income refugee families to self-sufficiency. To be eligible to receive funding, the organization must have a stated core purpose of providing programs that guide, support, and empower individuals to achieve self-sufficiency with dignity and hope. This initiative must utilize a measurable, evidence-based approach that integrates treatment for poverty across health care, human services, educational, faith-based, and governmental programs. The organization receiving funds under this section must report to the department by September 30 of the current fiscal year on metrics used to measure the success and viability of the initiative.

Sec. 1930. (1) From the funds appropriated in part 1 for autism train the trainer grant, the department shall appropriate \$100,000.00 to implement a pilot project to train school employees on the principles and practices of applied behavior analysis and research-based intervention strategies. The pilot project must do both of the following:

(a) Train paraprofessionals and teachers in a school district with a headquarters located in a city with a population between 6,900 and 7,000 according to the most recent decennial census in applied behavior analysis skills that match the national standard for behavior technician-level work and research-based intervention strategies.

(b) Train teacher consultants, school social workers, school psychologists, and other school personnel responsible for conducting functional behavioral assessments and the development of behavior support plans in a school district with a headquarters located in a city with a population between 6,900 and 7,000 according to the most recent federal decennial census methods for assuring implementation of a behavior plan with fidelity and strategies for sharing understanding of evidence-based behavioral health approaches with other school-based personnel.

(2) Outcomes and performance measures for the pilot project funded under this section shall include, but not be limited to, the following:

(a) A decrease in the number of center-program and self-contained-classroom referrals.

(b) A decrease in the number of suspensions, removals, and expulsions.

(c) A decrease in paraprofessional absences.

(d) An increase in teacher retention.

(e) An increase in safety.

(3) By September 1 of the current fiscal year, the department shall report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office on the information required in subsection (2).

Sec. 1931. The department shall spend available work project revenue to continue the implementation of the Michigan medical resident loan repayment program as specified in section 1918 of article X of 2018 PA 207.

Sec. 1932. (1) From the funds appropriated in part 1 for legal assistance, \$60,000.00 shall be allocated to the Allegen County Legal Assistance Center to provide legal assistance to low-income individuals.

(2) The funds appropriated in part 1 for legal assistance shall be disbursed no later than November 1 of the current fiscal year.

Sec. 1933. From the funds appropriated in part 1 for Project ECHO Opioid Intervention, the department shall allocate \$40,000.00 to a nonprofit center for rural health housed within a 4-year state university located in a county with a population between 280,000 and 285,000 according to the most recent decennial census for an opioid response consortium in northern Michigan. To be eligible to receive funding, the consortium must have a stated objective to develop and implement strategies to address the opioid epidemic across the Northern Michigan Opioid Response Consortium 14-county region.

Sec. 1934. (1) From the funds appropriated in part 1 for hospital behavioral health pilot program, the department shall appropriate \$4,000,000.00 to McLaren Greater Lansing for a pilot program located in a county with a population between 280,000 and 281,000 according to the most recent federal decennial census for the purpose of operating a pilot program to ensure that the behavioral and physical health needs of Michigan residents are addressed. This pilot program shall seek to provide additional behavioral health services in a more efficient manner due to a partnership with state-based institutions on staffing assistance and shared services with a Michigan-based health system. The pilot program shall do all of the following:

- (a) Connect participants with available benefits.
- (b) Help participants maintain eligibility.
- (c) Link participants with necessary health care services.
- (d) Maintain participants' medication routines.
- (e) Address participants' barriers to care.

(2) For the duration of the pilot program, the department shall allow for the direct referral of patients to the pilot program. It is the intent of the legislature that this pilot program shall be designed to last 3 years and that the pilot program not exceed a maximum bed capacity of 45 beds.

(3) By September 30 of the current fiscal year, the managing entity of the pilot program shall submit a report to the department, the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office. The report shall include, at a minimum, all of the following:

- (a) The number of patients served by the pilot program.
- (b) A breakdown of state expenditures for the pilot program.
- (c) A breakdown of cost savings compared to a facility solely operated by the state.
- (d) The average length of a patient stay.
- (e) The number of readmissions of a patient in a 365-day period.
- (f) Number of staffing hours worked by university students.
- (g) The number of admitted patients.
- (h) Distance traveled to reach the facility.
- (i) Number of patients who had previously been admitted to a mental health facility.
- (j) Number of patients who were admitted to a mental health facility for the first time.

Sec. 1935. From the funds appropriated in part 1 for the homelessness elimination blueprint, the department shall allocate \$250,000.00 to a county with a population between 1,000,000 and 1,500,000 according to the most recent decennial census. The county receiving the funding shall use the money to research and create a comprehensive actionable plan to end homelessness in that county. The county receiving the funding shall work to improve alignment with existing programs, create an eviction prevention program, create permanent affordable housing, create a system of care for people who are homeless or precariously housed, create strong community engagement, develop programs and incentives to encourage landlords to accept housing vouchers, and develop other programs, initiatives, and systems to assist in eliminating homelessness.

Sec. 1936. From the funds appropriated in part 1 for healthy seniors grant, the department shall allocate \$1,000,000.00 for programs and services at a senior citizen center in a city with a population between 45,000 and 50,000 according to the most recent decennial census within a county with a population between 250,000 and 260,000 according to the most recent decennial census. The senior citizen center shall be required to identify nonstate matching funds in an equivalent amount in order to receive the grant.

Sec. 1937. From the funds appropriated in part 1 for sexual assault comprehensive services grant, \$2,000,000.00 shall be allocated to the Michigan domestic and sexual violence prevention and treatment board (MDSVPTB) for sexual assault comprehensive victim services funding, as defined by MDSVPTB, to be distributed through a competitive grant process to entities determined by MDSVPTB to have demonstrated capacity to provide such services.

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

A bill to make appropriations for the department of health and human services for the fiscal year ending September 30, 2020; and to provide for the expenditure of the appropriations.

Peter MacGregor  
Jim Stamas  
Conferees for the Senate

Mary Whiteford  
Phil Green  
Abdullah Hammoud  
Conferees for the House

The question being on the adoption of the conference report,

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

**Roll Call No. 220**

**Yeas—24**

Barrett	Johnson	McBroom	Shirkey
Bizon	LaSata	McCann	Stamas
Brinks	Lauwers	Nesbitt	Theis
Bumstead	Lucido	Outman	VanderWall
Daley	MacDonald	Runestad	Victory
Horn	MacGregor	Schmidt	Zorn

**Nays—14**

Alexander	Chang	Irwin	Polehanki
Ananich	Geiss	McMorrow	Santana
Bayer	Hertel	Moss	Wojno
Bullock	Hollier		

**Excused—0**

**Not Voting—0**

In The Chair: President

Senator MacGregor moved that the bill be given immediate effect.

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

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

The motion prevailed.

Senator MacGregor's statement is as follows:

Before you is the fiscal year 2020 budget for the Department of Health and Human Services. At \$26.45 billion, this is the state's largest departmental budget—and in my personal opinion, it's a good one. The conference committee reported the bill without any "no" votes.

Some of the highlights in this bill are that it increases funding for child advocacy centers; an increase for Centers for Independent Living for people with disabilities; increasing more for Flint for ongoing programs, such as nutritional and health care services for children who may have been exposed to lead; dedicating additional funding for state and local efforts in response to your local health department and all your local

issues you're dealing with in your local districts for the second year in a row; we increased the support for rural hospitals and helped improve access to OB-GYN services in rural areas; there's an increase to improve access to mental health and additional beds throughout the state; a direct care worker wage increase to help seniors stay in their homes instead of going to nursing homes; we're investing in the MiDocs program to help boost the number of medical residents in underserved areas; funding 15 additional needed personnel at the Kalamazoo Psychiatric Hospital; increasing payment rates for Medicaid private duty nursing services; and requiring that DHHS focus on hiring child protective service staff to address issues raised in a 2018 audit.

I am pleased that this budget received such bipartisan support and that the Governor agreed with many of the items in here as well as colleagues on the other side of the aisle, which I thank them for working with me on this tremendous, large—very large—budget. This is a good DHHS budget which contributes to an overall fiscal year 2020 budget. It's balanced without increasing any taxes, it's fiscally responsible, and it's on time. I encourage your support.

### Recess

Senator MacGregor moved that the Senate recess subject to the call of the Chair.  
The motion prevailed, the time being 12:22 p.m.

12:37 p.m.

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

Senator MacGregor moved that the Senate proceed to consideration of the following bill:

#### **Senate Bill No. 134**

The motion prevailed.

Senator LaSata submitted the following:

### FIRST CONFERENCE REPORT

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

#### **Senate Bill No. 134, entitled**

A bill to amend 1979 PA 94, entitled "The state school aid act of 1979," by amending sections 201, 201a, 206, 207a, 207b, 207c, 209, 209a, 210b, 210f, 225, 229a, and 230 (MCL 388.1801, 388.1801a, 388.1806, 388.1807a, 388.1807b, 388.1807c, 388.1809, 388.1809a, 388.1810b, 388.1810f, 388.1825, 388.1829a, and 388.1830), sections 201, 201a, 206, 207a, 207b, 207c, 209, 210b, 225, 229a, and 230 as amended and sections 209a and 210f as added by 2018 PA 265.

Recommends:

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

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

A bill to amend 1979 PA 94, entitled "The state school aid act of 1979," by amending sections 201, 201a, 206, 207a, 207b, 207c, 209, 209a, 210b, 210f, 217, 225, 229a, and 230 (MCL 388.1801, 388.1801a, 388.1806, 388.1807a, 388.1807b, 388.1807c, 388.1809, 388.1809a, 388.1810b, 388.1810f, 388.1817, 388.1825, 388.1829a, and 388.1830), sections 201, 201a, 206, 207a, 207b, 207c, 209, 210b, 217, 225, 229a, and 230 as amended and sections 209a and 210f as added by 2018 PA 265; and to repeal acts and parts of acts.

### **THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

Sec. 201. (1) Subject to the conditions set forth in this article, the amounts listed in this section are appropriated for community colleges for the fiscal year ending September 30, ~~2019, 2020~~, from the funds indicated in this section. The following is a summary of the appropriations in this section:

(a) The gross appropriation is ~~\$408,215,500.00~~, **\$414,719,000.00**. After deducting total interdepartmental grants and intradepartmental transfers in the amount of \$0.00, the adjusted gross appropriation is ~~\$408,215,500.00~~, **\$414,719,000.00**.

(b) The sources of the adjusted gross appropriation described in subdivision (a) are as follows:

(i) Total federal revenues, \$0.00.

(ii) Total local revenues, \$0.00.

(iii) Total private revenues, \$0.00.

(iv) Total other state restricted revenues, ~~\$408,215,500.00~~ **\$414,719,000.00**.

(v) State general fund/general purpose money, \$0.00.

(2) Subject to subsection (3), the amount appropriated for community college operations is ~~\$322,250,900.00~~, **\$325,473,400.00**, allocated as follows:

(a) The appropriation for Alpena Community College is ~~\$5,707,600.00~~, ~~\$5,665,900.00~~ for operations and ~~\$41,700.00~~ for performance funding, ~~\$5,772,600.00~~, **\$5,696,800.00** for operations, **\$5,500.00** for performance funding, and **\$19,300.00** for costs incurred under the North American Indian tuition waiver.

(b) The appropriation for Bay de Noc Community College is ~~\$5,624,800.00~~, ~~\$5,589,000.00~~ for operations and ~~\$35,800.00~~ for performance funding, ~~\$5,740,700.00~~, **\$5,548,600.00** for operations, **\$54,200.00** for performance funding, and **\$137,900.00** for costs incurred under the North American Indian tuition waiver.

(c) The appropriation for Delta College is ~~\$15,104,300.00~~, ~~\$14,990,700.00~~ for operations and ~~\$113,600.00~~ for performance funding, ~~\$15,201,400.00~~, **\$15,058,600.00** for operations, **\$101,900.00** for performance funding, and **\$40,900.00** for costs incurred under the North American Indian tuition waiver.

(d) The appropriation for Glen Oaks Community College is ~~\$2,620,000.00~~, ~~\$2,601,400.00~~ for operations and ~~\$18,600.00~~ for performance funding, ~~\$2,652,400.00~~, **\$2,616,600.00** for operations, **\$34,600.00** for performance funding, and **\$1,200.00** for costs incurred under the North American Indian tuition waiver.

(e) The appropriation for Gogebic Community College is ~~\$4,844,300.00~~, ~~\$4,809,700.00~~ for operations and ~~\$34,600.00~~ for performance funding, ~~\$4,933,600.00~~, **\$4,828,700.00** for operations, **\$45,000.00** for performance funding, and **\$59,900.00** for costs incurred under the North American Indian tuition waiver.

(f) The appropriation for Grand Rapids Community College is ~~\$18,709,300.00~~, ~~\$18,556,800.00~~ for operations and ~~\$152,500.00~~ for performance funding, ~~\$19,013,400.00~~, **\$18,628,700.00** for operations, **\$144,400.00** for performance funding, and **\$240,300.00** for costs incurred under the North American Indian tuition waiver.

(g) The appropriation for Henry Ford College is ~~\$22,463,600.00~~, ~~\$22,299,200.00~~ for operations and ~~\$164,400.00~~ for performance funding, ~~\$22,574,700.00~~, **\$22,382,000.00** for operations, **\$151,100.00** for performance funding, and **\$41,600.00** for costs incurred under the North American Indian tuition waiver.

(h) The appropriation for Jackson College is ~~\$12,698,200.00~~, ~~\$12,617,200.00~~ for operations and ~~\$81,000.00~~ for performance funding, ~~\$12,802,900.00~~, **\$12,679,800.00** for operations, **\$76,400.00** for performance funding, and **\$46,700.00** for costs incurred under the North American Indian tuition waiver.

(i) The appropriation for Kalamazoo Valley Community College is ~~\$13,046,600.00~~, ~~\$12,948,700.00~~ for operations and ~~\$97,900.00~~ for performance funding, ~~\$13,155,900.00~~, **\$13,009,500.00** for operations, **\$90,400.00** for performance funding, and **\$56,000.00** for costs incurred under the North American Indian tuition waiver.

(j) The appropriation for Kellogg Community College is ~~\$10,214,400.00~~, ~~\$10,143,600.00~~ for operations and ~~\$70,800.00~~ for performance funding, ~~\$10,346,500.00~~, **\$10,199,600.00** for operations, **\$67,500.00** for performance funding, and **\$79,400.00** for costs incurred under the North American Indian tuition waiver.

(k) The appropriation for Kirtland Community College is ~~\$3,321,600.00~~, ~~\$3,289,400.00~~ for operations and ~~\$32,200.00~~ for performance funding, ~~\$3,393,000.00~~, **\$3,311,600.00** for operations, **\$46,800.00** for performance funding, and **\$34,600.00** for costs incurred under the North American Indian tuition waiver.

(l) The appropriation for Lake Michigan College is ~~\$5,672,100.00~~, ~~\$5,631,000.00~~ for operations and ~~\$41,100.00~~ for performance funding, ~~\$5,714,000.00~~, **\$5,663,300.00** for operations, **\$39,400.00** for performance funding, and **\$11,300.00** for costs incurred under the North American Indian tuition waiver.

(m) The appropriation for Lansing Community College is ~~\$32,725,800.00~~, ~~\$32,515,500.00~~ for operations and ~~\$210,300.00~~ for performance funding, ~~\$33,005,900.00~~, **\$32,652,300.00** for operations, **\$199,700.00** for performance funding, and **\$153,900.00** for costs incurred under the North American Indian tuition waiver.

(n) The appropriation for Macomb Community College is ~~\$34,124,000.00, \$33,863,600.00 for operations and \$260,400.00 for performance funding.~~ **\$34,312,100.00, \$34,043,100.00 for operations, \$233,000.00 for performance funding, and \$36,000.00 for costs incurred under the North American Indian tuition waiver.**

(o) The appropriation for Mid Michigan Community College is ~~\$5,112,400.00, \$5,068,300.00 for operations and \$44,100.00 for performance funding.~~ **\$5,324,500.00, \$5,100,400.00 for operations, \$84,000.00 for performance funding, and \$140,100.00 for costs incurred under the North American Indian tuition waiver.**

(p) The appropriation for Monroe County Community College is ~~\$4,708,600.00, \$4,665,500.00 for operations and \$43,100.00 for performance funding.~~ **\$4,747,100.00, \$4,706,500.00 for operations, \$39,700.00 for performance funding, and \$900.00 for costs incurred under the North American Indian tuition waiver.**

(q) The appropriation for Montcalm Community College is ~~\$3,542,900.00, \$3,515,200.00 for operations and \$27,700.00 for performance funding.~~ **\$3,576,300.00, \$3,541,400.00 for operations, \$29,200.00 for performance funding, and \$5,700.00 for costs incurred under the North American Indian tuition waiver.**

(r) The appropriation for C.S. Mott Community College is ~~\$16,381,600.00, \$16,258,100.00 for operations and \$123,500.00 for performance funding.~~ **\$16,453,400.00, \$16,325,800.00 for operations, \$114,200.00 for performance funding, and \$13,400.00 for costs incurred under the North American Indian tuition waiver.**

(s) The appropriation for Muskegon Community College is ~~\$9,264,700.00, \$9,203,000.00 for operations and \$61,700.00 for performance funding.~~ **\$9,366,400.00, \$9,230,500.00 for operations, \$58,600.00 for performance funding, and \$77,300.00 for costs incurred under the North American Indian tuition waiver.**

(t) The appropriation for North Central Michigan College is ~~\$3,402,600.00, \$3,368,400.00 for operations and \$34,200.00 for performance funding.~~ **\$3,567,200.00, \$3,358,100.00 for operations, \$31,200.00 for performance funding, and \$177,900.00 for costs incurred under the North American Indian tuition waiver.**

(u) The appropriation for Northwestern Michigan College is ~~\$9,625,400.00, \$9,559,700.00 for operations and \$65,700.00 for performance funding.~~ **\$9,813,800.00, \$9,503,400.00 for operations, \$63,700.00 for performance funding, and \$246,700.00 for costs incurred under the North American Indian tuition waiver.**

(v) The appropriation for Oakland Community College is ~~\$22,093,000.00, \$21,905,700.00 for operations and \$187,300.00 for performance funding.~~ **\$22,235,400.00, \$22,033,100.00 for operations, \$178,600.00 for performance funding, and \$23,700.00 for costs incurred under the North American Indian tuition waiver.**

(w) The appropriation for Schoolcraft College is ~~\$13,112,900.00, \$12,991,300.00 for operations and \$121,600.00 for performance funding.~~ **\$13,263,200.00, \$13,080,600.00 for operations, \$115,600.00 for performance funding, and \$67,000.00 for costs incurred under the North American Indian tuition waiver.**

(x) The appropriation for Southwestern Michigan College is ~~\$6,946,900.00, \$6,903,300.00 for operations and \$43,600.00 for performance funding.~~ **\$7,019,100.00, \$6,932,700.00 for operations, \$46,700.00 for performance funding, and \$39,700.00 for costs incurred under the North American Indian tuition waiver.**

(y) The appropriation for St. Clair County Community College is ~~\$7,358,700.00, \$7,300,100.00 for operations and \$58,600.00 for performance funding.~~ **\$7,393,700.00, \$7,329,600.00 for operations, \$55,600.00 for performance funding, and \$8,500.00 for costs incurred under the North American Indian tuition waiver.**

(z) The appropriation for Washtenaw Community College is ~~\$13,764,000.00, \$13,631,400.00 for operations and \$132,600.00 for performance funding.~~ **\$13,886,900.00, \$13,730,300.00 for operations, \$125,600.00 for performance funding, and \$31,000.00 for costs incurred under the North American Indian tuition waiver.**

(aa) The appropriation for Wayne County Community College is ~~\$17,487,200.00, \$17,338,300.00 for operations and \$148,900.00 for performance funding.~~ **\$17,601,900.00, \$17,459,700.00 for operations, \$133,700.00 for performance funding, and \$8,500.00 for costs incurred under the North American Indian tuition waiver.**

(bb) The appropriation for West Shore Community College is ~~\$2,573,400.00, \$2,556,300.00 for operations and \$17,100.00 for performance funding.~~ **\$2,605,400.00, \$2,566,100.00 for operations, \$19,500.00 for performance funding, and \$19,800.00 for costs incurred under the North American Indian tuition waiver.**

(3) The amount appropriated in subsection (2) for community college operations is ~~\$322,250,900.00~~ **\$325,473,400.00** and is appropriated from the state school aid fund.

(4) From the appropriations described in subsection (1), both of the following apply:

(a) Subject to section 207a, the amount appropriated for fiscal year ~~2018-2019-2019-2020~~ to offset certain fiscal year ~~2018-2019-2019-2020~~ retirement contributions is \$1,733,600.00, appropriated from the state school aid fund.

(b) For fiscal year ~~2018-2019 only, 2019-2020~~, there is allocated an amount not to exceed ~~\$6,431,000.00~~ **\$12,212,000.00** for payments to participating community colleges, appropriated from the state school aid fund. A community college that receives money under this subdivision shall use that money solely for the purpose of offsetting the normal cost contribution rate.

(5) From the appropriations described in subsection (1), subject to section 207b, the amount appropriated for payments to community colleges that are participating entities of the retirement system is ~~\$75,300,000.00,~~ **\$73,100,000.00**, appropriated from the state school aid fund.

(6) From the appropriations described in subsection (1), subject to section 207c, the amount appropriated for renaissance zone tax reimbursements is ~~\$2,500,000.00,~~ **\$2,200,000.00**, appropriated from the state school aid fund.

Sec. 201a. It is the intent of the legislature to provide appropriations for the fiscal year ending on September 30, ~~2020-2021~~ for the items listed in section 201. The fiscal year ~~2019-2020-2020-2021~~ appropriations are anticipated to be the same as those for fiscal year ~~2018-2019, 2019-2020~~, except that the amounts will be adjusted for changes in retirement costs, caseload and related costs, federal fund match rates, economic factors, and available revenue. These adjustments will be determined after the January ~~2019-2020~~ consensus revenue estimating conference. **For fiscal year 2020-2021, the amount appropriated for payment to the Michigan public school employee retirement system is projected to be \$98,506,600.00.**

Sec. 206. (1) The funds appropriated in section 201 are appropriated for community colleges with fiscal years ending June 30, ~~2019-2020~~ and shall be paid out of the state treasury and distributed by the state treasurer to the respective community colleges in 11 monthly installments on the sixteenth of each month, or the next succeeding business day, beginning with October 16, ~~2018-2019~~. Each community college shall accrue its July and August ~~2019-2020~~ payments to its institutional fiscal year ending June 30, ~~2019-2020~~.

(2) If the state budget director determines that a community college failed to submit any of the information described in subdivisions (a) to (f) in the form and manner specified by the center, the state treasurer shall, subject to subdivision (g), withhold the monthly installments from that community college until those data are submitted:

(a) The Michigan community colleges verified data inventory data for the preceding academic year to the center by **the first business day of** November ~~4~~ of each year as specified in section 217.

(b) The college credit opportunity data set as specified in section 209.

(c) The longitudinal data set for the preceding academic year to the center as specified in section 219.

(d) The annual independent audit as specified in section 222.

(e) Tuition and mandatory fees information for the current academic year as specified in section 225.

(f) The number and type of associate degrees and other certificates awarded during the previous academic year as specified in section 226.

(g) The state budget director shall notify the chairs of the house and senate appropriations subcommittees on community colleges at least 10 days before withholding funds from any community college.

Sec. 207a. All of the following apply to the allocation of the fiscal year ~~2018-2019-2019-2020~~ appropriations described in section 201(4):

(a) A community college that receives money under section 201(4) shall use that money solely for the purpose of offsetting a portion of the retirement contributions owed by the college for that fiscal year.

(b) The amount allocated to each participating community college under section 201(4) shall be based on each college's percentage of the total covered payroll for all community colleges that are participating colleges in the immediately preceding fiscal year.

Sec. 207b. All of the following apply to the allocation of the fiscal year ~~2018-2019-2019-2020~~ appropriations described in section 201(5) for payments to community colleges that are participating entities of the retirement system:

(a) The amount of a payment under section 201(5) shall be the difference between the unfunded actuarial accrued liability contribution rate as calculated under section 41 of the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1341, as calculated without taking into account the maximum employer rate of 20.96% included in section 41 of the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1341, and the maximum employer rate of 20.96% under section 41 of the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1341.



(b) The amount allocated to each community college under section 201(5) shall be based on each community college's percentage of the total covered payroll for all community colleges that are participating colleges in the immediately preceding fiscal year. A community college that receives funds under this subdivision shall use the funds solely for the purpose of retirement contributions under section 201(5).

(c) Each participating college that receives funds under section 201(5) shall forward an amount equal to the amount allocated under subdivision (b) to the retirement system in a form and manner determined by the retirement system.

Sec. 207c. All of the following apply to the allocation of the appropriations described in section 201(6) to community colleges described in section 12(3) of the Michigan renaissance zone act, 1996 PA 376, MCL 125.2692:

(a) The amount allocated to each community college under section 201(6) for fiscal year ~~2018-2019~~ **2019-2020** shall be based on that community college's proportion of total revenue lost by community colleges as a result of the exemption of property taxes levied in ~~2018-2019~~ under the Michigan renaissance zone act, 1996 PA 376, MCL 125.2681 to 125.2696.

(b) The appropriations described in section 201(6) shall be made to each eligible community college within 60 days after the department of treasury certifies to the state budget director that it has received all necessary information to properly determine the amounts payable to each eligible community college under section 12 of the Michigan renaissance zone act, 1996 PA 376, MCL 125.2692.

Sec. 209. (1) Within 30 days after the board of a community college adopts its annual operating budget for the following fiscal year, or after the board adopts a subsequent revision to that budget, the community college shall make all of the following available through a link on its website homepage:

(a) The annual operating budget and subsequent budget revisions.

(b) A link to the most recent "Michigan Community College Data Inventory Report".

(c) General fund revenue and expenditure projections for the current fiscal year and the next fiscal year.

(d) A listing of all debt service obligations, detailed by project, anticipated payment of each project, and total outstanding debt for the current fiscal year.

(e) Links to all of the following for the community college:

(i) The current collective bargaining agreement for each bargaining unit.

(ii) Each health care benefits plan, including, but not limited to, medical, dental, vision, disability, long-term care, or any other type of benefits that would constitute health care services, offered to any bargaining unit or employee of the community college.

(iii) Audits and financial reports for the most recent fiscal year for which they are available.

(iv) A copy of the board of trustees resolution regarding compliance with best practices for the local strategic value component described in section 230(2).

**(f) A map that includes the boundaries of the community college district.**

(2) For statewide consistency and public visibility, community colleges must use the icon badge provided by the department of technology, management, and budget consistent with the icon badge developed by the department of education for K-12 school districts. It must appear on the front of each community college's homepage. The size of the icon may be reduced to 150 x 150 pixels.

(3) The state budget director shall determine whether a community college has complied with this section. The state budget director may withhold a community college's monthly installments described in section 206 until the community college complies with this section. The state budget director shall notify the chairs of the house and senate appropriations subcommittee on community colleges at least 10 days before withholding funds from any community college.

(4) Each community college shall report the following information to the senate and house appropriations subcommittees on community colleges, the senate and house fiscal agencies, and the state budget office by November 15 of each fiscal year and post that information on its website as required under subsection (1):

(a) Budgeted current fiscal year general fund revenue from tuition and fees.

(b) Budgeted current fiscal year general fund revenue from state appropriations.

(c) Budgeted current fiscal year general fund revenue from property taxes.

(d) Budgeted current fiscal year total general fund revenue.

(e) Budgeted current fiscal year total general fund expenditures.

(5) By **the first business day** of November ~~15~~ of each year, a community college shall report the following information to the center and post the information on its website under the budget transparency icon badge:

(a) Opportunities for earning college credit through the following programs:

(i) State approved career and technical education or a tech prep articulated program of study.

(ii) Direct college credit or concurrent enrollment.

(iii) Dual enrollment.

(iv) An early college/middle college program.

(b) For each program described in subdivision (a) that the community college offers, all of the following information:

- (i) The number of high school students participating in the program.
- (ii) The number of school districts that participate in the program with the community college.
- (iii) Whether a college professor, qualified local school district employee, or other individual teaches the course or courses in the program.
- (iv) The total cost to the community college to operate the program.
- (v) The cost per credit hour for the course or courses in the program.
- (vi) The location where the course or courses in the program are held.
- (vii) Instructional resources offered to the program instructors.
- (viii) Resources offered to the student in the program.
- (ix) Transportation services provided to students in the program.

Sec. 209a. (1) A public community college shall develop, maintain, and update a “campus safety information and resources” link, prominently displayed on the homepage of its website, to a section of its website containing all of the information required under subsection (2).

(2) The “campus safety information and resources” section of a public community college’s website shall include, but not be limited to, all of the following information:

- (a) Emergency contact numbers for police, fire, health, and other services.
- (b) Hours, locations, phone numbers, and electronic mail contacts for campus public safety offices and title IX offices.
- (c) A list of safety and security services provided by the community college, including transportation, escort services, building surveillance, anonymous tip lines, and other available security services.
- (d) A public community college’s policies applicable to minors on community college property.
- (e) A directory of resources available at the community college or surrounding community for students or employees who are survivors of sexual assault or sexual abuse.
- (f) An electronic copy of “A Resource Handbook for Campus Sexual Assault Survivors, Friends and Family”, published in 2018 by the office of the governor in conjunction with the first lady of Michigan.
- (g) Campus security policies and crime statistics pursuant to the student right-to-know and campus security act, Public Law 101-542, 104 Stat 2381. Information shall include all material prepared pursuant to the public information reporting requirements under the crime awareness and campus security act of 1990, title II of the student right-to-know and campus security act, Public Law 101-542, 104 Stat 2381.

(3) A community college shall certify to the state budget director by ~~August 31, 2018~~ **October 1, 2019 and the last business day of each August thereafter**, that it is in compliance with this section. The state budget director may withhold a public community college’s monthly installments described in section 206 until the public community college complies with this section.

Sec. 210b. By March 1 ~~, 2019,~~ **of each year**, the Michigan Community College Association and the Michigan Association of State Universities shall submit a report to the senate and house appropriations subcommittees on community colleges, the senate and house fiscal agencies, and the state budget director on the activities and programs of the transfer steering committee since ~~the March 1, 2018 report required under this section,~~ **of the previous year**, including all of the following:

- (a) The alignment of learning outcomes in gateway mathematics courses in the quantitative reasoning, college algebra, and statistics pathways and the transferability of mathematics gateway courses between and among community colleges and universities.
- (b) The development of program-specific, statewide transfer pathways that meet program requirements for both associate and bachelor’s degree programs.
- (c) The development of an enhanced online communication tool to share information about postsecondary options in Michigan, course equivalencies, and transfer pathways that are clearly articulated.
- (d) The establishment of clear timelines for developing and implementing transfer pathways.
- (e) A progress report on the implementation of the Michigan transfer agreement.

Sec. 210f. By February 1, ~~2019,~~ **2020 and February 1 of every even-numbered year thereafter**, the ~~Michigan community college association,~~ **Community College Association**, the ~~Michigan association of state universities,~~ **Association of State Universities**, and the ~~Michigan independent colleges and universities,~~ **Independent Colleges and Universities**, on behalf of their member colleges and universities, shall submit to the senate and house appropriations subcommittees on higher education, the senate and house appropriations subcommittees on community colleges, the senate and house fiscal agencies, and the state budget director a comprehensive report detailing the number of academic program partnerships between public community colleges, public universities, and private colleges and universities, including, but not limited to, the following information:

- (a) The names of the baccalaureate degree programs of study offered by public and private universities on community college campuses.

(b) The names of the articulation agreements for baccalaureate degree programs of study between public community colleges, public universities, and private colleges and universities.

(c) The number of students enrolled and number of degrees awarded through articulation agreements, and the number of courses offered, number of students enrolled, and number of degrees awarded through on-campus programs named in subdivision (a) from July 1, ~~2017-2018~~ through June 30, ~~2018-2019~~.

Sec. 217. (1) The center shall do all of the following:

(a) Establish, maintain, and coordinate the state community college database commonly known as the "Michigan Community College Data Inventory".

(b) Collect data concerning community colleges and community college programs in this state, including data required by law.

(c) Establish procedures to ensure the validity and reliability of the data and the collection process.

(d) Develop model data collection policies, including, but not limited to, policies that ensure the privacy of any individual student data. Privacy policies shall ensure that student social security numbers are not released to the public for any purpose.

(e) Provide data in a useful manner to allow state policymakers and community college officials to make informed policy decisions.

~~(f) Work with the talent investment agency in the department of talent and economic development to compile~~ **Compile** and publish electronically the demographic enrollment profile.

**(g) Compile and publish the community college performance improvement and performance completion rate data to support the performance funding formula metrics specified in section 230(1)(c) and (e).**

(2) There is created within the center the Michigan Community College Data Inventory advisory committee. The committee shall provide advice to the director of the center regarding the management of the state community college database, including, but not limited to:

(a) Determining what data are necessary to collect and maintain to enable state and community college officials to make informed policy decisions.

(b) Defining the roles of all stakeholders in the data collection system.

(c) Recommending timelines for the implementation and ongoing collection of data.

(d) Establishing and maintaining data definitions, data transmission protocols, and system specifications and procedures for the efficient and accurate transmission and collection of data.

(e) Establishing and maintaining a process for ensuring the accuracy of the data.

(f) Establishing and maintaining policies related to data collection, including, but not limited to, privacy policies related to individual student data.

(g) Ensuring that the data are made available to state policymakers and citizens of this state in the most useful format possible.

(h) Addressing other matters as determined by the director of the center or as required by law.

(3) The Michigan Community College Data Inventory advisory committee created in subsection (2) shall consist of the following members:

(a) One representative from the house fiscal agency, appointed by the director of the house fiscal agency.

(b) One representative from the senate fiscal agency, appointed by the director of the senate fiscal agency.

(c) One representative from the workforce development agency, appointed by the director of the workforce development agency.

(d) One representative from the center, appointed by the director of the center.

(e) One representative from the state budget office, appointed by the state budget director.

(f) One representative from the governor's policy office, appointed by that office.

(g) Four representatives of the Michigan Community College Association, appointed by the president of the association, ~~From the groupings of community colleges given in the Michigan Community College Data Inventory database described in subsection (1), the association shall appoint 1 representative each from group 1, group 2, and group 3, and 1 representative from either group 3 or 4 that represent a diverse mix of college sizes.~~

Sec. 225. Each community college shall report to the center by **the last business day of August 31** of each year the tuition and mandatory fees paid by a full-time in-district student and a full-time out-of-district student as established by the college governing board for the current academic year. This report should also include the annual cost of tuition and fees based on a full-time course load of 30 credits. This report must also specify the amount that tuition and fees have increased for each institution from the prior academic year. Each community college shall also report any revisions to the reported current academic year tuition and mandatory fees adopted by the college governing board to the center within 15 days of being adopted. The center shall provide this information and any revisions to the house and senate fiscal agencies and the state budget director.

Sec. 229a. Included in the fiscal year ~~2018-2019~~**2019-2020** appropriations for the department of technology, management, and budget are appropriations totaling ~~\$36,378,100.00~~**\$34,181,600.00** to provide funding for the state share of costs for previously constructed capital projects for community colleges. Those appropriations for state building authority rent represent additional state general fund support for community colleges, and the following is an estimate of the amount of that support to each community college:

- (a) Alpena Community College, ~~\$876,300.00~~**\$702,500.00**.
- (b) Bay de Noc Community College, ~~\$677,000.00~~**\$679,000.00**.
- (c) Delta College, ~~\$3,798,700.00~~**\$3,905,300.00**.
- (d) Glen Oaks Community College, ~~\$123,000.00~~**\$123,400.00**.
- (e) Gogebic Community College, ~~\$56,000.00~~**\$56,200.00**.
- (f) Grand Rapids Community College, ~~\$2,536,500.00~~**\$2,208,700.00**.
- (g) Henry Ford College, ~~\$1,028,000.00~~**\$1,031,000.00**.
- (h) Jackson College, ~~\$2,164,000.00~~**\$2,170,400.00**.
- (i) Kalamazoo Valley Community College, ~~\$1,942,000.00~~**\$1,947,700.00**.
- (j) Kellogg Community College, ~~\$681,300.00~~**\$715,300.00**.
- (k) Kirtland Community College, ~~\$591,800.00~~**\$639,100.00**.
- (l) Lake Michigan College, ~~\$975,800.00~~**\$532,300.00**.
- (m) Lansing Community College, ~~\$1,141,000.00~~**\$1,144,300.00**.
- (n) Macomb Community College, ~~\$1,649,000.00~~**\$1,653,900.00**.
- (o) Mid Michigan Community College, ~~\$1,615,000.00~~**\$1,619,700.00**.
- (p) Monroe County Community College, ~~\$1,544,300.00~~**\$1,604,900.00**.
- (q) Montcalm Community College, ~~\$971,000.00~~**\$973,900.00**.
- (r) C.S. Mott Community College, ~~\$2,107,200.00~~**\$1,808,300.00**.
- (s) Muskegon Community College, ~~\$989,000.00~~**\$1,076,800.00**.
- (t) North Central Michigan College, ~~\$668,000.00~~**\$490,900.00**.
- (u) Northwestern Michigan College, ~~\$1,844,900.00~~**\$1,471,300.00**.
- (v) Oakland Community College, ~~\$465,000.00~~**\$466,400.00**.
- (w) Schoolcraft College, ~~\$2,296,000.00~~**\$1,550,600.00**.
- (x) Southwestern Michigan College, ~~\$887,500.00~~**\$890,100.00**.
- (y) St. Clair County Community College, ~~\$723,500.00~~**\$799,300.00**.
- (z) Washtenaw Community College, ~~\$1,826,000.00~~**\$1,680,900.00**.
- (aa) Wayne County Community College, ~~\$1,462,000.00~~**\$1,466,300.00**.
- (bb) West Shore Community College, ~~\$738,300.00~~**\$773,100.00**.

Sec. 230. (1) Money included in the appropriations for community college operations under section 201(2) in fiscal year ~~2018-2019~~**2019-2020** for performance funding is distributed based on the following formula:

- (a) Allocated proportionate to fiscal year ~~2017-2018~~**2018-2019** base appropriations, 30%.
- (b) Based on a weighted student contact hour formula as provided for in the 2016 recommendations of the performance indicators task force, ~~30%~~**25%**.
- (c) Based on the performance improvement as provided for in the 2016 recommendations of the performance indicators task force **and based on data provided by the center**, 10%.
- (d) Based on the performance completion number as provided for in the 2016 recommendations of the performance indicators task force, 10%.
- (e) Based on the performance completion rate as provided for in the 2016 recommendations of the performance indicators task force **and based on data provided by the center**, 10%.
- (f) Based on administrative costs, 5%.
- (g) Based on the local strategic value component, as developed in cooperation with the Michigan Community College Association and described in subsection (2), 5%.

**(h) Based on the 6 community colleges with the lowest taxable values in the 2017-2018 Michigan community college data inventory report, weighted by fiscal year equated students, 5%.**

(2) Money included in the appropriations for community college operations under section 201(2) for local strategic value shall be allocated to each community college that certifies to the state budget director, through a board of trustees resolution on or before October 15, ~~2018~~**2019**, that the college has met 4 out of 5 best practices listed in each category described in subsection (3). The resolution shall provide specifics as to how the community college meets each best practice measure within each category. One-third of funding available under the strategic value component shall be allocated to each category described in subsection (3). Amounts distributed under local strategic value shall be on a proportionate basis to each college's fiscal year ~~2017-2018~~**2018-2019** operations funding. Payments to community colleges that qualify for local strategic value funding shall be distributed with the November installment payment described in section 206.

(3) For purposes of subsection (2), the following categories of best practices reflect functional activities of community colleges that have strategic value to the local communities and regional economies:

(a) For Category A, economic development and business or industry partnerships, the following:

(i) The community college has active partnerships with local employers including hospitals and health care providers.

(ii) The community college provides customized on-site training for area companies, employees, or both.

(iii) The community college supports entrepreneurship through a small business assistance center or other training or consulting activities targeted toward small businesses.

(iv) The community college supports technological advancement through industry partnerships, incubation activities, or operation of a Michigan technical education center or other advanced technology center.

(v) The community college has active partnerships with local or regional workforce and economic development agencies.

(b) For Category B, educational partnerships, the following:

(i) The community college has active partnerships with regional high schools, intermediate school districts, and career-tech centers to provide instruction through dual enrollment, concurrent enrollment, direct credit, middle college, or academy programs.

(ii) The community college hosts, sponsors, or participates in enrichment programs for area K-12 students, such as college days, summer or after-school programming, or Science Olympiad.

(iii) The community college provides, supports, or participates in programming to promote successful transitions to college for traditional age students, including grant programs such as talent search, upward bound, or other activities to promote college readiness in area high schools and community centers.

(iv) The community college provides, supports, or participates in programming to promote successful transitions to college for new or reentering adult students, such as adult basic education, a high school equivalency test preparation program and testing, or recruiting, advising, or orientation activities specific to adults. As used in this subparagraph, "high school equivalency test preparation program" means that term as defined in section 4.

(v) The community college has active partnerships with regional 4-year colleges and universities to promote successful transfer, such as articulation, 2+2, or reverse transfer agreements or operation of a university center.

(c) For Category C, community services, the following:

(i) The community college provides continuing education programming for leisure, wellness, personal enrichment, or professional development.

(ii) The community college operates or sponsors opportunities for community members to engage in activities that promote leisure, wellness, cultural or personal enrichment such as community sports teams, theater or musical ensembles, or artist guilds.

(iii) The community college operates public facilities to promote cultural, educational, or personal enrichment for community members, such as libraries, computer labs, performing arts centers, museums, art galleries, or television or radio stations.

(iv) The community college operates public facilities to promote leisure or wellness activities for community members, including gymnasiums, athletic fields, tennis courts, fitness centers, hiking or biking trails, or natural areas.

(v) The community college promotes, sponsors, or hosts community service activities for students, staff, or community members.

(4) Payments for performance funding under section 201(2) shall be made to a community college only if that community college actively participates in the Michigan Transfer Network sponsored by the Michigan Association of Collegiate Registrars and Admissions Officers and submits timely updates, including updated course equivalencies at least every 6 months, to the Michigan transfer network. The state budget director shall determine if a community college has not satisfied this requirement. The state budget director may withhold payments for performance funding until a community college is in compliance with this section.

Enacting section 1. Sections 218 and 227 of the state school aid act of 1979, 1979 PA 94, MCL 388.1818 and 388.1827, are repealed effective October 1, 2019.

Enacting section 2. In accordance with section 30 of article IX of the state constitution of 1963, total state spending from state sources for community colleges for fiscal year 2019-2020 under article II of the state school aid act of 1979, 1979 PA 94, MCL 388.1801 to 388.1830, is estimated at \$414,719,000.00 and the amount of that state spending from state sources to be paid to local units of government for fiscal year 2019-2020 is estimated at \$414,719,000.00.

Enacting section 3. This amendatory act takes effect October 1, 2019.

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

A bill to amend 1979 PA 94, entitled "An act to make appropriations to aid in the support of the public schools, the intermediate school districts, community colleges, and public universities of the state; to make

appropriations for certain other purposes relating to education; to provide for the disbursement of the appropriations; to authorize the issuance of certain bonds and provide for the security of those bonds; to prescribe the powers and duties of certain state departments, the state board of education, and certain other boards and officials; to create certain funds and provide for their expenditure; to prescribe penalties; and to repeal acts and parts of acts,” by amending sections 201, 201a, 206, 207a, 207b, 207c, 209, 209a, 210b, 210f, 225, 229a, and 230 (MCL 388.1801, 388.1801a, 388.1806, 388.1807a, 388.1807b, 388.1807c, 388.1809, 388.1809a, 388.1810b, 388.1810f, 388.1825, 388.1829a, and 388.1830), sections 201, 201a, 206, 207a, 207b, 207c, 209, 210b, 225, 229a, and 230 as amended and sections 209a and 210f as added by 2018 PA 265; and to repeal acts and parts of acts.

Kim LaSata  
 Jim Stamas  
 Conferees for the Senate

Scott VanSingel  
 Ann M. Bollin  
 Conferees for the House

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

**Roll Call No. 221**

**Yeas—21**

Bizon	Lauwers	Nesbitt	Stamas
Bumstead	Lucido	Outman	Theis
Daley	MacDonald	Runestad	VanderWall
Horn	MacGregor	Schmidt	Victory
Johnson	McBroom	Shirkey	Zorn
LaSata			

**Nays—17**

Alexander	Bullock	Hollier	Moss
Ananich	Chang	Irwin	Polehanki
Barrett	Geiss	McCann	Santana
Bayer	Hertel	McMorrow	Wojno
Brinks			

**Excused—0**

**Not Voting—0**

In The Chair: President

Senator MacGregor moved that the bill be given immediate effect.  
 The motion prevailed, 2/3 of the members serving voting therefor.

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

The motion prevailed.

Senator LaSata’s statement is as follows:

As a former teacher, I believe students benefit from a lifelong learning model. And as chair of the Senate’s Universities and Community Colleges Appropriations Subcommittee, I believe it is critical that we support

a funding structure that reflects our state’s commitment to lifelong learning. This, I believe, is essential to making Michigan a top state for job providers and talented workers, which benefits the economy and all of us. That’s why I believe funding and supporting higher education from the School Aid Fund further supports our “K through Forever” philosophy.

As far as this budget is concerned, the operations increase to community colleges is modest and not what we would prefer in an ideal situation, but it is a realistic budget based on the resources we have and lives within its means.

Areas of agreement with Governor Whitmer—this budget boosts funding for community colleges and invests \$3.6 million to reduce retirement obligations for our community colleges. This budget also fully funds the Indian tuition waiver program, a priority of colleagues on both sides of the aisle.

At the end of the day, this budget supports the mission of our community colleges to produce successful graduates ready to meet the needs of employers and keep Michigan competitive.

Senator Bumstead submitted the following:

FIRST CONFERENCE REPORT

The Committee of Conference on the matters of difference between the two Houses concerning **Senate Bill No. 137, entitled**

A bill to make appropriations for the department of environment, Great Lakes, and energy for the fiscal year ending September 30, 2020; and to provide for the expenditure of the appropriations.

Recommends:

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

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

A bill to make appropriations for the department of environment, Great Lakes, and energy for the fiscal year ending September 30, 2020; and to provide for the expenditure of the appropriations.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. There is appropriated for the department of environment, Great Lakes, and energy for the fiscal year ending September 30, 2020, from the following funds:

**DEPARTMENT OF ENVIRONMENT, GREAT LAKES, AND ENERGY**

APPROPRIATION SUMMARY

Full-time equated unclassified positions.....	6.0	
Full-time equated classified positions.....	1,416.0	
<b>GROSS APPROPRIATION.....</b>		<b>\$ 616,140,800</b>
Interdepartmental grant revenues:		
IDG, MDOT - Michigan transportation fund .....	1,383,000	
IDG from department of state police .....	1,793,600	
Total interdepartmental grants and intradepartmental transfers .....	3,176,600	
<b>ADJUSTED GROSS APPROPRIATION.....</b>		<b>\$ 612,964,200</b>
Federal revenues:		
Federal funds.....	175,269,900	
Total federal revenues .....	175,269,900	
Special revenue funds:		
Private funds .....	1,201,800	
Total private revenues .....	1,201,800	
Total other state restricted revenues .....	267,915,100	
State general fund/general purpose.....		\$ 168,577,400

FUND SOURCE SUMMARY

Full-time equated unclassified positions.....	6.0	
Full-time equated classified positions.....	1,416.0	
<b>GROSS APPROPRIATION.....</b>		<b>\$ 616,140,800</b>
Interdepartmental grant revenues:		
IDG, MDOT - Michigan transportation fund .....	1,383,000	
IDG from department of state police .....	1,793,600	
Total interdepartmental grants and intradepartmental transfers .....	3,176,600	
<b>ADJUSTED GROSS APPROPRIATION.....</b>		<b>\$ 612,964,200</b>

For Fiscal Year  
Ending Sept. 30,  
2020

Federal revenues:	
Total federal revenues .....	175,269,900
Special revenue funds:	
Private funds .....	1,201,800
Total private revenues .....	1,201,800
Air emissions fees .....	12,613,200
Aquatic nuisance control fund .....	948,400
Campground fund .....	328,600
Clean Michigan initiative - clean water fund .....	2,617,100
Clean Michigan initiative - nonpoint source .....	2,000,000
Cleanup and redevelopment fund .....	21,253,900
Coal ash care fund .....	260,000
Community pollution prevention fund .....	1,250,000
Drinking water declaration of emergency reserve fund .....	100
Electronic waste recycling fund .....	339,700
Environmental education fund .....	176,500
Environmental pollution prevention fund .....	6,900,800
Environmental protection fund .....	521,400
Environmental response fund .....	5,012,200
Fees and collections .....	395,500
Financial instruments .....	9,555,400
Great Lakes protection fund .....	531,600
Groundwater discharge permit fees .....	1,793,900
Infrastructure construction fund .....	52,200
Laboratory services fees .....	6,637,000
Land and water permit fees .....	3,357,400
Landfill maintenance trust fund .....	31,000
Medical waste emergency response fund .....	344,200
Metallic mining surveillance fee revenue .....	101,100
Mineral well regulatory fee revenue .....	223,200
Native copper mine fund .....	50,000
Nonferrous metallic mineral surveillance .....	370,200
NPDES fees .....	4,689,700
Oil and gas regulatory fund .....	7,331,200
Orphan well fund .....	4,329,800
Public swimming pool fund .....	665,500
Public utility assessments .....	2,608,700
Public water supply fees .....	5,057,900
Refined petroleum fund .....	42,407,400
Renew Michigan fund .....	69,000,000
Retired engineers technical assistance program .....	498,200
Revitalization revolving loan fund .....	103,100
Revolving loan revenue bonds .....	15,000,000
Sand extraction fee revenue .....	93,000
Scrap tire regulatory fund .....	5,127,000
Septage waste program fund .....	530,600
Settlement funds .....	427,000
Sewage sludge land application fees .....	1,020,000
Small business pollution prevention revolving loan fund .....	167,400
Soil erosion and sedimentation control training fund .....	175,300
Solid waste management fund - staff account .....	5,304,600
Stormwater permit fees .....	2,527,000
Strategic water quality initiatives fund .....	1,220,500
Technologically enhanced naturally occurring radioactive material .....	250,000
Underground storage tank cleanup fund .....	20,044,300
Wastewater operator training fees .....	608,600
Water pollution control revolving fund .....	668,900



	For Fiscal Year Ending Sept. 30, 2020
Water quality protection fund.....	100,000
Water use reporting fees.....	294,800
Total other state restricted revenues.....	267,915,100
State general fund/general purpose.....	\$ 168,577,400
<b>Sec. 102. DEPARTMENTAL ADMINISTRATION AND SUPPORT</b>	
Full-time equated unclassified positions.....	6.0
Full-time equated classified positions.....	83.0
Unclassified salaries—6.0 FTE positions.....	\$ 824,100
Accounting service center.....	1,438,000
Administrative hearings officers.....	396,000
Central support services—39.0 FTE positions.....	5,239,500
Communications and community outreach—31.0 FTE positions.....	4,659,000
Environmental support projects.....	5,000,000
Executive direction—13.0 FTE positions.....	2,133,600
Facilities management.....	1,000,000
Property management.....	7,741,300
GROSS APPROPRIATION.....	\$ 28,431,500
Appropriated from:	
Interdepartmental grant revenues:	
IDG from department of state police.....	76,500
Federal revenues:	
Federal funds.....	59,800
Special revenue funds:	
Private funds.....	364,100
Air emissions fees.....	1,534,000
Campground fund.....	15,800
Cleanup and redevelopment fund.....	1,611,300
Electronic waste recycling fund.....	15,300
Environmental education fund.....	176,500
Environmental pollution prevention fund.....	1,759,700
Environmental protection fund.....	327,000
Environmental response fund.....	531,600
Fees and collections.....	151,500
Financial instruments.....	7,369,100
Groundwater discharge permit fees.....	217,700
Laboratory services fees.....	309,100
Land and water permit fees.....	646,800
Medical waste emergency response fund.....	18,200
Metallic mining surveillance fee revenue.....	5,200
Mineral well regulatory fee revenue.....	9,100
Nonferrous metallic mineral surveillance.....	800
NPDES fees.....	278,400
Oil and gas regulatory fund.....	948,000
Orphan well fund.....	53,600
Public swimming pool fund.....	27,900
Public utility assessments.....	21,400
Public water supply fees.....	291,400
Refined petroleum fund.....	2,652,600
Retired engineers technical assistance program.....	7,000
Sand extraction fee revenue.....	4,300
Scrap tire regulatory fund.....	175,600
Septage waste program fund.....	20,500
Settlement funds.....	427,000
Sewage sludge land application fees.....	125,800
Small business pollution prevention revolving loan fund.....	19,700
Soil erosion and sedimentation control training fund.....	19,100
Solid waste management fund - staff account.....	371,400

	For Fiscal Year Ending Sept. 30, 2020
Stormwater permit fees .....	266,400
Wastewater operator training fees .....	35,000
Water use reporting fees .....	25,000
State general fund/general purpose.....	\$ 7,462,300
<b>Sec. 103. OFFICE OF THE GREAT LAKES</b>	
Full-time equated classified positions.....	23.0
Coastal management grants .....	\$ 1,250,000
Great Lakes restoration initiative—11.0 FTE positions.....	8,444,800
Office of the Great Lakes—12.0 FTE positions .....	2,263,100
<b>GROSS APPROPRIATION.....</b>	<b>\$ 11,957,900</b>
Appropriated from:	
Federal revenues:	
Federal funds.....	10,510,400
Special revenue funds:	
Great Lakes protection fund .....	506,600
State general fund/general purpose.....	\$ 940,900
<b>Sec. 104. WATER RESOURCES DIVISION</b>	
Full-time equated classified positions.....	312.0
Aquatic nuisance control program—6.0 FTE positions.....	\$ 948,400
Expedited water/wastewater permits—1.0 FTE position .....	52,200
Federal - Great Lakes remedial action plan grants.....	583,800
Federal - nonpoint source water pollution grants.....	4,083,300
Fish contaminant monitoring.....	316,100
Great Lakes restoration initiative .....	6,252,100
Groundwater discharge permit program—22.0 FTE positions .....	3,286,400
Land and water interface permit programs—82.0 FTE positions .....	12,037,700
Nonpoint source pollution prevention and control project program .....	2,000,000
NPDES nonstormwater program—83.0 FTE positions .....	13,467,800
Program direction and project assistance—27.0 FTE positions.....	3,164,500
Surface water—51.5 FTE positions.....	9,392,300
Sewage sludge land application program—7.0 FTE positions .....	859,600
Stormwater activities—27.5 FTE positions.....	5,100,000
Technology advancements for water monitoring.....	500,000
Water quality protection grants .....	100,000
Water withdrawal assessment program—5.0 FTE positions .....	829,200
Wetlands program .....	1,000,000
<b>GROSS APPROPRIATION.....</b>	<b>\$ 63,973,400</b>
Appropriated from:	
Interdepartmental grant revenues:	
IDG, MDOT - Michigan transportation fund .....	1,296,900
Federal revenues:	
Federal funds.....	26,967,200
Special revenue funds:	
Aquatic nuisance control fund.....	948,400
Clean Michigan initiative - clean water fund.....	2,617,100
Clean Michigan initiative - nonpoint source.....	2,000,000
Environmental response fund .....	1,404,800
Groundwater discharge permit fees .....	1,479,900
Infrastructure construction fund .....	52,200
Land and water permit fees .....	2,359,400
NPDES fees .....	4,234,300
Refined petroleum fund.....	445,900
Sewage sludge land application fees .....	859,600
Soil erosion and sedimentation control training fund .....	143,200
Stormwater permit fees .....	2,171,400
Wastewater operator training fees .....	293,200
Water pollution control revolving fund .....	146,800

	For Fiscal Year Ending Sept. 30, 2020
Water quality protection fund.....	100,000
Water use reporting fees.....	253,400
State general fund/general purpose.....	\$ 16,199,700
<b>Sec. 105. LAW ENFORCEMENT</b>	
Full-time equated classified positions..... 15.0	
Environmental investigations—15.0 FTE positions.....	\$ <u>3,035,700</u>
<b>GROSS APPROPRIATION.....</b>	<b>\$ 3,035,700</b>
Appropriated from:	
Federal revenues:	
Federal funds.....	575,800
Special revenue funds:	
Air emissions fees.....	58,000
Campground fund.....	2,100
Cleanup and redevelopment fund.....	192,500
Electronic waste recycling fund.....	1,600
Environmental pollution prevention fund.....	265,400
Environmental response fund.....	41,900
Fees and collections.....	4,100
Financial instruments.....	532,800
Groundwater discharge permit fees.....	19,600
Laboratory services fees.....	35,600
Land and water permit fees.....	79,900
Medical waste emergency response fund.....	2,400
Metallic mining surveillance fee revenue.....	700
Mineral well regulatory fee revenue.....	1,200
NPDES fees.....	33,100
Oil and gas regulatory fund.....	89,300
Orphan well fund.....	7,100
Public swimming pool fund.....	3,700
Public utility assessments.....	2,000
Public water supply fees.....	27,300
Refined petroleum fund.....	375,800
Sand extraction fee revenue.....	600
Scrap tire regulatory fund.....	30,200
Septage waste program fund.....	2,700
Sewage sludge land application fees.....	11,700
Small business pollution prevention revolving loan fund.....	2,600
Soil erosion and sedimentation control training fund.....	2,600
Solid waste management fund - staff account.....	42,400
Stormwater permit fees.....	18,300
Wastewater operator training fees.....	4,600
Water use reporting fees.....	3,100
State general fund/general purpose.....	\$ 565,000
<b>Sec. 106. AIR QUALITY DIVISION</b>	
Full-time equated classified positions..... 187.0	
Air quality programs—187.0 FTE positions.....	\$ <u>29,944,100</u>
<b>GROSS APPROPRIATION.....</b>	<b>\$ 29,944,100</b>
Appropriated from:	
Federal revenues:	
Federal funds.....	7,392,300
Special revenue funds:	
Air emissions fees.....	10,340,700
Fees and collections.....	205,400
Oil and gas regulatory fund.....	142,400
Public utility assessments.....	150,000
Refined petroleum fund.....	3,697,100
State general fund/general purpose.....	\$ 8,016,200

For Fiscal Year  
Ending Sept. 30,  
2020

**Sec. 107. REMEDIATION AND REDEVELOPMENT DIVISION**

Full-time equated classified positions.....	308.0	
Contaminated site investigations, cleanup, and revitalization—130.0 FTE positions..		\$ 15,480,500
Emergency cleanup actions .....		2,000,000
Environmental cleanup support .....		1,000,000
Federal cleanup project management—40.0 FTE positions .....		7,163,300
Laboratory services—39.0 FTE positions .....		6,471,000
Refined petroleum product cleanup program—99.0 FTE positions.....		34,849,000
Superfund cleanup.....		<u>1,000,000</u>
<b>GROSS APPROPRIATION.....</b>		<b>\$ 67,963,800</b>
Appropriated from:		
Federal revenues:		
Federal funds.....		6,480,300
Special revenue funds:		
Private funds .....		192,500
Cleanup and redevelopment fund .....		17,641,200
Community pollution prevention fund .....		1,000,000
Environmental protection fund.....		107,000
Environmental response fund .....		2,864,800
Laboratory services fees .....		6,153,200
Landfill maintenance trust fund.....		31,000
Public water supply fees .....		317,800
Refined petroleum fund.....		32,765,900
Revitalization revolving loan fund .....		103,100
State general fund/general purpose.....		\$ 307,000

**Sec. 108. UNDERGROUND STORAGE TANK AUTHORITY**

Full-time equated classified positions.....	5.0	
Underground storage tank cleanup program—5.0 FTE positions.....		\$ <u>20,044,300</u>
<b>GROSS APPROPRIATION.....</b>		<b>\$ 20,044,300</b>
Appropriated from:		
Special revenue funds:		
Underground storage tank cleanup fund.....		20,044,300
State general fund/general purpose.....		\$ 0

**Sec. 109. RENEWING MICHIGAN'S ENVIRONMENT**

Full-time equated classified positions.....	133.0	
Mapping and other support—5.0 FTE positions.....		\$ 4,300,000
Renew Michigan program—128.0 FTE positions .....		<u>69,000,000</u>
<b>GROSS APPROPRIATION.....</b>		<b>\$ 73,300,000</b>
Appropriated from:		
Special revenue funds:		
Renew Michigan fund .....		69,000,000
State general fund/general purpose.....		\$ 4,300,000

**Sec. 110. INFORMATION TECHNOLOGY**

Information technology services and projects .....		\$ <u>9,679,200</u>
<b>GROSS APPROPRIATION.....</b>		<b>\$ 9,679,200</b>
Appropriated from:		
Interdepartmental grant revenues:		
IDG, MDOT - Michigan transportation fund .....		86,100
IDG from department of state police .....		25,800
Federal revenues:		
Federal funds.....		1,838,700
Special revenue funds:		
Air emissions fees .....		680,500
Campground fund.....		8,400
Cleanup and redevelopment fund .....		808,900
Electronic waste recycling fund .....		6,500

	For Fiscal Year Ending Sept. 30, 2020
Environmental pollution prevention fund.....	469,100
Environmental protection fund.....	87,400
Environmental response fund.....	169,100
Financial instruments.....	1,653,500
Great Lakes protection fund.....	25,000
Groundwater discharge permit fees.....	76,700
Laboratory services fees.....	139,100
Land and water permit fees.....	271,300
Medical waste emergency response fund.....	10,000
Metallic mining surveillance fee revenue.....	2,700
Mineral well regulatory fee revenue.....	4,900
Nonferrous metallic mineral surveillance.....	300
NPDES fees.....	143,900
Oil and gas regulatory fund.....	333,500
Orphan well fund.....	29,500
Public swimming pool fund.....	15,100
Public utility assessments.....	7,900
Public water supply fees.....	151,100
Refined petroleum fund.....	1,748,700
Sand extraction fee revenue.....	2,300
Scrap tire regulatory fund.....	64,300
Septage waste program fund.....	11,300
Sewage sludge land application fees.....	22,900
Small business pollution prevention revolving loan fund.....	10,700
Soil erosion and sedimentation control training fund.....	10,400
Solid waste management fund - staff account.....	174,700
Stormwater permit fees.....	70,900
Wastewater operator training fees.....	19,200
Water pollution control revolving fund.....	7,400
Water use reporting fees.....	13,300
State general fund/general purpose.....	\$ 478,100
<b>Sec. 111. CLIMATE AND ENERGY</b>	
Full-time equated classified positions.....	21.0
Office of climate and energy—21.0 FTE positions.....	\$ 7,192,500
<b>GROSS APPROPRIATION.....</b>	<b>\$ 7,192,500</b>
Appropriated from:	
Federal revenues:	
Federal funds.....	3,810,200
Special revenue funds:	
Private funds.....	140,000
Public utility assessments.....	2,188,700
Retired engineers technical assistance program.....	491,200
State general fund/general purpose.....	\$ 562,400
<b>Sec. 112. DRINKING WATER AND ENVIRONMENTAL HEALTH</b>	
Full-time equated classified positions.....	125.0
Drinking water—68.0 FTE positions.....	\$ 11,650,600
Environmental health—57.0 FTE positions.....	7,052,700
Drinking water program grants.....	830,000
Noncommunity water grants.....	1,905,700
Septage waste compliance grants.....	275,000
<b>GROSS APPROPRIATION.....</b>	<b>\$ 21,714,000</b>
Appropriated from:	
Federal revenues:	
Federal funds.....	10,417,100
Special revenue funds:	
Campground fund.....	302,300
Fees and collections.....	34,500

	For Fiscal Year Ending Sept. 30, 2020
Public swimming pool fund .....	618,800
Public water supply fees .....	4,270,300
Refined petroleum fund .....	721,400
Septage waste program fund .....	496,100
Wastewater operator training fees .....	256,600
State general fund/general purpose .....	\$ 4,596,900
<b>Sec. 113. MATERIALS MANAGEMENT DIVISION</b>	
Full-time equated classified positions .....	118.0
Hazardous waste management program—45.0 FTE positions .....	\$ 6,977,000
Low-level radioactive waste authority—2.0 FTE positions .....	238,700
Medical waste program—2.0 FTE positions .....	313,600
Pollution prevention—7.0 FTE positions .....	2,289,400
Radiological protection program—12.0 FTE positions .....	2,004,600
Recycling initiative—3.0 FTE positions .....	1,000,000
Scrap tire grants .....	3,500,000
Scrap tire regulatory program—10.0 FTE positions .....	1,356,900
Solid waste management program—37.0 FTE positions .....	<u>5,292,400</u>
GROSS APPROPRIATION .....	\$ 22,972,600
Appropriated from:	
Interdepartmental grant revenues:	
IDG from department of state police .....	1,691,300
Federal revenues:	
Federal funds .....	4,033,500
Special revenue funds:	
Private funds .....	505,200
Cleanup and redevelopment fund .....	1,000,000
Coal ash care fund .....	260,000
Community pollution prevention fund .....	250,000
Electronic waste recycling fund .....	316,300
Environmental pollution prevention fund .....	4,406,600
Medical waste emergency response fund .....	313,600
Public utility assessments .....	238,700
Scrap tire regulatory fund .....	4,856,900
Small business pollution prevention revolving loan fund .....	134,400
Solid waste management fund - staff account .....	4,716,100
Technologically enhanced naturally occurring radioactive material .....	250,000
State general fund/general purpose .....	\$ 0
<b>Sec. 114. OIL, GAS, AND MINERALS DIVISION</b>	
Full-time equated classified positions .....	57.0
Oil, gas, and mineral services—57.0 FTE positions .....	\$ <u>11,011,900</u>
GROSS APPROPRIATION .....	\$ 11,011,900
Appropriated from:	
Special revenue funds:	
Metallic mining surveillance fee revenue .....	92,500
Mineral well regulatory fee revenue .....	208,000
Native copper mine fund .....	50,000
Nonferrous metallic mineral surveillance .....	369,100
Oil and gas regulatory fund .....	5,818,000
Orphan well fund .....	4,239,600
Sand extraction fee revenue .....	85,800
State general fund/general purpose .....	\$ 148,900
<b>Sec. 115. WATER INFRASTRUCTURE</b>	
Full-time equated classified positions .....	29.0
Municipal assistance—29.0 FTE positions .....	\$ 4,919,800
Water state revolving funds .....	<u>120,000,000</u>
GROSS APPROPRIATION .....	\$ 124,919,800

For Fiscal Year  
Ending Sept. 30,  
2020

Appropriated from:

Federal revenues:

Federal funds.....	103,184,600
Special revenue funds:	
Revolving loan revenue bonds .....	15,000,000
Strategic water quality initiatives fund .....	1,220,500
Water pollution control revolving fund .....	514,700
State general fund/general purpose.....	\$ 5,000,000

**Sec. 116. ONE-TIME APPROPRIATIONS**

Drinking water declaration of emergency.....	\$ 100
Lead and copper rule implementation .....	30,000,000
PFAS and emerging contaminants .....	40,000,000
Drinking water revolving fund loan forgiveness .....	35,000,000
Private well testing.....	7,500,000
Affordability and planning .....	7,500,000
GROSS APPROPRIATION.....	\$ 120,000,100

Appropriated from:

Special revenue funds:

Drinking water declaration of emergency reserve fund .....	100
State general fund/general purpose.....	\$ 120,000,000

PART 2  
PROVISIONS CONCERNING APPROPRIATIONS  
FOR FISCAL YEAR 2019-2020

**GENERAL SECTIONS**

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state sources under part 1 for the fiscal year ending September 30, 2020 is \$436,492,500.00 and state spending from state sources to be paid to local units of government for the fiscal year ending September 30, 2020 is \$19,646,000. The itemized statement below identifies appropriations from which spending to local units of government will occur:

**DEPARTMENT OF ENVIRONMENT, GREAT LAKES, AND ENERGY**

Surface water.....	\$ 160,000
Technology advancements for water monitoring.....	500,000
Drinking water program grants .....	600,000
Medical waste program .....	70,000
Noncommunity water grants .....	1,830,000
Pollution prevention .....	250,000
Recycling initiative .....	500,000
Scrap tire grants .....	500,000
Septage waste compliance grants .....	120,000
Emergency cleanup actions .....	116,000
Renewing Michigan’s environment.....	15,000,000
TOTAL .....	\$ 19,646,000

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

Sec. 203. As used in this part and part 1:

- (a) “Department” means the department of environment, Great Lakes, and energy.
- (b) “Director” means the director of the department.
- (c) “FTE” means full-time equated.
- (d) “IDG” means interdepartmental grant.
- (e) “NPDES” means national pollution discharge elimination system.

Sec. 204. The departments and agencies receiving appropriations in part 1 shall use the internet to fulfill the reporting requirements of this part. This requirement may include transmission of reports via electronic mail to the recipients identified for each reporting requirement, or it may include placement of reports on an internet or intranet site.

Sec. 205. Funds appropriated in part 1 shall not be used for the purchase of foreign goods or services, or both, if competitively priced and of comparable quality American goods or services, or both, are available. Preference shall be given to goods or services, or both, manufactured or provided by Michigan businesses if

they are competitively priced and of comparable quality. In addition, preference shall be given to goods or services, or both, that are manufactured or provided by Michigan businesses owned and operated by veterans, if they are competitively priced and of comparable quality.

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

Sec. 207. The departments and agencies receiving appropriations in part 1 shall prepare a report on out-of-state travel expenses not later than January 1 of each year. The travel report shall be a listing of all travel by classified and unclassified employees outside this state in the immediately preceding fiscal year that was funded in whole or in part with funds appropriated in the department's budget. The report shall be submitted to the house and senate appropriations committees, the house and senate fiscal agencies, and the state budget director. The report shall include the following information:

(a) The dates of each travel occurrence.

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

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

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

Sec. 210. In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$3,000,000.00 for state restricted contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

Sec. 211. The department shall cooperate with the department of technology, management, and budget to maintain a searchable website accessible by the public at no cost that includes, but is not limited to, all of the following for each department or agency:

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

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

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

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

(e) Job specifications and wage rates.

Sec. 212. Within 14 days after the release of the executive budget recommendation, the department shall cooperate with the state budget office to provide the senate and house appropriations chairs, the senate and house appropriations subcommittee chairs, and the senate and house fiscal agencies with an annual report on estimated state restricted fund balances, state restricted fund projected revenues, and state restricted fund expenditures for the fiscal years ending September 30, 2019 and September 30, 2020.

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

Sec. 214. Total authorized appropriations from all sources under part 1 for legacy costs for the fiscal year ending September 30, 2020 are estimated at \$31,893,100.00. From this amount, total agency appropriations for pension-related legacy costs are estimated at \$15,504,000.00. Total agency appropriations for retiree health care legacy costs are estimated at \$16,389,100.00.

Sec. 216. (1) The department shall report all of the following information relative to allocations made from appropriations for the environmental cleanup and redevelopment program, state cleanups, emergency actions, superfund cleanups, the revitalization revolving loan program, the brownfield grants and loans program, the leaking underground storage tank cleanup program, the contaminated lake and river sediments cleanup program, the refined petroleum product cleanup program, and the environmental protection bond projects under section 19508(7) of the natural resources and environmental protection act, 1994 PA 451, MCL 324.19508, to the state budget director, the senate and house appropriations subcommittees on environmental quality, and the senate and house fiscal agencies:

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



- (b) The nature of the problem encountered at the site.
- (c) A brief description of how the problem will be resolved if the allocation is made for a response activity.
- (d) The estimated date that site closure activities will be completed.
- (e) The amount of the allocation, or the anticipated financing for the site.
- (f) A summary of the sites and the total amount of funds expended at the sites by September 30, 2020.
- (g) The number of brownfield projects that were successfully redeveloped.
- (2) The report prepared under subsection (1) shall also include all of the following:
  - (a) The status of all state-owned facilities that are on the list compiled under section 20108c of the natural resources and environmental protection act, 1994 PA 451, MCL 324.20108c.

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

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

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

Sec. 217. (1) The department may expend amounts remaining from the current and prior fiscal year appropriations to meet funding needs of legislatively approved sites for the environmental cleanup and redevelopment program, the refined petroleum product cleanup program, brownfield grants and loans, waterfront grants, and the environmental bond site reclamation program.

(2) Unexpended and unencumbered amounts remaining from appropriations from the environmental protection bond fund contained in 2003 PA 173, 2005 PA 109, 2006 PA 343, 2011 PA 63, and 2012 PA 236 are appropriated for expenditure for any site listed in this part and part 1 and any site listed in the public acts referenced in this section.

(3) Unexpended and unencumbered amounts remaining from appropriations from the clean Michigan initiative fund - response activities contained in 2000 PA 52, 2004 PA 309, 2005 PA 11, 2006 PA 343, 2007 PA 121, 2011 PA 63, 2013 PA 59, 2014 PA 252, 2015 PA 84, 2016 PA 268, and 2017 PA 107 are appropriated for expenditure for any site listed in this part and part 1 and any site listed in the public acts referenced in this section.

(4) Unexpended and unencumbered amounts remaining from appropriations from the refined petroleum fund activities contained in 2007 PA 121, 2008 PA 247, 2009 PA 118, 2010 PA 189, 2011 PA 63, 2012 PA 200, 2013 PA 59, 2014 PA 252, 2015 PA 84, 2016 PA 268, 2017 PA 107, and 2018 PA 207 are appropriated for expenditure for any site listed in this part and part 1 and any site listed in the public acts referenced in this section.

(5) Unexpended and unencumbered amounts remaining from the appropriations from the strategic water quality initiatives fund contained in 2011 PA 50, 2011 PA 63, 2012 PA 200, 2013 PA 59, 2014 PA 252, 2015 PA 84, 2016 PA 268, 2017 PA 107, and 2018 PA 207 are appropriated for expenditure for any site listed in this part and part 1 and any site listed in the public acts referenced in this section.

Sec. 219. Unexpended settlement revenues at the end of the fiscal year may be carried forward into the settlement fund in the succeeding fiscal year up to a maximum carryforward of \$2,500,000.00.

Sec. 220. The department shall not take disciplinary action against an employee for communicating with a member of the legislature or his or her staff.

Sec. 221. (1) Funds appropriated in part 1 shall not be used by the department to promulgate a rule that will apply to a small business and that will have a disproportionate economic impact on small businesses because of the size of those businesses if the department fails to reduce the disproportionate economic impact of the rule on small businesses as provided under section 40 of the administrative procedures act of 1969, 1969 PA 306, MCL 24.240.

(2) As used in this section:

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

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

Sec. 235. The department shall prepare an annual report to the legislature by March 31 that details all of the following for each of the allocations from the clean Michigan initiative bond fund as described in section 19607(1)(a) to (i) of the natural resources and environmental protection act, 1994 PA 451, MCL 324.19607:

- (a) The progress of each project funded in each category.
- (b) The current cost to date of each project funded in each category.
- (c) The estimated remaining cost of each project funded in each category.
- (d) The remaining balance of money in the fund allocated for each category.

(e) The total debt obligation on all clean Michigan initiative bonds and the length of time remaining until full bond repayment is achieved.

Sec. 236. The department shall provide a report detailing the expenditure of departmental funds appropriated in 2015 PA 143, 2016 PA 3, 2016 PA 268, and 2016 PA 340. The report shall include the following:

(a) The names and locations of entities receiving funds.

(b) The purpose for each expenditure.

(c) The status of programs supported by this funding.

(d) A brief description of how related problems have been or will be resolved if expenditures are made for immediate response.

(e) The job titles and number of departmental FTEs engaged in the Flint declaration of emergency response effort.

Sec. 237. From the funds appropriated in part 1, the department shall be responsible for the necessary and reasonable attorney fees and costs incurred by private and independent legal counsel chosen by current and former classified and unclassified department employees in the defense of the department employees named as a party in any state or federal lawsuits or investigations related to the city of Flint municipal water system.

Sec. 238. From funds appropriated in part 1, the department shall post the following on the department's publicly accessible website:

(a) By November 1, a report listing each fee the department assessed during the previous fiscal year. The report shall include the dollar amount of each fee, the amount of revenue that was projected to be received from each fee at the beginning of the previous fiscal year, and the actual revenue received for each fee. If the actual revenue for a particular fee is not available by November 1, the department may use an unaudited or estimated figure and indicate it as such in the report.

(b) By November 1, a report listing all fees currently assessed by the department. The report shall include the dollar amount of each fee, projected revenue for each fee, and the program areas within the department that each fee will support. The report shall also list the fund into which each fee is deposited. By May 1, the department shall update this report with year-to-date revenue for each fee.

(c) By November 1, a report listing all federal and state fund sources utilized by the department during the previous fiscal year. The report shall include the amount of revenue that was projected to be received from each fund source at the beginning of that fiscal year, the current balance of each fund source, and the actual revenue received for each fund source during that fiscal year. If actual revenue for a particular fund or the actual balance of a particular fund is not available by November 1, the department may use an unaudited or estimated figure and indicate it as such in the report.

(d) By November 1, a report listing the federal and state fund sources that will be utilized by the department during the current fiscal year. The report shall contain the following for each fund source: an estimate of revenue that will be collected during the fiscal year, the balance of the fund source at the beginning of the fiscal year, and the program areas within the department that each fund source will support. If the actual fund balance is not available on November 1, the department may use an unaudited or estimated figure and indicate it as such in the report. By May 1, the department shall update this report with year-to-date figures for each item in the report, and include year-to-date revenue for each fund source.

(e) Any audits conducted on department programs or funds.

Sec. 239. From the funds appropriated in part 1 for central support services, not more than \$150,000.00 is designated for the chair of the environmental rules review committee to contract with consultants pursuant to section 65 of the administrative procedures act of 1969, 1969 PA 306, MCL 24.265, to assist with business before the committee.

#### **REMEDIATION AND REDEVELOPMENT DIVISION**

Sec. 301. Revenues remaining in the laboratory services fees fund at the end of the fiscal year shall carry forward into the succeeding fiscal year.

Sec. 305. It is the intent of the legislature to repay the refined petroleum fund for the \$70,000,000.00 that was transferred to the environmental protection fund created in section 503a of the natural resources and environmental protection act, 1994 PA 451, MCL 324.503a, as part of the resolution for the fiscal year 2006-2007 budget.

Sec. 306. (1) The funds appropriated in part 1 for the refined petroleum cleanup program shall be used to fund corrective actions performed by the department pursuant to section 21320 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.21320.

(2) By January 1, the department shall provide a report to the house and senate subcommittees on environmental quality and the state budget director on the refined petroleum product cleanup program containing the following information:

(a) A list of sites the department intends to work on during the current fiscal year, including the fiscal year the project began.

(b) A list of sites at which the department performed corrective actions during the previous fiscal year.

(c) A list of sites the department closed during the previous fiscal year.

Sec. 308. The unexpended funds appropriated in part 1 for emergency cleanup actions, the environmental cleanup and redevelopment program, and the refined petroleum product cleanup program are considered work project appropriations and any unencumbered or unallotted funds are carried forward into the succeeding fiscal year. The following is in compliance with section 451a(1) of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the projects to be carried forward is to provide contaminated site cleanup.

(b) The projects will be accomplished by contract.

(c) The total estimated cost of all projects is identified in each line-item appropriation.

(d) The tentative completion date is September 30, 2022.

Sec. 310. (1) Upon approval by the state budget director, the department may expend from the general fund of the state an amount to meet the cash-flow requirements of projects funded under any of the following that are financed from bond proceeds and for which bonds have been authorized but not yet issued:

(a) Part 52 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.5201 to 324.5206.

(b) Part 193 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.19301 to 324.19306.

(c) Part 196 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.19601 to 324.19616.

(2) Upon the sale of bonds for projects described in subsection (1), the department shall credit the general fund of the state an amount equal to that expended from the general fund.

#### **WATER RESOURCES DIVISION**

Sec. 405. If a certified health department does not exist in a city, county, or district or does not fulfill its responsibilities under part 117 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.11701 to 324.11720, then the department may spend funds appropriated in part 1 under the septage waste compliance program in accordance with section 11716 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.11716.

Sec. 410. From the funds appropriated in part 1, the department shall compile a report on the status of the implementation plan for the western Lake Erie basin collaborative agreement. In an effort to learn more about the presence and timing of harmful algal blooms, the report shall contain all of the following:

(a) An estimated cost of removal of total phosphorus per pound at the 4 major wastewater treatment plants.

(b) A description of the grants that have been awarded.

(c) A description of the work that has commenced on the issue of dissolved reactive phosphorus, the expected objectives and outcomes of that work, and a list of the parties involved in that effort.

(d) A description of the efforts and outcomes aimed at the total phosphorus reduction for the River Raisin watershed.

Sec. 412. (1) From the funds appropriated in part 1 for surface water, \$675,000.00 in grant funds shall be awarded to watershed councils for education, administration, and conservation efforts. A grant to an individual watershed council shall not exceed \$40,000.00.

(2) On or before April 1, the department shall transmit to the appropriations subcommittees, the fiscal agencies, and the state budget office and post on the department's website a report on the previous calendar year's activities of the watershed grant program. The report shall include a list of all grantees and award amounts.

Sec. 413. From funds appropriated in part 1 for surface water, \$150,000.00 is allocated to the continuation of the department's contract for the cooperative lakes monitoring program to ensure the continued operation of the program.

#### **RENEWING MICHIGAN'S ENVIRONMENT**

Sec. 503. From the funds appropriated in part 1 for renewing Michigan's environment program, \$500,000.00 is allocated for the Michigan geological survey.

#### **CLIMATE AND ENERGY**

Sec. 601. The department shall enter into a memorandum of understanding with the public service commission to outline the responsibilities to be served by the office of climate and energy.

#### **UNDERGROUND STORAGE TANK AUTHORITY**

Sec. 701. The unexpended funds appropriated in part 1 for the underground storage tank cleanup program are designated as a work project appropriation, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures for projects under this section until the projects have been completed. The following is in compliance with section 451a(1) of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to provide contaminated site cleanup.

(b) The project will be accomplished by contract.

(c) The total estimated cost of the project is \$20,000,000.00.

(d) The tentative completion date is September 30, 2023.

**ONE-TIME APPROPRIATIONS**

Sec. 1001. (1) From the funds appropriated in part 1 for lead and copper rule implementation, the department shall award grants as follows:

(a) Grants for asset management plan creation and distribution system materials inventory. A grant under this subdivision shall not exceed \$2,000,000.00.

(b) Grants for public awareness and education efforts related to lead and other potential drinking water contaminants. A grant to an individual water supply advisory council under this subdivision shall not exceed \$25,000.00. Not more than \$1,000,000.00 shall be allocated for grants under this subdivision.

(2) On or before April 1, the department shall transmit to the appropriations subcommittees, the fiscal agencies, and the state budget office and post on the department's website a report on the previous calendar year's activities funded with lead and copper rule implementation funds. The report shall include a list of all grantees and award amounts.

Sec. 1002. (1) From the funds appropriated in part 1 for PFAS and emerging contaminants, \$15,000,000.00 is allocated for a grant program for municipal airports for costs of monitoring and additional testing related to PFAS testing results. From the remaining funds, the department shall award grants for up to \$5,000,000.00 to drinking water systems for contaminant remediation efforts or connection to an alternate system as well as to invest in technologies to address contaminants in public water systems.

(2) On or before April 1, the department shall transmit to the appropriations subcommittees, the fiscal agencies, and the state budget office and post on the department's website a report on the previous calendar year's activities funded with PFAS and emerging contaminants funds. The report shall include a list of all grantees and award amounts.

Sec. 1003. (1) From the funds appropriated in part 1 for drinking water revolving fund loan forgiveness, the department shall award grants for drinking water infrastructure upgrades included in community asset management plans. An applicant is eligible for annual grant funding for 30% of the total project cost or \$2,000,000.00, whichever is less.

(2) On or before April 1, the department shall transmit to the appropriations subcommittees, the fiscal agencies, and the state budget office and post on the department's website a report on the previous calendar year's activities funded with drinking water revolving fund loan forgiveness funds. The report shall include a list of all grantees and award amounts.

Sec. 1004. (1) From the funds appropriated in part 1 for affordability and planning, the department shall award grants to communities for 1 or more of the following:

(a) To enhance asset management plans.

(b) To develop sustainable water rate plans.

(c) To develop watershed plans.

(2) Grants under subsection (1) shall be awarded on a competitive basis and shall not exceed \$500,000.00 for an individual grant applicant. If a region applies on behalf of multiple community water supplies, the maximum grant shall not exceed \$2,000,000.00.

(3) On or before April 1, the department shall transmit to the appropriations subcommittees, the fiscal agencies, and the state budget office and post on the department's website a report on the previous calendar year's activities funded with affordability and planning funds. The report shall include a list of all grantees and award amounts.

Sec. 1005. (1) From the funds appropriated in part 1 for private well testing, the department shall award grants to local health departments to provide free or low-cost water testing to private well owners. Testing offered shall include coliforms, nitrates/nitrites, arsenic, and other contaminants as determined by application.

(2) On or before April 1, the department shall transmit to the appropriations subcommittees, the fiscal agencies, and the state budget office and post on the department's website a report on the previous calendar year's activities funded with private well testing funds. The report shall include a list of all grantees and award amounts.

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

A bill to make appropriations for the department of environment, Great Lakes, and energy for the fiscal year ending September 30, 2020; and to provide for the expenditure of the appropriations.

Jon Bumstead  
Jim Stamas  
Conferees for the Senate

Sue Allor  
Annette Glenn  
Conferees for the House

The question being on the adoption of the conference report,

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

**Roll Call No. 222****Yeas—38**

Alexander	Geiss	MacGregor	Santana
Ananich	Hertel	McBroom	Schmidt
Barrett	Hollier	McCann	Shirkey
Bayer	Horn	McMorrow	Stamas
Bizon	Irwin	Moss	Theis
Brinks	Johnson	Nesbitt	VanderWall
Bullock	LaSata	Outman	Victory
Bumstead	Lauwers	Polehanki	Wojno
Chang	Lucido	Runestad	Zorn
Daley	MacDonald		

**Nays—0****Excused—0****Not Voting—0**

In The Chair: President

Senator MacGregor moved that the bill be given immediate effect.  
The motion prevailed, 2/3 of the members serving voting therefor.

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

The motion prevailed.

Senator Bumstead's statement is as follows:

The 2020 budget for the Department of Environment, Great Lakes, and Energy furthers our commitment to Michigan's water quality and our vast natural resources.

Throughout this process, I developed a great partnership with EGLE Director Liesl Clark and my Democratic colleagues. Water quality is not a partisan issue and I want to make sure this budget reflects the input I received. The result is a budget that expands portions of the Governor's recommendation while also including requests from the department and my colleagues in the Legislature.

This budget includes a \$120 million appropriation to support water quality modernization throughout the state. This critical investment includes \$40 million that will be used to address PFAS and other water quality contaminants, \$30 million for local communities to assist them with implementing the new Lead and Copper Rule, and includes \$7.5 million for grants that will allow for private well testing throughout Michigan.

Air quality remains a critical issue for our state and I am grateful that my colleagues supported \$2 million in General Fund dollars that will supplement changes in air emissions fees for Michigan businesses. The quality of Michigan's air continues to drastically improve and it is imperative that our job providers aren't penalized because of federal policies that have not been modernized.

Michigan's environment has experienced challenges recently and the staff at the Department of Environment, Great Lakes, and Energy have been working tirelessly to understand and appropriately address growing concerns with PFAS contamination in the state. Michigan is leading our nation's efforts to combat PFAS and ensure that our residents can have faith in the quality of the water when they turn on their faucets. It is great news that the department will have increased support for this and other areas because of funding from the Renew Michigan's Environment program provided in this budget.

The 2020 Department of Environment, Great Lakes, and Energy budget is proactive, responsible, and is the product of open communication and bipartisanship; and I urge my colleagues to vote "yes" on Senate Bill No. 137.

Senator McMorrow’s statement is as follows:

I’m proud to stand here in support of Senate Bill No. 137. We are the Great Lakes State, and this is something that since day one of taking office I have heard from my constituents—a grave concern about the quality of our water. As we are starting to see not only in other places in Michigan, but all around the country now, what happened in Flint is not an anomaly. We all have the same underground infrastructure. It’s all aging. Had we known then what we know now, would we have built our infrastructure differently? Of course. But my municipalities have come to me with concerns about the cost and concerns about the constitutionality, but knowing that it is our responsibility and our obligation to protect all of our residents and to continue to lead the way as the rest of the country decides how to grapple with this issue. It is a step in the right direction. I’m encouraged that all of my municipalities will be appreciative that we are committed to water quality for every single one of our residents, and I thank my colleagues for all the work on this budget.

Senator Nesbitt submitted the following:

FIRST CONFERENCE REPORT

The Committee of Conference on the matters of difference between the two Houses concerning **Senate Bill No. 141, entitled**

A bill to make appropriations for the department of insurance and financial services for the fiscal year ending September 30, 2020; and to provide for the expenditure of the appropriations.

Recommends:

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

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

A bill to make appropriations for the department of insurance and financial services for the fiscal year ending September 30, 2020; and to provide for the expenditure of the appropriations.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. There is appropriated for the department of insurance and financial services for the fiscal year ending September 30, 2020, from the following funds:

**DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES**

**APPROPRIATION SUMMARY**

Full-time equated unclassified positions.....	6.0	
Full-time equated classified positions.....	346.5	
<b>GROSS APPROPRIATION.....</b>		<b>\$ 68,889,800</b>
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers .....		723,100
<b>ADJUSTED GROSS APPROPRIATION.....</b>		<b>\$ 68,166,700</b>
Federal revenues:		
Total federal revenues .....		1,017,600
Special revenue funds:		
Total other state restricted revenues .....		66,999,100
State general fund/general purpose.....		\$ 150,000

**Sec. 102. DEPARTMENTAL ADMINISTRATION AND SUPPORT**

Full-time equated unclassified positions.....	6.0	
Full-time equated classified positions.....	22.5	
Unclassified salaries—6.0 FTE positions .....		\$ 816,200
Administrative hearings .....		182,500
Department services—19.0 FTE positions .....		3,823,300
Executive director programs—3.5 FTE positions.....		1,091,900
Property management.....		1,283,500
Worker’s compensation.....		<u>2,900</u>
<b>GROSS APPROPRIATION.....</b>		<b>\$ 7,200,300</b>
Appropriated from:		
Special revenue funds:		
Bank fees.....		523,600
Captive insurance regulatory and supervision fund .....		3,000

	For Fiscal Year Ending Sept. 30, 2020
Consumer finance fees .....	207,700
Credit union fees .....	877,100
Deferred presentment service transaction fees.....	279,000
Insurance bureau fund .....	2,487,900
Insurance continuing education fees.....	65,700
Insurance licensing and regulation fees .....	1,934,700
MBLSLA fund .....	670,300
Multiple employer welfare arrangement.....	1,300
State general fund/general purpose.....	\$ 150,000
<b>Sec. 103. INSURANCE AND FINANCIAL SERVICES REGULATION</b>	
Full-time equated classified positions.....	324.0
Consumer services and protection—70.0 FTE positions .....	\$ 9,402,600
Financial institutions evaluation—133.0 FTE positions .....	24,993,600
Insurance evaluation—121.0 FTE positions.....	<u>25,017,300</u>
GROSS APPROPRIATION.....	\$ 59,413,500
Appropriated from:	
Interdepartmental grant revenues:	
IDG - LARA, for debt management .....	723,100
Federal revenues:	
Federal revenues .....	1,017,600
Special revenue funds:	
Bank fees.....	5,811,100
Captive insurance regulatory and supervision fund .....	491,200
Consumer finance fees .....	2,870,200
Credit union fees .....	8,986,000
Deferred presentment service transaction fees.....	2,432,900
Insurance bureau fund .....	21,290,100
Insurance continuing education fees.....	863,700
Insurance licensing and regulation fees .....	7,958,500
MBLSLA fund .....	6,481,900
Multiple employer welfare arrangement.....	487,200
State general fund/general purpose.....	\$ 0
<b>Sec. 104. INFORMATION TECHNOLOGY</b>	
Information technology services and projects .....	\$ <u>2,276,000</u>
GROSS APPROPRIATION.....	\$ 2,276,000
Appropriated from:	
Special revenue funds:	
Bank fees.....	227,900
Consumer finance fees .....	94,000
Credit union fees .....	373,100
Deferred presentment service transaction fees.....	114,500
Insurance bureau fund .....	445,400
Insurance continuing education fees.....	23,000
Insurance licensing and regulation fees .....	735,400
MBLSLA fund .....	262,700
State general fund/general purpose.....	\$ 0

PART 2  
PROVISIONS CONCERNING APPROPRIATIONS  
FOR FISCAL YEAR 2019-2020

**GENERAL SECTIONS**

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state sources under part 1 for fiscal year 2019-2020 is \$67,149,100.00 and state spending from state sources to be paid to local units of government for fiscal year 2019-2020 is \$0.

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

Sec. 203. As used in this part and part 1:

- (a) "Department" means the department of insurance and financial services.

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

(c) "FTE" means full-time equated.

(d) "IDG" means interdepartmental grant.

(e) "LARA" means the department of licensing and regulatory affairs.

(f) "MBLSLA fund" means the restricted account established under section 8 of the mortgage brokers, lenders, and servicers licensing act, 1987 PA 173, MCL 445.1658.

(g) "Subcommittees" means the subcommittees of the house of representatives and senate appropriations committees with jurisdiction over the budget for the department.

Sec. 204. The department and agencies receiving appropriations in this part and part 1 shall use the internet to fulfill the reporting requirements of this part. This requirement may include transmission of reports via electronic mail to the recipients identified for each reporting requirement, or it may include placement of reports on an internet or intranet site.

Sec. 205. Funds appropriated in this part and part 1 must not be used for the purchase of foreign goods or services, or both, if competitively priced and of comparable quality American goods or services, or both, are available. Preference must be given to goods or services, or both, manufactured or provided by Michigan businesses, if they are competitively priced and of comparable quality. In addition, preference must be given to goods or services, or both, that are manufactured or provided by Michigan businesses owned and operated by veterans, if they are competitively priced and of comparable quality.

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

Sec. 207. (1) Out-of-state travel must be limited to situations where the travel is approved by a departmental employee's immediate supervisor and in which 1 or more of the following conditions apply:

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

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

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

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

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

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

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

(3) Not later than January 1, the department shall prepare a travel report listing all travel by classified and unclassified employees outside this state in the immediately preceding fiscal year that was funded in whole or in part with funds appropriated in the department's budget. The department shall submit the report to the senate and house of representatives standing committees on appropriations, the senate and house fiscal agencies, and the state budget director. The report must include all of the following information:

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

(b) The destination of each travel occurrence.

(c) The dates of each travel occurrence.

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

(e) The transportation and related costs of each travel occurrence, including the proportion funded with state general fund/general purpose revenues, the proportion funded with state restricted revenues, the proportion funded with federal revenues, and the proportion funded with other revenues.

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

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

Sec. 209. Not later than November 30, the state budget office shall prepare and transmit a report that provides for estimates of the total general fund/general purpose appropriation lapses at the close of the prior fiscal year. This report must summarize the projected year-end general fund/general purpose appropriation lapses by major departmental program or program areas. The state budget office shall transmit the report to the chairpersons of the senate and house of representatives appropriations committees and the senate and house fiscal agencies.



Sec. 210. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$200,000.00 for federal contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

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

Sec. 211. The department shall cooperate with the department of technology, management, and budget to maintain a searchable website accessible by the public at no cost that includes, but is not limited to, all of the following for the department or each agency:

- (a) Fiscal-year-to-date expenditures by category.
- (b) Fiscal-year-to-date expenditures by appropriation unit.
- (c) Fiscal-year-to-date payments to a selected vendor, including the vendor name, payment date, payment amount, and payment description.
- (d) The number of active department employees by job classification.
- (e) Job specifications and wage rates.

Sec. 212. Within 14 days after the release of the executive budget recommendation, the department shall cooperate with the state budget office to provide the senate and house of representatives appropriations committee chairs, the senate and house appropriations subcommittees chairs, and the senate and house fiscal agencies with an annual report on estimated state restricted fund balances, state restricted fund projected revenues, and state restricted fund expenditures for the fiscal years ending September 30, 2019 and September 30, 2020.

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

Sec. 214. Total authorized appropriations from all sources under part 1 for legacy costs for the fiscal year ending September 30, 2020 are estimated at \$9,068,100.00. From this amount, total agency appropriations for pension-related legacy costs are estimated at \$4,408,200.00. Total agency appropriations for retiree health care legacy costs are estimated at \$4,659,900.00.

Sec. 215. Unless prohibited by law, the department may accept credit card or other electronic means of payment for licenses, fees, or permits.

Sec. 216. The department shall not take disciplinary action against an employee for communicating with a member of the legislature or his or her staff.

Sec. 217. The department shall not use any of the funds appropriated in this part or part 1 to contract with a third-party vendor to develop or produce a television or radio production.

Sec. 218. The department, in conjunction with the department of health and human services, shall maintain an accounting structure within this state's accounting system that will allow expenditures associated with the administration of the Healthy Michigan plan to be identified.

Sec. 219. The amount appropriated from the general fund in part 1 for executive director programs may only be expended to comply with reporting requirements regarding the Healthy Michigan plan under section 105d(9) of the social welfare act, 1939 PA 280, MCL 400.105d.

Sec. 220. From the funds appropriated in part 1 from the insurance bureau fund, funds may be expended to support legislative participation in insurance activities coordinated by insurance and legislative associations, in accordance with section 225 of the insurance code of 1956, 1956 PA 218, MCL 500.225.

#### **INSURANCE AND FINANCIAL SERVICES REGULATION**

Sec. 301. The department shall provide a report to the subcommittees, the senate and house fiscal agencies, and the state budget director by September 30 based on the annual rate filings from health insurance issuers that includes all of the following:

- (a) The number that are approved by the department.
- (b) The number that are denied by the department.
- (c) The percentage of rate filings processed within the applicable statutory time frames.
- (d) The average number of calendar days to process rate filings.

Sec. 302. In addition to the funds appropriated in part 1, the funds collected by the department in connection with a conservatorship under section 32 of the mortgage brokers, lenders, and servicers licensing act, 1987 PA 173, MCL 445.1682, and funds collected by the department from corporations being liquidated under the insurance code of 1956, 1956 PA 218, MCL 500.100 to 500.8302, must be appropriated for all expenses necessary to provide for the required services. Funds are available for expenditure when they are received by the department of treasury and must not lapse to the general fund at the end of the fiscal year.

Sec. 303. The department may make available to interested entities customized listings of nonconfidential information in its possession. The department may establish and collect a reasonable charge to provide this service. The revenue from this service is appropriated when received and must be used to offset expenses to provide the service. Any balance of this revenue collected and unexpended at the end of the fiscal year must lapse to the appropriate restricted fund.

Sec. 304. From the funds appropriated in part 1, the department shall conduct a study to determine the feasibility of an auto insurance marketplace including, but not limited to, the ability to allow consumers to compare insurance rates, discounts, and features from different insurance producers.

Sec. 305. The department shall provide a report to the subcommittees, the senate and house fiscal agencies, and the state budget director by September 30 providing a total calculation of cost savings that the anti-fraud unit within the department has achieved for this state and consumers throughout the fiscal year. If the necessary data is available, the report must include an itemized listing and description of cost savings that the anti-fraud unit has achieved. Any itemization must also state which of the following industries the applicable savings were achieved in:

- (a) Financial services.
- (b) Auto insurance.
- (c) Health insurance.
- (d) Life insurance.
- (e) Any other category of insurance.

Sec. 306. The department must produce a report and transmit the report to the subcommittees, senate and house fiscal agencies, and state budget director by December 31. The report must include all of the following information for the prior fiscal year:

(a) The number of complaints received by the office of consumer services, with number of complaints specified for auto insurers, health insurers, life insurers, other types of insurers, banks, credit unions, deferred presentment service providers, mortgage loan originators, and other consumer finance license types.

(b) A description of the process that the office of consumer services uses to resolve complaints.

(c) A description of the types of complaints received by the office of consumer services pertaining to auto insurers, with counts of the number of complaints of that type received.

(d) The number of investigations that the office of consumer services initiated and the number of investigations that the office closed.

(e) The number of recoveries that the office of consumer services secured and the total value of those recoveries.

(f) The number and type of enforcement actions taken against licensees as a result of complaints received by the office of consumer services.

(g) A description of the staffing level and staff responsibilities in the office of consumer services.

Sec. 307. Not later than January 1, 2020, from the funds appropriated in part 1, the department shall draft and issue an examination manual and letter of guidance to state-chartered financial institutions that choose to provide banking or other financial services to marihuana-related businesses or that otherwise handle funds pertaining to the transport, testing, growth, processing, or sale of marihuana.

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

A bill to make appropriations for the department of insurance and financial services for the fiscal year ending September 30, 2020; and to provide for the expenditure of the appropriations.

Aric Nesbitt  
Jim Stamas  
Conferees for the Senate

Jeff Yaroch  
Annette Glenn  
Conferees for the House

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

**Roll Call No. 223**

**Yeas—24**

Barrett	Johnson	McBroom	Shirkey
Bizon	LaSata	Nesbitt	Stamas
Bumstead	Lauwers	Outman	Theis

Daley	Lucido	Runestad	VanderWall
Geiss	MacDonald	Santana	Victory
Horn	MacGregor	Schmidt	Zorn

**Nays—14**

Alexander	Bullock	Irwin	Moss
Ananich	Chang	McCann	Polehanki
Bayer	Hertel	McMorrow	Wojno
Brinks	Hollier		

**Excused—0**

**Not Voting—0**

In The Chair: President

Senator MacGregor moved that the bill be given immediate effect.  
The motion prevailed, 2/3 of the members serving voting therefor.

Senator Barrett submitted the following:

**FIRST CONFERENCE REPORT**

The Committee of Conference on the matters of difference between the two Houses concerning **Senate Bill No. 144, entitled**

A bill to make appropriations for the department of military and veterans affairs for the fiscal year ending September 30, 2020; and to provide for the expenditure of the appropriations.

Recommends:

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

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

A bill to make appropriations for the department of military and veterans affairs for the fiscal year ending September 30, 2020; and to provide for the expenditure of the appropriations.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

**PART 1**

**LINE-ITEM APPROPRIATIONS**

Sec. 101. There is appropriated for the department of military and veterans affairs for the fiscal year ending September 30, 2020, from the following funds:

**DEPARTMENT OF MILITARY AND VETERANS AFFAIRS**

**APPROPRIATION SUMMARY**

Full-time equated unclassified positions .....	9.0	
Full-time equated classified positions.....	924.5	
<b>GROSS APPROPRIATION.....</b>		<b>\$ 204,617,600</b>
Interdepartmental grant revenues:		
IDG from department of state police .....		101,800
Total interdepartmental grants and intradepartmental transfers.....		101,800
<b>ADJUSTED GROSS APPROPRIATION.....</b>		<b>\$ 204,515,800</b>
Federal revenues:		
Other federal revenues .....		106,177,200
Total federal revenues .....		106,177,200

For Fiscal Year  
Ending Sept. 30,  
2020

Special revenue funds:	
Total local revenues .....	0
Private revenues .....	630,000
Total private revenues .....	630,000
Other state restricted revenues.....	23,908,600
Total other state restricted revenues .....	23,908,600
State general fund/general purpose.....	\$ 73,800,000
State general fund/general purpose schedule:	
Ongoing state general fund/general purpose.....	73,184,900
One-time state general fund/general purpose.....	615,100
<b>Sec. 102. MILITARY</b>	
Full-time equated unclassified positions.....	9.0
Full-time equated classified positions.....	353.0
Unclassified salaries—9.0 FTE positions .....	\$ 1,558,300
Departmentwide .....	1,761,900
Headquarters and armories—86.0 FTE positions .....	20,688,500
Michigan youth challenge academy—50.0 FTE positions.....	7,580,900
Military family relief fund.....	600,000
Military retirement .....	1,000,000
Military training sites and support facilities—215.0 FTE positions .....	36,590,300
National Guard operations.....	398,200
National Guard tuition assistance fund—2.0 FTE positions .....	6,509,900
Starbase grant.....	2,322,000
<b>GROSS APPROPRIATION.....</b>	<b>\$ 79,010,000</b>
Appropriated from:	
Interdepartmental grant revenues:	
IDG from department of state police .....	101,800
Federal revenues:	
Other federal revenues .....	53,577,700
Special revenue funds:	
Private revenues .....	90,000
Other state restricted revenues.....	2,434,900
State general fund/general purpose.....	\$ 22,805,600
<b>Sec. 103. MICHIGAN VETERANS AFFAIRS AGENCY</b>	
Full-time equated classified positions.....	253.0
Board of managers (veterans homes) .....	\$ 940,000
County veteran service fund.....	4,000,000
D.J. Jacobetti home for veterans—205.0 FTE positions.....	24,918,600
Michigan veterans affairs agency administration—39.0 FTE positions.....	7,191,600
Michigan veterans facility authority—3.0 FTE positions .....	1,276,900
Veterans trust fund administration—6.0 FTE positions.....	1,488,300
Veterans trust fund grants.....	3,746,500
Veterans service grants.....	3,835,500
<b>GROSS APPROPRIATION.....</b>	<b>\$ 47,397,400</b>
Appropriated from:	
Federal revenues:	
Other federal revenues .....	10,447,800
Special revenue funds:	
Private revenues .....	540,000
Other state restricted revenues.....	10,947,700
State general fund/general purpose.....	\$ 25,461,900
<b>Sec. 104. GRAND RAPIDS HOME FOR VETERANS</b>	
Full-time equated classified positions.....	318.5
Veterans home operations .....	\$ 9,038,900
Purchased services .....	10,340,000
Salaries, wages, and fringe benefits—318.5 FTE positions.....	31,885,400
<b>GROSS APPROPRIATION.....</b>	<b>\$ 51,264,300</b>

For Fiscal Year  
Ending Sept. 30,  
2020

Appropriated from:	
Federal revenues:	
Other federal revenues .....	21,565,000
Special revenue funds:	
Other state restricted revenues.....	6,800,900
State general fund/general purpose.....	\$ 22,898,400
<b>Sec. 105. CAPITAL OUTLAY</b>	
Land and acquisitions.....	\$ 3,300,000
Special maintenance - National Guard .....	20,000,000
Special maintenance - veterans homes .....	500,000
Armory maintenance.....	<u>1,000,000</u>
GROSS APPROPRIATION.....	\$ 24,800,000
Appropriated from:	
Federal revenues:	
Other federal revenues .....	20,000,000
Special revenue funds:	
Other state restricted revenues.....	3,300,000
State general fund/general purpose.....	\$ 1,500,000
<b>Sec. 106. INFORMATION TECHNOLOGY</b>	
Information technology services and projects .....	\$ <u>1,530,800</u>
GROSS APPROPRIATION.....	\$ 1,530,800
Appropriated from:	
Federal revenues:	
Other federal revenues .....	586,700
Special revenue funds:	
Other state restricted revenues.....	425,100
State general fund/general purpose.....	\$ 519,000
<b>Sec. 107. ONE-TIME APPROPRIATIONS</b>	
Armory maintenance.....	\$ 65,100
Buddy-to-buddy program .....	250,000
Uniform update .....	50,000
Veterans benefit eligibility study.....	<u>250,000</u>
GROSS APPROPRIATION.....	\$ 615,100
Appropriated from:	
State general fund/general purpose.....	\$ 615,100

PART 2  
PROVISIONS CONCERNING APPROPRIATIONS  
FOR FISCAL YEAR 2019-2020

**GENERAL SECTIONS**

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state sources under part 1 for fiscal year 2019-2020 is \$97,708,600.00 and state spending from state sources to be paid to local units of government for the fiscal year ending September 30, 2020 is \$4,315,000.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

**DEPARTMENT OF MILITARY AND VETERANS AFFAIRS**

County veteran service fund.....	\$ 4,000,000
Michigan veterans affairs agency administration .....	90,000
Military training sites and support facilities .....	<u>225,000</u>
TOTAL.....	\$ 4,315,000

Sec. 202. The appropriations made and expenditures authorized under this part and part 1 and the departments, commissions, boards, offices, and programs for which appropriations are made under this part and part 1 are subject to the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

Sec. 203. As used in this part and part 1:

- (a) "Core services" means that term as defined in section 373 of the management and budget act, 1984 PA 431, MCL 18.1373.
- (b) "Department" means the department of military and veterans affairs.
- (c) "Director" means the director of the department.

- (d) "FTE" means full-time equated.
- (e) "HVAC" means heating, ventilation, and air conditioning.
- (f) "IDG" means interdepartmental grant.
- (g) "Michigan veterans' facility authority" means the authority created under section 3 of the Michigan veterans' facility authority act, 2016 PA 560, MCL 36.103.
- (h) "MVAA" means the Michigan veterans affairs agency.
- (i) "Subcommittees" means the subcommittees of the senate and house appropriations committees with jurisdiction over the budget of the department.
- (j) "Support services" means an activity, such as information technology, accounting, human resources, legal, and other support functions that are required to support the ongoing delivery of core services.
- (k) "USDVA" means the United States Department of Veterans Affairs.
- (l) "USDVA-VHA" means the USDVA Veterans Health Administration.
- (m) "VSO" means veterans service organization.
- (n) "Work project" means that term as defined in section 404 of the management and budget act, 1984 PA 431, MCL 18.1404, and that meets the criteria in section 451a(1) of the management and budget act, 1984 PA 431, MCL 18.1451a.

Sec. 204. The department and agencies receiving appropriations in part 1 shall use the internet to fulfill the reporting requirements of this part. This requirement may include transmission of reports via electronic mail to the recipients identified for each reporting requirement, or it may include placement of reports on an internet or intranet site.

Sec. 205. Funds appropriated in part 1 shall not be used for the purchase of foreign goods or services, or both, if competitively priced and of comparable quality American goods or services, or both, are available. Preference must be given to goods or services, or both, manufactured or provided by Michigan businesses, if they are competitively priced and of comparable quality. In addition, preference shall be given to goods or services, or both, that are manufactured or provided by Michigan businesses owned and operated by veterans, if they are competitively priced and of comparable quality.

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

Sec. 207. The department and agencies receiving appropriations in part 1 shall prepare a report on out-of-state travel expenses not later than January 1 of each year. The travel report shall be a listing of all travel by classified and unclassified employees outside this state in the immediately preceding fiscal year that was funded in whole or in part with funds appropriated in the department's budget. The department and agencies shall submit the report to the senate and house appropriations committees, the house and senate fiscal agencies, and the state budget director. The report shall include the following information:

(a) The dates of each travel occurrence.

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

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

Sec. 209. Not later than November 30, the state budget office shall prepare and transmit a report that provides for estimates of the total general fund/general purpose appropriation lapses at the close of the prior fiscal year. This report shall summarize the projected year-end general fund/general purpose appropriation lapses by major departmental program or program areas. The report shall be transmitted to the chairpersons of the senate and house appropriations committees, the subcommittees, and the senate and house fiscal agencies.

Sec. 210. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$8,600,000.00 for federal contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

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

(3) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$250,000.00 for local contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

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

Sec. 211. The department shall cooperate with the department of technology, management and budget to maintain a searchable website accessible by the public at no cost that includes, but is not limited to, all of the following:

- (a) Fiscal year-to-date expenditures by category.
- (b) Fiscal year-to-date expenditures by appropriation unit.
- (c) Fiscal year-to-date payments to a selected vendor, including the vendor name, payment date, payment amount, and payment description.
- (d) The number of active department employees by job classification.
- (e) Job specifications and wage rates.

Sec. 212. Within 14 days after the release of the executive budget recommendation, the department shall cooperate with the state budget office to provide the senate and house appropriations chairs, the senate and house appropriations subcommittees chairs, and the senate and house fiscal agencies with an annual report on estimated state restricted fund balances, state restricted fund projected revenues, and state restricted fund expenditures for the fiscal years ending September 30, 2019 and September 30, 2020.

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

Sec. 214. Total authorized appropriations from all sources under part 1 for legacy costs for the fiscal year ending September 30, 2020 are estimated at \$17,277,800.00. From this amount, total agency appropriations for pension-related legacy costs are estimated at \$8,399,100.00. Total agency appropriations for retiree health care legacy costs are estimated at \$8,878,700.00.

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

Sec. 216. The department shall provide biannual reports to the subcommittees, the senate and house fiscal agencies, and the state budget office, which shall provide the following data:

- (a) A list of all major work projects, including a status report of each project.
- (b) The department's financial status, featuring a report of budgeted versus actual expenditures by part 1 line item including a year-end projection of budget requirements. If projected department budget requirements exceed the allocated budget, the report shall include a plan to reduce overall expenses while still satisfying specified service level requirements.
- (c) A report on the status of performance metrics cited in this part and information required to be reported in this part.
- (d) The number of active employees at the close of the reporting period by job classification and program.
- (e) Evidence of efficiencies and management of funds within established appropriations.

Sec. 217. The appropriations in part 1 are for the core services, support services, and work projects of the department, including, but not limited to, the following core services:

- (a) Armories and joint force readiness.
- (b) National Guard training facilities and air bases.
- (c) Michigan youth challenge academy.
- (d) Military family relief fund.
- (e) Starbase grant.
- (f) National Guard tuition assistance program.
- (g) Michigan veterans affairs agency administration.
- (h) Veterans service grants.
- (i) Veterans' trust fund administration.
- (j) Veterans' trust fund grants.
- (k) Board of managers (veterans homes).
- (l) Grand Rapids home for veterans.
- (m) D.J. Jacobetti home for veterans.
- (n) Michigan veterans' facility authority.
- (o) County veteran service fund.

Sec. 218. The appropriations in part 1 for capital outlay shall be carried forward at the end of the fiscal year consistent with section 248 of the management and budget act, 1984 PA 431, MCL 18.1248.

Sec. 219. Sixty days prior to the public announcement of the intention to sell any department real property, the department shall submit notification of that intent to the subcommittees and the senate and house fiscal agencies.

### **MILITARY**

Sec. 301. (1) From the funds appropriated in part 1, there is funding to support unclassified employee positions as authorized by section 5 of article XI of the state constitution of 1963.

(2) Not less than 30 days prior to the department submitting a request for an additional unclassified employee position from the civil service commission, or for any substantive change to the duties of an existing unclassified employee position, the department shall notify the subcommittees and the senate and house fiscal agencies.

Sec. 302. (1) From the funds appropriated in part 1 for military operations, effective and efficient executive direction and administrative leadership shall be provided to the department.

(2) The department shall operate and maintain National Guard armories.

(3) The department shall evaluate armories and submit a report as provided under section 216 of this part on the status of the armories.

(4) The department shall maintain a system to measure the condition and adequacy of the armories.

(5) The Michigan Army National Guard and Air National Guard shall work to provide a culture that is free of sexual assault, through an environment of prevention, education and training, response capability, victim support, reporting procedures, and appropriate accountability that enhances the safety and well-being of all guard members.

(6) By December 1, the department shall report the following information to the subcommittees, the senate and house fiscal agencies, and the state budget office:

(a) An assessment of the grounds and facilities of each armory to objectively measure and determine the current facility condition and capability to support authorized manpower, unit training, and operations.

(b) Recommendations for the placement of new armories, the relocation or consolidation of existing armories, or a change in the mission of units assigned to armories to ideally position the National Guard in current or projected population centers.

(c) Recommendations for the enhanced use of armories to facilitate family support programs during deployments.

(d) An analysis of the feasibility, potential costs, and benefits of use of armories shared with other local, state, or federal agencies to improve responses to local emergencies as well as the community support provided to armories.

(e) An investment strategy and proposed funding amounts in a prioritized project list to correct the most critical facility shortfalls across the inventory of armories in this state.

Sec. 303. (1) The department shall maintain the Michigan youth challeNGe academy to provide values, skills, education, and self-discipline instruction for at-risk youth as provided under 32 USC 509.

(2) The department shall take steps to recruit candidates to the challeNGe academy from economically disadvantaged areas, including those with low-income and high-unemployment backgrounds.

(3) The department shall partner with the department of health and human services to identify youth who may be eligible for the challeNGe academy from those youth served by department of health and human services programs. These eligible youth shall be given priority for enrollment in the academy.

(4) The department shall maintain the staffing and resources necessary to train and graduate at least 114 students per cohort (228 annually).

(5) The department shall ensure individual academic success as measured by the number of individuals who have received a general equivalency diploma, high school diploma, or high school credit recovery or by the improvement of tests of adult basic education scores, or both.

(6) Any unexpended private donations to support the Michigan youth challeNGe academy at the close of this fiscal year shall not lapse to the general fund but shall be carried forward to the subsequent fiscal year.

Sec. 304. (1) The department shall provide grants for disbursement from the military family relief fund, as provided under the military family relief fund act, 2004 PA 363, MCL 35.1211 to 35.1216, and R 200.5 to R 200.95 of the Michigan Administrative Code.

(2) The department shall provide information on the revenues, expenditures for advertising and assistance grants, and fund balance of the Michigan military family relief fund, as provided under section 216 of this part.

(3) The department shall provide sufficient staffing and other resources to provide outreach to the Michigan families of members of the reserve component of the Armed Forces of the United States called into active duty and to support the processing and approval of grant applications for this fiscal year under the Michigan military relief fund and report those applications as provided under section 216 of this part.



Sec. 305. (1) The department shall provide Army and Air National Guard forces, when directed, for state and local emergencies and in support of national military requirements.

(2) The department shall operate and maintain Army National Guard training facilities, including Fort Custer and Camp Grayling.

(3) The department shall maintain a system that measures the condition and adequacy of air facilities using both quality and functionality criteria.

(4) The department shall operate and maintain Air National Guard air bases, including Selfridge Air National Guard base, Battle Creek Air National Guard base, and Alpena combat readiness training center.

(5) The department shall provide the following information as provided under section 216 of this part:

(a) The apportioned and assigned strength of the Michigan Army National Guard.

(b) The apportioned and assigned strength of the Michigan Air National Guard.

(c) Recruiting, retention, and attrition data, including measurement against stated performance goals, for the Michigan Army National Guard.

(d) Recruiting, retention, and attrition data, including measurement against stated performance goals, for the Michigan Air National Guard.

Sec. 306. There is created and established under the jurisdiction and control of the department a revolving account to be known as the billeting fund account. All of the fees and other revenues generated from the operation of the chargeable transient quarters program shall be deposited in the billeting fund account. Appropriations will be made from the account for the support of program operations and the maintenance and operations of the chargeable transient quarters program and will not exceed the estimated revenues for the fiscal year in which they are made, together with unexpended balances from prior years. The department shall submit an annual report of operations and expenditures regarding the billeting fund account to the appropriations committees of the senate and house of representatives, the senate and house fiscal agencies, and the state budget office at the end of the fiscal year.

Sec. 307. (1) The department shall maintain a National Guard tuition assistance program for members of the Michigan Army and Air National Guard.

(2) The objective of the National Guard tuition assistance program is to bolster military readiness by increasing recruitment and retention of Michigan Army and Air National Guard service members, to fill federally authorized strength levels for the state, to improve the Michigan Army and Air National Guard's competitive draw from other military enlistment options in the state, to enhance the ability of the Michigan Army and Air National Guard to compete for members and federal dollars with surrounding states, and to increase the pool of eligible candidates within the Michigan Army and Air National Guard to become commissioned officers.

(3) The department shall make efforts to increase the number of national guard members who have received a credential or are still enrolled in the Michigan National Guard tuition assistance program after their initial term of enlistment with the goal of 55% of program participants, or at the current 4-year college graduation rate in Michigan, whichever is higher. To evaluate the effectiveness of the program, the department shall monitor the number of new recruits and new reenlistments and the percentage of those who become participants in the program to determine whether the percentage of authorized Michigan Army and Air National Guard strength obtained and retained is competitive in comparison with the neighboring army and air national guards from Illinois, Indiana, Ohio, and Wisconsin.

(4) Not later than March 1, 2020, the department shall provide a report to the subcommittees on the Michigan National Guard tuition assistance program. The report shall include the number of guard members receiving tuition assistance, where those guard members received education or training under the program, the average amount of financial assistance received, the total funds spent on the program, and, in the opinion of the department, after those expenditures, whether any unmet needs remained. The report shall also include performance data regarding the number of members denied benefits from the program. The report shall include, but is not limited to, all of the following information:

(a) The total number of applications for tuition assistance denied.

(b) A delineated list of the grounds for denial and the number of the total applicable to each reason for denial.

(c) A list of specific actions undertaken to increase the opportunities for expanding qualified educational and training programs.

(d) A list of any educational and training programs removed from eligibility and the rationale for their removal.

(e) An explanation of any identified barriers to the successful utilization of funds appropriated in part 1 for the National Guard tuition assistance fund and applicable proposals for legislative action to address those barriers.

(5) The general fund/general purpose funds appropriated in part 1 for the National Guard tuition assistance fund shall be deposited to the restricted Michigan National Guard tuition assistance fund created in section 4 of the Michigan National Guard tuition assistance act, 2014 PA 259, MCL 32.434. All funds in the restricted Michigan National Guard tuition assistance fund are appropriated and available for expenditure to support the Michigan National Guard tuition assistance program.

Sec. 308. The department shall maintain the starbase program at Air National Guard facilities, as provided under 10 USC 2193b, to improve the knowledge, skills, and interest of students, primarily in the fifth grade, in math, science, and technology. The starbase program is to specifically target minority and at-risk students for participation.

#### **MICHIGAN VETERANS AFFAIRS AGENCY**

Sec. 401. The board of managers and Michigan veterans' facility authority shall exercise certain regulatory and governance authority regarding admission and member affairs at the Grand Rapids and D.J. Jacobetti homes for veterans. The board of managers shall also work to represent the interest of the veterans' community in both advisory and advocacy roles.

Sec. 402. (1) The MVAA, the board of managers, and the Michigan veterans' facility authority shall provide compassionate and quality nursing and domiciliary care services at the Grand Rapids and D.J. Jacobetti homes for veterans so that members can achieve their highest potential of wellness, independence, self-worth, and dignity.

(2) The department shall provide resources necessary to provide nursing care services to veterans in accordance with federal standards and provide the results of the annual USDVA survey and certification as proof of compliance.

(3) Appropriations in part 1 for the Grand Rapids and the D.J. Jacobetti homes for veterans shall not be used for any purpose other than for veterans and veterans' families.

(4) Any contractor providing mental health services to the Grand Rapids and D.J. Jacobetti homes for veterans shall utilize mental health interventions that have been shown to be effective with the conditions they are treating, in accordance with evidence-based best practices supported by the USDVA-VHA, United States Department of Defense, the Substance Abuse and Mental Health Services Administration, the American Psychological Association, and the National Association of Social Workers.

(5) Any contractor providing competency evaluated nursing assistants (CENA) to the Grand Rapids home for veterans shall ensure that each CENA has at least 8 hours of training on information provided by the home.

(6) Any contractor providing competency evaluated nursing assistants to the Grand Rapids home for veterans shall ensure that each CENA has at least 1 eight-hour shift of shadowing at the veterans' home.

(7) Any contractor providing competency evaluated nursing assistants to the Grand Rapids home for veterans shall ensure that each CENA is competent in the basic skills needed to perform his or her assigned duties at the home.

(8) The Grand Rapids home for veterans shall provide each CENA at least 12 hours of in-service training once that individual has been assigned to the home.

(9) All complaints of abusive or neglectful care at the Grand Rapids and the D.J. Jacobetti homes for veterans by a resident member, a resident member's family or legal guardian, or staff of the veterans' homes received by a supervisor shall be referred to the director of nursing or his or her designee upon receipt of the complaint. The director of nursing or his or her designee shall report on not less than a monthly basis, except that the board of managers may specify a more frequent reporting period to the home administrator, board of managers, agency, subcommittees, senate and house fiscal agencies, and state budget office the following information:

(a) A description of the process by which resident members and others may file complaints of alleged abuse or neglect at the Grand Rapids and the D.J. Jacobetti homes for veterans.

(b) Summary statistics on the number and general nature of complaints of abuse or neglect.

(c) Summary statistics on the final disposition of complaints of abuse or neglect received.

(10) The Grand Rapids and D.J. Jacobetti homes for veterans shall provide an on-site, board-certified psychiatrist for all resident members with mental health disorders in order to ensure that those resident members receive needed services in a professional and timely manner. The Grand Rapids and D.J. Jacobetti homes for veterans shall provide all members and staff a safe and secure environment.

(11) The Grand Rapids and D.J. Jacobetti homes for veterans shall ensure that they effectively develop, execute, and monitor all comprehensive care plans in accordance with federal regulations and their internal policies, with a goal that a comprehensive care plan is fully developed for all resident members.

(12) The Grand Rapids and D.J. Jacobetti homes for veterans shall implement controls over their food, maintenance supplies, pharmaceuticals, and medical supplies inventories.

(13) The Grand Rapids and D.J. Jacobetti homes for veterans shall establish sufficient controls for calculating resident member maintenance assessments in order to accurately calculate resident member maintenance assessments for each billing cycle. The Grand Rapids and D.J. Jacobetti homes for veterans shall establish sufficient controls to ensure that all past due resident member maintenance assessments are addressed within 30 days.

(14) The Grand Rapids and D.J. Jacobetti homes for veterans shall establish sufficient controls over monetary donations and donated goods.

(15) The Grand Rapids and D.J. Jacobetti homes for veterans shall implement sufficient controls over the handling of resident member funds to ensure the release of funds within 15 calendar days upon the resident member leaving the home and to ensure that a representative of a resident member is provided a full accounting of that resident member's funds within 30 calendar days of the death of that resident member.

(16) The MVAA shall post on its website all policies adopted by the board of managers, the Michigan veterans' facility authority, and the veterans' homes related to the administrative operations of the veterans' homes.

(17) The process by which visitors, residents, and employees of the Grand Rapids and D.J. Jacobetti homes for veterans may register complaints shall be displayed in high-traffic areas throughout the home.

(18) The MVAA shall report its findings regarding the state veterans' homes' compliance with the requirements and standards under this section in a quarterly report to the legislature and the state budget office. The quarterly reports shall include, but are not limited to, all of the following information:

(a) Quality of care metrics, including:

(i) The number of patient care hours and staffing levels measured against USDVA-VHA standards.

(ii) Sentinel events reported to the USDVA.

(iii) Fall and wound reports.

(iv) Complaint reports, including abuse and neglect complaints and outcomes of complaint investigations.

(v) Additional minimum data set quality of care indicators used to measure quality of care in long-term care facilities.

(b) Quarterly budget update.

(c) An accounting of resident member populations at the Grand Rapids and D.J. Jacobetti homes for veterans as follows:

(i) By demographics, including period of service, gender, and age.

(ii) By care setting, payment source, and associated revenue projections.

(d) Updates related to the modernization of the Grand Rapids and D.J. Jacobetti homes for veterans, including information related to the following:

(i) Infrastructure/capital outlay improvements.

(ii) Information technology updates.

(iii) Financial management.

(e) Updates on corrective action status related to any audit and survey findings until those findings have been fully addressed.

(19) The Grand Rapids and D.J. Jacobetti homes for veterans shall provide to the subcommittees, the senate and house fiscal agencies, and the state budget office the results of any annual or for-cause survey conducted by the USDVA-VHA and any corresponding corrective action plan. This information shall also be made available publicly through the department's or MVAA's website.

(20) The MVAA shall provide to the legislature and the state budget office quarterly reports of this part regarding the status of Centers for Medicare and Medicaid certification efforts, including, but not limited to, descriptions of incremental milestones, associated expenditures, and the percentage of plan completed.

Sec. 404. The department shall ensure that the quality of care for members of the Grand Rapids and D.J. Jacobetti homes for veterans shall meet or exceed the quality of care for the full spectrum of health care services to meet or exceed the Centers for Medicare and Medicaid Services certification standards. The department shall provide a report as provided under section 216 of this part to the subcommittees, which contains evidence that the quality of care for the full spectrum of health care services has met or exceeded Centers for Medicare and Medicaid Services certification standards.

Sec. 405. (1) The MVAA shall provide a report, as provided under section 216 of this part, on the financial status of the Michigan veterans' trust fund, including the number and amount of emergency grants, state administrative expenses, and county administrative expenses.

(2) The Michigan veterans' trust fund board together with the agency shall maintain the staffing and resources necessary to process a minimum of 2,000 applications for veterans' trust fund emergency grants.

(3) The Michigan veterans' trust fund board together with the MVAA shall provide emergency grants for disbursement from the Michigan veterans' trust fund, as provided under the following program authorities:

(a) Sections 37, 38, and 39 of article IX of the state constitution of 1963.

(b) 1946 (1st Ex Sess) PA 9, MCL 35.602 to 35.610.

(c) R 35.1 to R 35.7 of the Michigan Administrative Code.

(d) R 35.621 to R 35.623 of the Michigan Administrative Code.

(4) No later than December 1, the MVAA shall provide a detailed report of the Michigan veterans' trust fund that includes, for the immediately preceding fiscal year, information on grants provided from the emergency grant program, including details concerning the methodology of allocations, the selection of emergency grant program authorized agents, a description of how the emergency grant program is administered in each county, and a detailed breakdown of trust fund expenditures for that year, including the amount distributed to each county for administrative costs and emergency grants. The report shall also include the number of approved applications, by category of assistance, and the number of denied applications, by reason of denial. The report shall also provide an update on the department's efforts to reduce program administrative costs and maintain the Michigan veterans' trust fund corpus to its original amount of at least \$50,000,000.00.

Sec. 406. (1) The MVAA shall provide outreach services to Michigan veterans to advise them on the benefits to which they are entitled, as provided under Executive Reorganization Order No. 2013-2, MCL 32.92. The MVAA shall also do the following:

(a) Maintain the staffing partnerships and other resources necessary to develop and operate an outreach program that communicates benefit eligibility information to at least 50% of Michigan's population of veterans, as assessed by annual census estimates, with a goal of reaching 100% and enabling 100% to access benefit information online.

(b) Communicate veteran benefit information pertaining to the Michigan military family relief fund, Michigan veterans' trust fund, and USDVA health, financial, and memorial benefits to which veterans are entitled.

(c) Provide sufficient staffing and other resources to approve requests for military discharge certificates (DD-214) annually.

(d) Continue the process to digitize all medical records, military discharge documents, and burial records that are currently on paper and microfilm.

(e) Provide a report, as provided under section 216 of this part, on the MVAA's performance on the performance measures, outcomes, and initiatives developed by the agency in the strategic plan required by section 501 of 2013 PA 9.

(f) Provide a report to the subcommittees, the senate and house fiscal agencies, and the state budget office no later than April 1 providing, to the extent known, data on the estimated number of homeless veterans, by county, in this state.

(g) Provide the percentage of Michigan veterans contacted through its outreach programs, with a goal of 90%, and report that percentage to the subcommittees as provided under section 216 of this part on the status of outreach.

(2) From the funds appropriated in part 1, the MVAA shall provide for the regional coordination of services, as follows:

(a) Regional coordinators shall be selected by the MVAA through a staff augmentation service contract with VSOs or with a Michigan-based nonprofit organization.

(b) Regional coordinators shall provide the following services:

(i) Coordinate with veteran benefit counselors throughout a specified region.

(ii) Coordinate services with the department of health and human services and the department of corrections.

(iii) Coordinate with regional workforce and economic development agencies.

(iv) Coordinate activities among local foundations, nonprofit organizations, and community groups to improve accessibility, enrollment, and utilization of the array of health care, education, employment assistance, and quality of life services provided at the local level.

(c) The MVAA may work with MVAA service officers, regional coordinators, county veteran counselors, VSO service officers, and other service providers to incorporate the provision of information relating to mental health care resources into their daily operations to aid veterans in understanding the mental health care support services they may be eligible to receive.

(d) The MVAA shall coordinate with the department of health and human services to identify Medicaid recipients who are veterans and who may be eligible for federal veterans health care benefits or other benefits, to the extent that the identification does not violate applicable confidentiality requirements.

(e) The MVAA shall collaborate with the department of corrections to create and maintain a process by which prisoners can obtain a copy of their DD-214 form or other military discharge documentation if necessary.

(f) The MVAA shall ensure that all MVAA service officers, VSO service officers, and regional coordinators receive appropriate training in processing applications for benefits payable to veterans due to military sexual trauma, post-traumatic stress disorder, depression, anxiety, substance abuse, or other mental health issues.

(3) The MVAA shall provide claims processing services to Michigan veterans in support of benefit claims submitted to the USDVA for the health, financial, and memorial benefits for which they are eligible, and shall do all of the following:

(a) Report the following information as provided in section 216 of this part:

(i) The number of benefit claims, by type, submitted to the USDVA by MVAA.

(ii) The number of fully developed claims submitted to the USDVA, with an overall goal of 40% of benefit claims submitted that are considered fully developed by the USDVA.

(b) Maintain the staffing and resources necessary to process a minimum of 500 claims per year.

(4) The MVAA shall maintain staffing and resources necessary to develop and implement a process to ensure that all county counselors receive the training and accreditation necessary to provide quality services to veterans. The MVAA shall report information as provided in section 216 of this part on the number and percentage of county veterans counselors trained by the MVAA, and the number and percentage who received funding from the MVAA to attend training, with an overall goal of 100% of county veterans counselors trained.

(5) From the funds appropriated in part 1 for MVAA, the MVAA is authorized to expend up to \$50,000.00 to hire legal services to represent veterans benefit cases before federal court to maintain accreditation under 38 CFR 14.628(d)(1)(iv).

Sec. 407. (1) The MVAA shall disburse grants to achieve agency goals and performance objectives in partnership with counties and VSOs. Grants will be disbursed to fund programs and projects that are determined by the agency to meet agency performance objectives and ensure that grantees communicate the availability of emergency grants through the Michigan veterans' trust fund. In disbursing grants, the MVAA shall do all of the following:

(a) Ensure that each grantee is issued performance standards.

(b) Ensure that each grantee uses those funds for veterans advocacy and outreach.

(c) Monitor the performance of each grantee.

(d) Require each grantee to report not less than quarterly on services provided to veterans and account for all grant fund expenditures.

(e) Require that each grantee report not less than quarterly both of the following:

(i) The number and type of claims originated and submitted by the grantee to the USDVA.

(ii) The number and type of claims originated by an organization other than the grantee and submitted by the grantee to the USDVA.

(f) Promulgate monthly benchmark requirements, based upon contractual obligations, that each grantee must meet and require each grantee to report on achieving the benchmark requirements not less than quarterly to the MVAA, in order to ensure that each grantee meets MVAA veteran service goals.

(g) Assess the accuracy rate of claims reported by grantees and the attendance rate of grantees, based upon contractual obligations.

(h) Ensure that each grantee adheres to the MVAA approved schedule of operations.

(i) Report quarterly to the subcommittees and senate and house fiscal agencies on grantee operations monitored under this subsection, as provided in section 216 of this part.

(2) Grants awarded to a VSO by the MVAA shall provide for the following, as developed by the MVAA:

(a) The provision of service to veterans statewide, using a regional service delivery model, with services provided at specified locations and times, including service provided in state correctional facilities.

(b) The payment of an hourly service rate that shall not exceed \$34.00 per hour.

(c) A specified number of service hours within each geographic region of this state, with a statewide goal based on both appropriations for the fiscal year ending September 30, 2020 for the grant programs and the hourly service rate under subdivision (b). The statewide goal will include service hours provided to eligible incarcerated veterans within 1 year of their earliest release date.

(d) Use of an MVAA-designated internet-based claims data system.

(3) The MVAA shall report the following information as provided in section 216 of this part:

(a) A summary of activities supported through the appropriation in part 1 for grants, including the amount of expenditures to date, number of service hours, number of claims for benefits submitted by type of claim, and other information deemed appropriate by the MVAA.

(b) The number and percentage of fully developed claims submitted to the USDVA, and the number and percentage of fully developed claims submitted that are considered fully developed by the USDVA with an overall goal of 40%.

Sec. 409. (1) The department shall enter into an interagency agreement in cooperation with the department of health and human services in order to work with the federal public assistance reporting information system to identify Medicaid recipients who are veterans and who may be eligible for federal veterans' health care benefits or other benefits. The interagency agreement shall include the specific outcome and performance

reporting requirements described in this section. The interagency agreement shall require the department to provide all of the following items by January 1 for the current fiscal year to the subcommittees, the senate and house fiscal agencies, and the policy offices:

(a) The number of veterans identified by the department of health and human services through eligibility determinations.

(b) The number of veterans referred to the department.

(c) The number of referrals made by the department of health and human services that were contacted by the department.

(d) The number of referrals made to the department that were eligible for veterans health care benefits or other benefits.

(e) The specific actions and efforts undertaken by the department of health and human services and the department to identify female veterans who are applying for public assistance benefits, but who are eligible for veterans benefits.

(2) By October 1 of the current fiscal year, the department of health and human services shall change the public assistance application form from asking whether the prospective applicant was a veteran to asking whether the applicant had ever served in the military.

Sec. 410. The general fund/general purpose funds appropriated in part I for the county veteran service fund shall be deposited to the restricted county veteran service fund created in section 3a of 1953 PA 192, MCL 35.623a. All funds in the restricted county veteran service fund are appropriated and available for expenditure to support county veteran service grants.

Sec. 411. From the funds appropriated in part 1, the MVAA shall conduct an assessment of the need for, feasibility, and annual cost to the state of establishing and maintaining a new veterans' cemetery in the upper peninsula of the state. The assessment shall consider the availability of any federal funds available for veterans cemeteries for its determinations. The MVAA shall report the findings of the assessment to each chairperson of the subcommittees, the house and senate fiscal agencies, and the state budget office by not later than September 30, 2020.

#### **CAPITAL OUTLAY**

Sec. 501. (1) The department shall provide for the acquisition and disposition of National Guard armories, facilities, and lands as provided under sections 368, 382, and 382a of the Michigan military act, 1967 PA 150, MCL 32.768, 32.782, and 32.782a.

(2) The department shall provide a listing of property sales and acquisitions as provided under section 216 of this part.

Sec. 502. (1) The appropriations in part 1 for special maintenance - National Guard shall be carried forward at the end of the fiscal year consistent with section 248 of the management and budget act, 1984 PA 431, MCL 18.1248.

(2) The appropriations for special maintenance - National Guard shall be expended in accordance with the requirements of sections 302 and 305 of this part and shall be expended according to the maintenance priorities of the department to repair and modernize military training sites and support facilities, including armories, which may include projects such as roof, HVAC, or boiler replacement, interior renovations, facility expansion, improvements to parking facilities, and other projects.

(3) The department shall provide a report as provided under section 216 of this part providing information on the status, projected costs, and projected completion date of current and planned special maintenance projects at the armories and other National Guard facilities funded from capital outlay appropriations made in part 1 and in prior appropriations years.

Sec. 503. (1) The appropriations in part 1 for special maintenance – veterans homes shall be carried forward at the end of the fiscal year consistent with section 248 of the management and budget act, 1984 PA 431, MCL 18.1248.

(2) The appropriations for special maintenance – veterans homes shall be expended in accordance with the requirements of section 402 of this part and shall be expended according to the maintenance priorities of the department to repair and modernize the state's veterans' homes, which may include projects such as roof, HVAC, or boiler replacement, interior renovations, facility expansion, improvements to parking facilities, and other projects designed to enhance the quality of life and medical care of members.

(3) The MVAA shall provide a report as provided under section 216 of this part providing information on the status, projected costs, and projected completion date of current and planned special maintenance projects at the Grand Rapids home for veterans and D.J. Jacobetti home for veterans funded from capital outlay appropriations made in part 1 and in prior appropriations years.

Sec. 504. (1) The appropriations in part 1 for armory maintenance shall be carried forward at the end of the fiscal year consistent with section 248 of the management and budget act, 1984 PA 431, MCL 18.1248.

(2) The appropriations for armory maintenance shall be expended in accordance with the requirements of sections 302 and 305 of this part and shall be expended according to the maintenance priorities of the department to repair and modernize military training sites and support facilities, including armories.

**ONE-TIME APPROPRIATIONS**

Sec. 601. The appropriation in part 1 for buddy-to-buddy program shall be used to train volunteer Michigan veterans to provide outreach and support for other Michigan service members and veterans in dealing with the challenges they face, including those related to finances, securing benefits, legal issues, education, and health, family, and emotional concerns.

Sec. 602. Funds appropriated in part 1 for uniform update shall be used for the fielding and issuing of Army National Guard aircrew combat uniforms in operational camouflage pattern and related uniform accessories to replace discontinued universal camouflage pattern uniforms.

Sec. 603. The appropriation in part 1 for a veterans benefit eligibility study shall be used for the commission of a study that will create, implement, and evaluate a program that will identify Michigan Medicaid beneficiaries who are veterans and support them in exploring their eligibility for USDVA-VHA health care benefits. A report from the study must be delivered to the department and the subcommittees no later than December 1, 2020 and must contain the findings of the study, including data as to the frequency of veteran Medicaid beneficiaries who are eligible, but who are not aware, or have not taken steps to seek USDVA-VHA health care services, and shall include recommendations to the department on effective and efficient strategies that could be used to identify such veterans and facilitate their exploration of eligibility for USDVA-VHA health care benefits.

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

A bill to make appropriations for the department of military and veterans affairs for the fiscal year ending September 30, 2020; and to provide for the expenditure of the appropriations.

Tom Barrett  
Jim Stamas  
Adam Hollier  
Conferees for the Senate

Aaron Miller  
Greg VanWoerkom  
Joe Tate  
Conferees for the House

The question being on the adoption of the conference report,

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

**Roll Call No. 224**

**Yeas—38**

Alexander	Geiss	MacGregor	Santana
Ananich	Hertel	McBroom	Schmidt
Barrett	Hollier	McCann	Shirkey
Bayer	Horn	McMorrow	Stamas
Bizon	Irwin	Moss	Theis
Brinks	Johnson	Nesbitt	VanderWall
Bullock	LaSata	Outman	Victory
Bumstead	Lauwers	Polehanki	Wojno
Chang	Lucido	Runestad	Zorn
Daley	MacDonald		

**Nays—0**

**Excused—0**

**Not Voting—0**

In The Chair: President

Senator MacGregor moved that the bill be given immediate effect. The motion prevailed, 2/3 of the members serving voting therefor.

Senator Barrett submitted the following:

FIRST CONFERENCE REPORT

The Committee of Conference on the matters of difference between the two Houses concerning Senate Bill No. 147, entitled

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

Recommends:

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

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

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

THE PEOPLE OF THE STATE OF MICHIGAN ENACT: PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. There is appropriated for the department of state police for the fiscal year ending September 30, 2020, from the following funds:

DEPARTMENT OF STATE POLICE APPROPRIATION SUMMARY

Table with 2 columns: Description and Amount. Rows include: Full-time equated unclassified positions (3.0), Full-time equated classified positions (3,580.0), GROSS APPROPRIATION (\$ 728,943,500), Interdepartmental grant revenues, IDG from department of corrections (344,200), IDG from department of state (383,800), IDG from department of technology, management, and budget (665,100), IDG from department of transportation (11,903,300), IDG from department of treasury (5,475,100), IDG from other restricted funding (2,608,500), Intradepartmental transfers (3,553,900), Total interdepartmental grants and intradepartmental transfers (24,933,900), ADJUSTED GROSS APPROPRIATION (\$ 704,009,600), Federal revenues, Other federal revenues (75,728,500), Total federal revenues (75,728,500), Special revenue funds, Local revenues (4,766,200), Total local revenues (4,766,200), Private revenues (35,000), Total private revenues (35,000), Michigan merit award trust fund (851,500), State services fee fund (10,925,200), Other state restricted revenue (135,381,500), Total state restricted revenues (147,158,200), State general fund/general purpose (\$ 476,321,700), State general fund/general purpose schedule, Ongoing state general fund/general purpose (464,244,300), One-time state general fund/general purpose (12,077,400).

Sec. 102. DEPARTMENTAL ADMINISTRATION AND SUPPORT

Table with 2 columns: Description and Amount. Rows include: Full-time equated unclassified positions (3.0), Full-time equated classified positions (83.0), Unclassified salaries—3.0 FTE positions (\$ 621,700), Accounting service center (1,456,200).



	For Fiscal Year Ending Sept. 30, 2020
Department services—58.0 FTE positions .....	9,028,500
Departmentwide .....	41,408,500
Executive direction—25.0 FTE positions .....	4,301,700
GROSS APPROPRIATION.....	\$ 56,816,600
Appropriated from:	
Interdepartmental grant revenues:	
IDG from department of corrections .....	26,000
IDG from department of state.....	1,400
IDG from department of transportation .....	3,900
IDG from department of treasury .....	116,200
IDG from other restricted funding .....	170,300
Intradepartmental transfers.....	38,200
Federal revenues:	
Other federal revenues .....	353,000
Special revenue funds:	
Local revenues .....	1,200
Michigan merit award trust fund .....	18,000
State services fee fund.....	309,900
Other state restricted revenues.....	2,932,200
State general fund/general purpose.....	\$ 52,846,300
<b>Sec. 103. LAW ENFORCEMENT SERVICES</b>	
Full-time equated classified positions.....	529.0
Biometrics and identification—54.0 FTE positions.....	\$ 9,639,700
Criminal justice information center—132.0 FTE positions .....	22,456,300
Forensic science—265.0 FTE positions .....	45,045,500
Grants and community services—15.0 FTE positions.....	15,933,900
Office of school safety—3.0 FTE positions .....	500,000
State 9-1-1 administration—5.0 FTE positions .....	1,093,900
Training—55.0 FTE positions.....	10,618,300
GROSS APPROPRIATION.....	\$ 105,287,600
Appropriated from:	
Interdepartmental grant revenues:	
IDG from department of corrections .....	318,200
IDG from department of state.....	378,600
IDG from department of transportation .....	1,227,400
IDG from other restricted funding.....	2,426,000
Intradepartmental transfers.....	750,000
Federal revenues:	
Other federal funds.....	13,325,200
Special revenue funds:	
Local revenue funds .....	918,300
Private revenues .....	20,000
State services fee fund.....	8,033,300
Other state restricted revenues.....	32,708,100
State general fund/general purpose.....	\$ 45,182,500
<b>Sec. 104. MICHIGAN COMMISSION ON LAW ENFORCEMENT STANDARDS</b>	
Full-time equated classified positions.....	18.0
Public safety officers benefit program—1.0 FTE position .....	\$ 302,100
Standards and training/justice training grants—17.0 FTE positions .....	10,995,500
Training only to local units .....	654,500
GROSS APPROPRIATION.....	\$ 11,952,100
Appropriated from:	
Federal revenues:	
Other federal revenues .....	250,000
Special revenue funds:	
Other state restricted revenues.....	10,128,800
State general fund/general purpose.....	\$ 1,573,300

For Fiscal Year  
Ending Sept. 30,  
2020

**Sec. 105. FIELD SERVICES**

Full-time equated classified positions.....	2,350.0	
Investigative services—170.5 FTE positions .....		\$ 33,256,900
Post operations—2,149.5 FTE positions .....		330,769,500
Secure cities partnership—30.0 FTE positions.....		<u>7,798,900</u>
<b>GROSS APPROPRIATION</b> .....		<b>\$ 371,825,300</b>
Appropriated from:		
Interdepartmental grant revenues:		
IDG from department of treasury .....	5,162,100	
Intradepartmental transfers.....	794,300	
Federal revenues:		
Other federal revenues .....	6,711,400	
Special revenue funds:		
Local revenues .....	1,200,000	
State services fee fund.....	2,500,000	
Michigan merit award trust fund .....	827,400	
Other state restricted revenues.....	48,990,100	
State general fund/general purpose.....		\$ 305,640,000

**Sec. 106. SPECIALIZED SERVICES**

Full-time equated classified positions.....	600.0	
Commercial vehicle enforcement, headquarters and central costs—30.0 FTE positions.....		\$ 8,644,700
Commercial vehicle enforcement, first district—48.0 FTE positions .....		6,003,200
Commercial vehicle enforcement, second district—31.0 FTE positions .....		3,697,400
Commercial vehicle enforcement, third district—25.0 FTE positions .....		3,040,500
Commercial vehicle enforcement, fifth district—28.0 FTE positions .....		3,441,400
Commercial vehicle enforcement, sixth district—20.0 FTE positions.....		2,456,400
Commercial vehicle enforcement, seventh district—7.0 FTE positions .....		961,200
Commercial vehicle enforcement, eighth district—13.0 FTE positions .....		1,702,900
School bus inspections—14.0 FTE positions .....		1,742,700
Emergency management and homeland security—64.0 FTE positions .....		15,946,100
Hazardous materials programs—25.0 FTE positions .....		23,759,000
Highway safety planning—26.0 FTE positions.....		18,101,900
Intelligence operations—202.0 FTE positions.....		28,151,300
Secondary road patrol program—1.0 FTE position .....		13,074,300
Civil Air Patrol.....		20,000
Special operations—66.0 FTE positions .....		<u>11,908,600</u>
<b>GROSS APPROPRIATION</b> .....		<b>\$ 142,651,600</b>
Appropriated from:		
Interdepartmental grant revenues:		
IDG from department of technology, management, and budget .....	665,100	
IDG from department of transportation .....	10,413,600	
IDG from department of treasury .....	100,000	
Intradepartmental transfers.....	1,950,600	
Federal revenues:		
Other federal revenues .....	54,128,500	
Special revenue funds:		
Local revenues .....	1,742,700	
Private revenues .....	15,000	
Other state restricted revenues.....	28,602,800	
State general fund/general purpose.....		\$ 45,033,300

**Sec. 107. INFORMATION TECHNOLOGY**

Information technology services and projects .....		\$ 28,332,900
<b>GROSS APPROPRIATION</b> .....		<b>\$ 28,332,900</b>
Appropriated from:		
Interdepartmental grant revenues:		
IDG from department of state.....		3,800

	For Fiscal Year Ending Sept. 30, 2020
IDG from department of transportation .....	258,400
IDG from department of treasury .....	96,800
IDG from other restricted funding .....	12,200
Intradepartmental transfers .....	20,800
Federal revenues:	
Other federal revenues .....	960,400
Special revenue funds:	
Local revenues .....	904,000
Michigan merit award trust fund .....	6,100
State services fee fund .....	\$ 82,000
Other state restricted revenues .....	12,019,500
State general fund/general purpose .....	\$ 13,968,900
<b>Sec. 108. ONE-TIME APPROPRIATIONS</b>	
First responder communications network .....	\$ 2,000,000
In-car camera video streaming network .....	766,600
Michigan International Speedway traffic control .....	600,000
Sexual assault prevention and education initiative .....	1,321,000
Trooper school .....	<u>7,389,800</u>
GROSS APPROPRIATION .....	\$ 12,077,400
Appropriated from:	
State general fund/general purpose .....	\$ 12,077,400

PART 2  
PROVISIONS CONCERNING APPROPRIATIONS  
FOR FISCAL YEAR 2019-2020

**GENERAL SECTIONS**

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state sources under part 1 for fiscal year 2019-2020 is \$623,479,900.00 and state spending from state sources to be paid to local units of government for fiscal year 2019-2020 is \$16,078,600.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

**DEPARTMENT OF STATE POLICE**

Secondary road patrol program .....	\$ 12,963,600
Standards and training/justice training grants .....	2,460,500
Training only to local units .....	<u>654,500</u>
TOTAL .....	\$ 16,078,600

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

Sec. 203. As used in this part and part 1:

- (a) "CJIS" means Criminal Justice Information Systems.
- (b) "Core service" means that term as defined in section 373 of the management and budget act, 1984 PA 431, MCL 18.1373.
- (c) "Department" means the department of state police.
- (d) "Director" means the director of the department.
- (e) "DNA" means deoxyribonucleic acid.
- (f) "DTMB" means the department of technology, management, and budget.
- (g) "FTE" means full-time equated.
- (h) "IDG" means interdepartmental grant.
- (i) "MCOLES" means the Michigan commission on law enforcement standards.
- (j) "Subcommittees" means the subcommittees of the senate and house standing committees on appropriations with jurisdiction over the budget for the department.
- (k) "Support service" means an activity required to support the ongoing delivery of core services.

Sec. 204. The department and agencies receiving appropriations in part 1 shall use the internet to fulfill the reporting requirements of this part. This requirement may include transmission of reports via electronic mail to the recipients identified for each reporting requirement, or it may include placement of reports on an internet or intranet site.

Sec. 205. Funds appropriated in part 1 shall not be used for the purchase of foreign goods or services, or both, if competitively priced and of comparable quality American goods or services, or both, are available. Preference shall be given to goods or services, or both, manufactured or provided by Michigan businesses,

if they are competitively priced and of comparable quality. In addition, preference shall be given to goods or services, or both, that are manufactured or provided by Michigan businesses owned and operated by veterans, if they are competitively priced and of comparable quality.

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

Sec. 207. The department and agencies receiving appropriations in part 1 shall prepare a report on out-of-state travel expenses not later than January 1 of each year. The travel report shall be a listing of all travel by classified and unclassified employees outside this state in the immediately preceding fiscal year that was funded in whole or in part with funds appropriated in the department's budget. The report shall be submitted to the senate and house appropriations committees, the senate and house fiscal agencies, and the state budget director. The report shall include the following information:

(a) The dates of each travel occurrence.

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

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

Sec. 209. Not later than November 30, the state budget office shall prepare and transmit a report that provides for estimates of the total general fund/general purpose appropriation lapses at the close of the prior fiscal year. This report shall summarize the projected year-end general fund/general purpose appropriation lapses by major departmental program or program areas. The report shall be transmitted to the chairpersons of the senate and house appropriations committees, the subcommittees, and the senate and house fiscal agencies.

Sec. 210. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$2,000,000.00 for federal contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

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

Sec. 211. The department shall cooperate with the DTMB to maintain a searchable website accessible by the public at no cost that includes, but is not limited to, all of the following:

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

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

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

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

(e) Job specifications and wage rates.

Sec. 212. Within 14 days after the release of the executive budget recommendation, the department shall cooperate with the state budget office to provide the senate and house appropriations chairs, the senate and house appropriations subcommittees chairs, and the senate and house fiscal agencies with an annual report on estimated state restricted fund balances, state restricted fund projected revenues, and state restricted fund expenditures for the fiscal years ending September 30, 2019 and September 30, 2020.

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

Sec. 214. Total authorized appropriations from all sources under part 1 for legacy costs for the fiscal year ending September 30, 2020 are estimated at \$137,272,300.00. From this amount, total agency appropriations for pension-related legacy costs are estimated at \$74,914,400.00. Total agency appropriations for retiree health care legacy costs are estimated at \$62,357,900.00.

Sec. 215. Based on the availability of federal funding and demonstrated need, as indicated by applications submitted to the state court administrative office, the department shall provide \$1,500,000.00 in Byrne justice assistance grant program funding to the judiciary by interdepartmental grant.

Sec. 216. A department or state agency shall not take disciplinary action against an employee for communicating with a member of the legislature or his or her staff.

Sec. 217. The department shall provide biannual reports to the subcommittees, the senate and house fiscal agencies, and the state budget office that provide the following data:

(a) A list of major work projects, including the status of each project.

(b) The department's financial status, featuring a report of budgeted versus actual expenditures by part 1 line item including a year-end projection of budget requirements. If projected department budget requirements exceed the allocated budget, the report shall include a plan to reduce overall expenses while still satisfying specified service level requirements.

(c) A report on the performance metrics cited or information required to be reported in this part, reasons for nonachievement of metric targets, and proposed corrective actions.

Sec. 218. The appropriations in part 1 are for the core services, support services, and work projects of the department, including, but not limited to, the following core services:

(a) State security operations.

(b) Training.

(c) MCOLES.

(d) CJIS.

(e) Forensic analysis and biometric identification.

(f) Post operations and investigative services.

(g) Special operations.

(h) Intelligence operations.

(i) Commercial vehicle regulation and enforcement.

(j) Emergency management and homeland security.

(k) Highway safety planning.

(l) Secondary road patrol program.

Sec. 219. The department shall notify the subcommittees, the chairpersons of the senate and house standing committees on appropriations, and the senate and house fiscal agencies not less than 90 days before recommending to close or consolidate any state police post. The notification shall include a local and state impact study of the proposed post closure or consolidation.

Sec. 220. At least 90 days before beginning any effort to privatize, the department shall submit a complete project plan to the subcommittees and the senate and house fiscal agencies. The plan shall include the criteria under which the privatization initiative will be evaluated. The evaluation shall be completed and submitted to the subcommittees and the senate and house fiscal agencies within 30 months.

Sec. 221. (1) When the department provides contractual services to a local unit of government, the department shall be reimbursed for all costs incurred in providing the services, including, but not limited to, retirement and overtime costs.

(2) The department shall define service cost models for those services requiring reimbursement.

(3) Contractual services provided to an entity other than a local unit of government may be provided by department personnel, but only on an overtime basis outside the normal work schedule of the personnel.

(4) This section does not apply to services provided to state agencies.

(5) Revenues received for contractual or reimbursed services in excess of the appropriation in part 1 are appropriated and may be received and expended by the department for the purposes for which funds are received.

(6) If additional authorization is approved in the statewide integrated governmental management application (SIGMA) by the state budget office under this section, the department shall notify the subcommittees and the senate and house fiscal agencies within 10 days after the approval. The notification shall include the amount and funding source of the additional authorization, the date of its approval, and the projected use of funds to be expended.

Sec. 222. The department shall serve as an active liaison between the DTMB and state, local, regional, and federal public safety agencies on matters pertaining to the Michigan public safety communications system and shall report user issues to the DTMB.

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

Sec. 224. (1) The department may accept monetary and nonmonetary gifts, bequests, donations, contributions, or grants from any private or public source to support, in whole or in part, a departmental function or program. The department shall expend or use such gifts, bequests, donations, contributions, or grants for the purposes designated by the private or public source, if the purpose is specified.

(2) Revenue collected by the department under this section that is unexpended and unencumbered shall not lapse to the general fund but shall be carried forward to the subsequent fiscal year.

Sec. 225. (1) Federal revenues authorized by and available from the federal government in excess of the appropriations in part 1 are appropriated and may be received and expended by the department for purposes authorized under state law and subject to federal requirements.

(2) The department shall notify the subcommittees and the senate and house fiscal agencies before expending federal revenues received and appropriated under subsection (1).

(3) If additional authorization is approved in the statewide integrated governmental management application (SIGMA) by the state budget office under this section, the department shall notify the subcommittees and the senate and house fiscal agencies within 10 days after the approval. The notification shall include the amount and funding source of the additional authorization, the date of its approval, and the projected use of funds to be expended.

Sec. 226. It is the intent of the legislature that the department shall take all steps necessary to protect the data and privacy of citizens who are not the focus of a departmental investigation and to protect personal information from unauthorized access or misuse. This includes, but is not limited to, requiring vendors or service providers to protect data shared with them, ensuring that when personal data is collected, but no longer utilized by the department, that reasonable steps be taken to securely destroy records containing personal information when it is to be discarded so that the information is rendered indecipherable and is not sold for marketing or other purposes. In addition, the department shall provide written notification to any data subject whose sensitive personal information is accessed or acquired by an unauthorized person.

Sec. 227. The department shall utilize attrition savings from the appropriations in part 1 to conduct an attrition school during the 2019-2020 fiscal year that will graduate at least 70 new troopers.

Sec. 228. A law enforcement officer or a motor carrier officer funded under part 1 shall not be required to issue a predetermined or specified number of citations for violations of the Michigan vehicle code, 1949 PA 300, MCL 257.1 to 257.923, or of local ordinances substantially corresponding to provisions of the Michigan vehicle code, 1949 PA 300, MCL 257.1 to 257.923, including parking or standing violations. A law enforcement officer's or motor carrier officer's performance evaluation system shall not require a predetermined or specified number of citations to be issued.

#### **LAW ENFORCEMENT SERVICES**

Sec. 401. (1) The department shall develop and deliver professional, innovative, and quality training that supports the enforcement and public safety efforts of the criminal justice community.

(2) The department shall provide performance data, as provided under section 217 of this part, for average classroom occupancy rate, with an annual goal of at least 55%.

(3) The department shall submit a report to the subcommittees and the senate and house fiscal agencies within 60 days of the conclusion of any trooper, motor carrier, or state properties security recruit school. The report shall include the following:

(a) The number of veterans and the number of MCOLES-certified police officers who were admitted to and the number who graduated from the recruit school.

(b) The total number of recruits who were admitted to the school, the number of recruits who graduated from the school, and the location at which each of these recruits is assigned.

(4) The department shall distribute and review course evaluations to ensure that quality training is provided.

Sec. 402. (1) In accordance with applicable state and federal laws and regulations, the department shall maintain and ensure compliance with CJIS databases and applications in the support of public safety and law enforcement communities.

(2) The department shall improve the accuracy, timeliness, and completeness of criminal history information by conducting a minimum of 30 outreach activities targeted to criminal justice agencies.

(3) The department shall provide for the compilation of crime statistics consistent with the uniform crime reporting (UCR) program and the national incident-based report system (NIBRS).

(4) The department shall provide for the compilation and evaluation of traffic crash reports and the maintenance of the state accident data collection system.

(5) The department shall make individual traffic crash reports available for a fee of \$10.00 per incident. The department may also sell an extract of electronic traffic crash data for a fee of \$0.25 per incident, provided that the name, address, and any other personal identifying information have been excluded.

(6) In accordance with applicable state and federal laws and regulations, the department shall provide for the maintenance and dissemination of criminal history records and juvenile records, including to the extent necessary to exchange criminal history records information with the Federal Bureau of Investigation and other states through the interstate identification index, the National Crime Information Center, and other federal CJIS databases and indices.

(7) In accordance with applicable state and federal laws, the department shall provide for the maintenance of records, including criminal history records regarding firearms licensure.

(8) The department shall provide a report to the legislature on concealed pistol licensing not later than December 1, 2020 that includes all of the following:

(a) The department's actual revenue received from fees paid for concealed pistol license (CPL) applications for fiscal year 2019-2020 and the uses of that revenue.

(b) The department's fiscal year 2019-2020 costs for administering its concealed pistol licensing responsibilities under 1927 PA 372, MCL 28.421 to 28.435, but not including costs related to the administration of other state statutes or requirements of federal law.

(9) The department shall provide information on the number of background checks processed through the internet criminal history access tool (ICHAT), as provided in section 217 of this part.

(10) The following unexpended and unencumbered revenues deposited into the criminal justice information center service fees shall not lapse to the general fund, but shall be carried forward into the subsequent fiscal year:

(a) Fees for fingerprinting and criminal record checks and name-based criminal record checks under 1935 PA 120, MCL 28.271 to 28.274.

(b) Fees for application and licensing for initial and renewal concealed pistol licenses under 1927 PA 372, MCL 28.421 to 28.435.

(c) Fees for searching, copying, and providing public records under the freedom of information act, 1976 PA 442, MCL 15.231 to 15.246.

(d) Revenue from other sources, including, but not limited to, investment and interest earnings.

(11) Unexpended and unencumbered revenue generated by state records management system fees shall not lapse to the general fund, but shall be carried forward into the subsequent fiscal year.

Sec. 403. (1) The department shall provide forensic testing services to aid in criminal investigations.

(2) The department shall ensure its ability to maintain accreditation by a federally designated accrediting agency, as provided under 34 USC 12592.

(3) The department shall provide forensic science services with an average turnaround time of 55 days, assuming an annual caseload volume commensurate with that received in fiscal year 2012-2013, and shall achieve a goal of a 30-day average turnaround time across all forensic science disciplines.

(4) The department shall provide the following data as provided in section 217 of this part:

(a) The average turnaround time for processing forensic evidence across all disciplines.

(b) Forensic laboratory staffing levels, including scientists in training, and vacancies.

(c) The number of backlogged cases in each discipline.

(5) The department shall provide for the forensic testing and analysis/profiling of DNA evidence to aid criminal investigations by law enforcement agencies in this state.

Sec. 404. (1) The biometrics and identification division shall house and manage the automated fingerprint identification system, the statewide network of agency photographs, and combined offender DNA index system biometric databases.

(2) The department shall provide data on the number of 10-print and palm-print submissions to the database, with a goal of at least 97% of submissions provided electronically, as provided in section 217 of this part.

(3) The department shall maintain the staffing and resources necessary to have a 28-day average wait time for scheduling a polygraph examination, assuming an annual caseload received commensurate with fiscal year 2012-2013, with a goal of achieving a 15-day average wait time.

(4) If changes are made to the department's protocol for retaining and purging DNA analysis samples and records, the department shall post a copy of the protocol changes on the department's website.

Sec. 405. Not later than December 1, the department shall submit a report to the subcommittees and senate and house fiscal agencies that includes, but is not limited to, all of the following information:

(a) Sexual assault kit analysis backlog at the beginning of the prior fiscal year.

(b) The number of sexual assault kits collected or submitted for analysis during the prior fiscal year.

(c) The number of sexual assault kits analyzed and the number of associated DNA profiles created and uploaded during the prior fiscal year.

(d) Sexual assault kit analysis backlog at the ending of the prior fiscal year.

(e) The average turnaround time to analyze sexual assault kits and to create and upload associated DNA profiles for the prior fiscal year.

Sec. 406. The department shall provide administrative support for the following grant and community service programs:

(a) The operations of the automobile theft prevention authority.

(b) Administration of the Edward Byrne memorial justice assistance program and other grant programs, as well as the department's community policing efforts.

(c) Administration of school safety grants.

Sec. 407. Not later than March 30, the office of school safety shall provide a school safety report to the legislature and the house and senate fiscal agencies that must include the following:

(a) The status of school safety grants, if any, issued by the grants and community services unit or the office of school safety, including grant amounts awarded to each school district for school safety improvements. This information shall also be provided on a biannual basis, as provided under section 217 of this part.

(b) Reports of incidents of school violence or threats reported to the state police by local law enforcement or local school districts, or received through the Michigan incident crime report (MICR).

(c) Reports of OK2SAY-based incidents and activities, as provided to the department of attorney general.

(d) Based upon an evaluation of incidents of school safety and analysis of school safety grants, recommendations on best practices and other safety measures to ensure school safety in this state.

#### **MICHIGAN COMMISSION ON LAW ENFORCEMENT STANDARDS**

Sec. 501. (1) MCOLES shall establish standards for the selection, employment, training, education, licensing, and licensing revocation of all law enforcement officers and provide the basic law enforcement training curriculum for law enforcement training academy programs statewide.

(2) MCOLES shall maintain staffing and resources necessary to update law enforcement standards within 120 days of the enactment date of any new legislation.

#### **FIELD SERVICES**

Sec. 601. (1) Department enlisted personnel who are employed to enforce traffic laws as provided in section 629e of the Michigan vehicle code, 1949 PA 300, MCL 257.629e, are not prohibited from responding to crimes in progress or other emergency situations and are responsible for making every effort to protect all residents of this state.

(2) The department shall maintain the staffing and resources necessary to continually work to enhance traffic safety throughout this state and shall dedicate a minimum of 455,200 hours to statewide patrol, of which a minimum of 40,000 shall be committed to distressed cities in this state. The department shall work to improve public safety efforts within distressed cities by enhancing data analysis capabilities and identifying crime trends and areas with high occurrence of crime.

(3) The department shall maintain the staffing and resources necessary to annually conduct 7,000 residence checks of registered sex offenders.

(4) The department shall submit a report on or before April 15 to the subcommittees and senate and house fiscal agencies regarding the secure cities partnership during the prior calendar year.

Sec. 602. (1) The department shall identify and apprehend criminals through criminal investigations in this state.

(2) The department shall maintain the staffing and resources necessary to provide a comparable number of hours investigating crimes as those performed in fiscal year 2012-2013.

(3) The department shall maintain the staffing and resources necessary to annually meet or exceed a case clearance rate of 62%.

(4) The department shall annually provide 4 training opportunities to local law enforcement partners with the goal of increasing their knowledge of gambling laws, trends, legal issues, and opioid-related investigations.

(5) The department shall maintain the staffing and resources necessary to increase the number of opioid-related investigations by 20% above the number of those investigations conducted in the 2014-2015 fiscal year by multijurisdictional task forces and hometown security teams. The department shall work to enhance investigative and drug interdiction efforts by enhancing data analysis capabilities and linking investigations among multijurisdictional task forces and hometown security teams.

Sec. 603. (1) The department shall provide protection to this state, its economy, welfare, and vital state-sponsored programs through the prevention and suppression of organized smuggling of untaxed tobacco products in this state, through enforcement of the tobacco products tax act, 1993 PA 327, MCL 205.421 to 205.436, and other laws pertaining to combating criminal activity in this state, and by maintaining a tobacco tax enforcement unit.

(2) The department shall submit an annual report on December 1 to the subcommittees, the senate and house appropriations subcommittees on general government, the senate and house fiscal agencies, and the state budget office that details expenditures and activities related to tobacco tax enforcement for the prior fiscal year.

(3) The tobacco tax enforcement unit shall dedicate a minimum of 16,600 hours to tobacco tax enforcement.

Sec. 604. (1) The department shall provide fire investigation training and investigative assistance to public safety agencies in this state.

(2) The department shall maintain the staffing and resources necessary to maintain readiness to respond appropriately to at least the number of requests for fire investigation services that occurred in fiscal year 2010-2011 and shall be available for call out statewide 100% of the time.



**SPECIALIZED SERVICES**

Sec. 701. (1) The department shall operate the Michigan intelligence operation center for homeland security as this state's primary federally designated fusion center to receive, analyze, gather, and disseminate threat-related information among federal, state, local, tribal, and private sector partners.

(2) The department shall ensure public safety by providing public and private sector partners with timely and accurate information regarding critical information key resource threats as reported to or discovered by the Michigan intelligence operations center for homeland security and shall increase public awareness on how to report suspicious activity through website or telephone communications.

(3) The department shall maintain the staffing and resources necessary to support the cyber section, including the Michigan cyber command center, the computer crimes unit, and the internet crimes against children task force. The department shall maintain the staffing and resources necessary to increase the number of cases completed by the computer crimes unit by 40% above the number of cases completed in the 2014-2015 fiscal year. The unit shall pursue process improvement initiatives to effectively utilize staff resources in providing investigatory assistance and evidentiary analysis for law enforcement and criminal justice agencies statewide. The department shall maintain the staffing and resources necessary to increase the Michigan cyber command center casework by 25% above the level of activity in the 2017-2018 fiscal year.

(4) The department shall maintain the staffing and resources necessary to provide digital forensic analysis services with a goal of decreasing backlogs of digital forensic analysis cases annually until the department maintains a 60-day turnaround time.

Sec. 702. (1) The department shall provide specialized services in support of, and to enhance, local, state, and federal law enforcement operations within this state in accordance with all applicable state and federal laws and regulations.

(2) The department shall maintain the staffing and resources necessary to provide training to maintain readiness to respond appropriately to at least the number of requests for specialty services which occurred in fiscal year 2010-2011.

(3) The canine unit shall be available for call out statewide 100% of the time.

(4) The bomb squad unit shall be available for call out statewide 100% of the time.

(5) The emergency support teams shall be available for call out statewide 100% of the time.

(6) The marine services team shall be available for call out statewide 100% of the time.

(7) Aviation services shall be available for call out statewide 100% of the time, unless prohibited by weather or unexpected mechanical breakdowns.

(8) The department shall maintain the staff and resources necessary to provide security services at the State Capitol Complex facilities and the State Secondary Complex, as provided under section 6c of 1935 PA 59, MCL 28.6c. The department shall also maintain the staff and resources necessary to respond to emergencies at the State Capitol Complex, State Secondary Complex, House Office Building, Binsfeld Office Building, Capitol parking lot, Townsend Parking Ramp, Roosevelt Parking Ramp, and other areas as directed. The department shall maintain a goal of annually conducting 35,000 property inspections of state owned and leased facilities.

Sec. 703. (1) The department shall maintain commercial vehicle regulation, school bus inspections, and enforcement activities, including enforcement of requirements concerning size, weight, and load restrictions; operating authority; registration; fuel taxes; transportation of hazardous materials; operations of new entrants; and commercial driver's licenses.

(2) The department shall maintain the staffing and resources necessary to meet inspection goals consistent with the department's federal motor carrier assistance program activities.

(3) Revenue collected under the motor carrier act, 1933 PA 254, MCL 475.1 to 479.42, shall be expended in accordance with that act. Unexpended and unencumbered revenues shall not lapse to the general fund but shall be carried forward into the subsequent fiscal year.

(4) From the funds appropriated in part 1 from interdepartmental grants, intradepartmental transfers, and federal funds for commercial vehicle enforcement line items, there shall be established a commercial vehicle enforcement operations reserve fund. Funds shall be expended from the commercial vehicle enforcement operations reserve fund only after the commercial vehicle enforcement division within the department provides sufficient evidence to the subcommittees on the need for these funds for commercial vehicle enforcement operations. Upon providing the evidence, the state budget director shall request a legislative transfer of the funds from the commercial vehicle enforcement operations reserve fund for the funding of commercial vehicle enforcement line items.

Sec. 704. (1) The department shall coordinate the mitigation, preparation, response, and recovery activities of municipal, county, state, and federal governments, and other governmental entities, for all hazards, disasters, and emergencies.

(2) The state director of emergency management may expend money appropriated under part 1 to call upon any agency or department of the state or any resource of the state to protect life or property or to provide for the health or safety of the population in any area of this state in which the governor proclaims a state of emergency or state of disaster under 1945 PA 302, MCL 10.31 to 10.33, or under the emergency management act, 1976 PA 390, MCL 30.401 to 30.421. The state director of emergency management may expend the amounts the director considers necessary to accomplish these purposes. The director shall submit to the state budget director, as soon as possible, a complete report of all actions taken under the authority of this section. The report shall contain, as a separate item, a statement of all money expended that is not reimbursable from federal funding. The state budget director shall review the expenditures and submit recommendations to the legislature in regard to any possible need for a supplemental appropriation.

(3) In addition to the funds appropriated in part 1, the department may receive and expend money from local, private, federal, or state sources for the purpose of providing emergency management training to local or private interests and for the purpose of supporting emergency preparedness, response, recovery, and mitigation activity. If additional expenditure authorization in the statewide integrated governmental management application (SIGMA) is approved by the state budget office under this section, the department and the state budget office shall notify the subcommittees and the senate and house fiscal agencies within 10 days after the approval. The notification shall include the amount and source of the additional authorization, the date of its approval, and the projected use of funds to be expended under the authorization.

(4) The department shall foster, promote, and maintain partnerships to protect this state and homeland from all hazards.

(5) The department shall maintain the staffing and resources necessary to do all of the following:

(a) Serve approximately 105 local emergency management preparedness programs and 88 local emergency planning committees in this state.

(b) Operate and maintain the state's emergency operations center and provide command and control in support of emergency response services.

(c) Maintain readiness, including training and equipment to respond to civil disorders and natural disasters commensurate with the capabilities of fiscal year 2010-2011.

(d) Perform hazardous materials response training.

(6) The department shall conduct a minimum of 3 training sessions to enhance safe response in the event of natural or manmade incidents, emergencies, or disasters.

(7) In addition to the funds appropriated in part 1, there is appropriated from the disaster and emergency contingency fund an amount necessary to cover costs related to any disaster or emergency as defined in the emergency management act, 1976 PA 390, MCL 30.401 to 30.421. Funds shall be expended as provided under sections 18 and 19 of the emergency management act, 1976 PA 390, MCL 30.418 and 30.419, and R 30.51 to R 30.61 of the Michigan Administrative Code.

(8) Funds in the disaster and emergency contingency fund shall not be expended unless the state budget director approves the expenditure and the department and the state budget office notify the senate and house appropriations committees. If expenditures are made from the disaster and emergency contingency fund during a month, the department shall submit monthly reports to the senate and house fiscal agencies detailing the purpose of the expenditures. These monthly reports shall be submitted within 30 days after the end of the month during which funds from the disaster and emergency contingency fund were expended.

(9) Upon the declaration of a state of emergency or disaster by the governor under section 3 of the emergency management act, 1976 PA 390, MCL 30.403, approval of the state budget director, and notification of the subcommittees and senate and house fiscal agencies, the director may expend funds appropriated from any source to any line item within part 1 for the purpose of paying the necessary and reasonable expenses incurred by the department in responding to or mitigating the effects of any emergency or disaster as those terms are defined in section 2 of the emergency management act, 1976 PA 390, MCL 30.402.

(10) The department shall track and report on a biannual basis, as provided in section 217 of this part, the status of the department's assessment of critical infrastructure vulnerabilities, including the protection status of critical infrastructure items identified by the assessment.

Sec. 705. The department shall provide for the planning, administration, and implementation of highway traffic safety programs to save lives and reduce injuries on roads in this state, in partnership with other public and private organizations.

Sec. 706. (1) Funds appropriated in part 1 for the secondary road patrol program shall be used to provide grants to sheriffs under the secondary road patrol program described under section 76 of 1846 RS 14, MCL 51.76.

(2) Not later than January 31, 2020, the office of highway safety planning shall work with the state court administrator to issue a report to the department and the subcommittees on the following data from the previous calendar year:

(a) The total number of traffic civil infractions written under both state and local ordinances for which the \$40.00 justice system assessment is to be assessed.

(b) Of the total number reported under subdivision (a), the number of traffic civil infractions written under both state and local ordinances that the court assessed and ordered payment of the justice system assessment.

(c) Of the number reported under subdivision (b), the number of traffic civil infractions for which the justice system assessment was collected and distributed to the justice system fund created in section 181 of the revised judicature act of 1961, 1961 PA 236, MCL 600.181.

(d) The number of citations, misdemeanors, and felonies written under both state and local ordinances corresponding to a law of this state for a violation of each of the following:

- (i) Section 617a of the Michigan vehicle code, 1949 PA 300, MCL 257.617a.
- (ii) Section 618 of the Michigan vehicle code, 1949 PA 300, MCL 257.618.
- (iii) Section 625(1) of the Michigan vehicle code, 1949 PA 300, MCL 257.625.
- (iv) Section 625(8) of the Michigan vehicle code, 1949 PA 300, MCL 257.625.
- (v) Section 626 of the Michigan vehicle code, 1949 PA 300, MCL 257.626.
- (vi) Section 676b of the Michigan vehicle code, 1949 PA 300, MCL 257.676b.
- (vii) Section 904 of the Michigan vehicle code, 1949 PA 300, MCL 257.904.

(3) The sheriffs' duties under the secondary road patrol program, as outlined in section 76(2) of 1846 RS 14, MCL 51.76, are to patrol and monitor traffic violations; to enforce the criminal laws of this state, violations of which are observed by or brought to the attention of the sheriff's department while patrolling and monitoring secondary roads; to investigate accidents involving motor vehicles; and to provide emergency assistance to persons on or near a highway or road the sheriff is patrolling and monitoring.

**ONE-TIME APPROPRIATIONS**

Sec. 801. (1) Except as otherwise provided in this section, funds appropriated in part 1 for sexual assault prevention and education initiative shall be used to provide and administer grants to public or nonpublic community colleges, colleges, universities, and high schools with a physical presence in this state to address campus sexual assault issues in order to improve the safety and security of students, faculty, and staff in campus environments in this state.

(2) Grant funds awarded shall support sexual assault programs, including education, awareness, prevention, reporting, bystander intervention programs, peer advocacy groups, and student organizations dedicated to campus sexual assault prevention and other actions covered by title IX protections.

(3) The department shall award grants no later than February 15, 2020, with a grant period of 1 year. Any of the funds appropriated in part 1 for sexual assault prevention and education initiative that are not awarded by February 15, 2020 may be utilized to support other initiatives or programs through the office of school safety.

PART 2A  
PROVISIONS CONCERNING ANTICIPATED APPROPRIATIONS  
FOR FISCAL YEAR 2020-2021

**GENERAL SECTIONS**

Sec. 1001. It is the intent of the legislature to provide appropriations for the fiscal year ending on September 30, 2021 for the line items listed in part 1. The fiscal year 2020-2021 appropriations are anticipated to be the same as those for fiscal year 2019-2020, excluding appropriations designated as one-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 2020 consensus revenue estimating conference.

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

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

Tom Barrett  
Jim Stamas  
Conferees for the Senate

Aaron Miller  
Greg VanWoerkom  
Conferees for the House

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

**Roll Call No. 225**

**Yeas—22**

Barrett	LaSata	Nesbitt	Stamas
Bizon	Lauwers	Outman	Theis

Bumstead	Lucido	Runestad	VanderWall
Daley	MacDonald	Schmidt	Victory
Horn	MacGregor	Shirkey	Zorn
Johnson	McBroom		

#### Nays—16

Alexander	Bullock	Hollier	Moss
Ananich	Chang	Irwin	Polehanki
Bayer	Geiss	McCann	Santana
Brinks	Hertel	McMorrow	Wojno

#### Excused—0

#### Not Voting—0

In The Chair: President

Senator MacGregor moved that the bill be given immediate effect.  
The motion prevailed, 2/3 of the members serving voting therefor.

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

The motion prevailed.

Senator Barrett's statement is as follows:

These two bills before us, colleagues, fund the Department of Military and Veterans Affairs and the Michigan State Police. Within these bills are appropriations to fund the National Guard tuition assistance program as well as additional armory maintenance money that is much needed. We also appropriated money to a peer-to-peer, veteran-to-veteran program of volunteers to assist veterans facing hardships in an attempt to drive down our veteran suicide rate and acknowledge the hardships our veterans are facing. It also requires a formal agreement to be formed between the Department of Military and Veterans Affairs and the Department of Health and Human Services to share information across agencies so that we can better serve our veterans who are seeking assistance from the state of Michigan, and it funds a study to see how we can better serve those veterans who are eligible for federal benefits.

In the State Police budget, we have focused predominantly on increasing trooper strength. We are adding a net total of more than 50 troopers to our department strength. It also funds the Office of School Safety and appropriates dollars to purchase new equipment and technology upgrades to implement a first responder communication network that will enhance the effectiveness of our troopers across the state, particularly in rural areas. We also continued funding for the secondary road patrol program that is vitally important to local sheriffs and communities across our state.

I ask my colleagues today for "yes" votes on Senate Bill Nos. 144 and 147 and for the Governor of our state for a signature to affirm our commitment to these men and women who do the hard work of protecting us each and every day.

Senator Schmidt submitted the following:

#### FIRST CONFERENCE REPORT

The Committee of Conference on the matters of difference between the two Houses concerning  
**Senate Bill No. 149, entitled**

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

Recommends:

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

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

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

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

**PART 1**

**LINE-ITEM APPROPRIATIONS**

Sec. 101. There is appropriated for the state transportation department for the fiscal year ending September 30, 2020, from the following funds:

**STATE TRANSPORTATION DEPARTMENT**

**APPROPRIATION SUMMARY**

Full-time equated unclassified positions .....	6.0	
Full-time equated classified positions .....	2,818.3	
<b>GROSS APPROPRIATION</b> .....		\$ 5,386,580,200
Total interdepartmental grants and intradepartmental transfers .....		3,974,300
<b>ADJUSTED GROSS APPROPRIATION</b> .....		\$ 5,382,605,900
Federal revenues:		
Federal aid - transportation programs .....		1,352,350,100
Total federal revenues .....		1,352,350,100
Special revenue funds:		
Local revenues .....		51,032,000
Private revenues .....		900,000
Total local and private revenues .....		51,932,000
Blue Water Bridge fund .....		24,879,600
Comprehensive transportation fund .....		353,651,700
Economic development fund .....		56,329,000
Intercity bus equipment fund .....		100,000
Local bridge fund .....		31,458,500
Michigan transportation fund .....		1,835,530,500
Qualified airport fund .....		5,850,000
Rail freight fund .....		6,000,000
State aeronautics fund .....		16,594,800
State trunkline fund .....		1,247,929,700
Total other state restricted revenues .....		3,578,323,800
State general fund/general purpose .....		\$ 400,000,000

**Sec. 102. DEBT SERVICE**

Airport safety and protection plan .....		\$ 3,435,800
Blue Water Bridge fund .....		6,886,400
Comprehensive transportation .....		10,896,000
Economic development .....		11,638,000
Local bridge fund .....		2,380,700
State trunkline .....		<u>178,660,600</u>
<b>GROSS APPROPRIATION</b> .....		\$ 213,897,500

Appropriated from:

Federal revenues:		
Federal aid - transportation programs .....		81,155,000
Special revenue funds:		
Blue Water Bridge fund .....		6,886,400
Comprehensive transportation fund .....		10,896,000
Economic development fund .....		11,638,000
Local bridge fund .....		2,380,700
State aeronautics fund .....		3,435,800
State trunkline fund .....		97,505,600
State general fund/general purpose .....		\$ 0

**Sec. 103. COLLECTION, ENFORCEMENT, AND OTHER AGENCY SUPPORT SERVICES**

CTF grant to civil service commission .....		\$ 250,000
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	For Fiscal Year Ending Sept. 30, 2020
CTF grant to department of attorney general.....	106,400
CTF grant to department of technology, management, and budget .....	50,900
CTF grant to department of treasury .....	33,100
CTF grant to legislative auditor general .....	39,800
MTF grant to department of environment, Great Lakes, and energy .....	1,383,000
MTF grant to department of state for collection of revenue and fees .....	20,000,000
MTF grant to department of treasury.....	2,754,800
MTF grant to legislative auditor general .....	322,100
SAF grant to civil service commission .....	150,000
SAF grant to department of attorney general .....	185,100
SAF grant to department of technology, management, and budget .....	38,300
SAF grant to department of treasury .....	73,500
SAF grant to legislative auditor general .....	31,000
STF grant to civil service commission .....	6,321,000
STF grant to department of attorney general .....	2,076,800
STF grant to department of state police.....	11,903,300
STF grant to department of technology, management, and budget.....	1,460,000
STF grant to department of treasury.....	149,700
STF grant to legislative auditor general.....	<u>748,200</u>
GROSS APPROPRIATION.....	\$ 48,077,000
Appropriated from:	
Special revenue funds:	
Comprehensive transportation fund.....	480,200
Michigan transportation fund .....	24,459,900
State aeronautics fund .....	477,900
State trunkline fund .....	22,659,000
State general fund/general purpose.....	\$ 0
<b>Sec. 104. DEPARTMENTAL ADMINISTRATION AND SUPPORT</b>	
Full-time equated unclassified positions..... 6.0	
Full-time equated classified positions..... 252.3	
Unclassified salaries—6.0 FTE positions .....	\$ 824,100
Asset management council.....	1,876,400
Business support services—42.0 FTE positions .....	6,749,400
Commission audit—29.3 FTE positions.....	3,481,400
Economic development and enhancement programs—10.0 FTE positions .....	1,701,400
Finance, contracts, and support services—171.0 FTE positions.....	21,973,400
Property management.....	7,254,400
Road construction unionized labor study.....	50,000
Worker’s compensation.....	<u>1,874,300</u>
GROSS APPROPRIATION.....	\$ 45,784,800
Appropriated from:	
Interdepartmental grant revenues:	
IDG for accounting service center user charges .....	3,974,300
Special revenue funds:	
Comprehensive transportation fund.....	1,588,000
Economic development fund.....	394,400
Michigan transportation fund .....	4,382,900
State aeronautics fund .....	717,200
State trunkline fund .....	34,728,000
State general fund/general purpose.....	\$ 0
<b>Sec. 105. INFORMATION TECHNOLOGY</b>	
Information technology services and projects .....	\$ <u>39,035,000</u>
GROSS APPROPRIATION.....	\$ 39,035,000
Appropriated from:	
Federal revenues:	
Federal aid - transportation programs.....	520,500

For Fiscal Year  
Ending Sept. 30,  
2020

Special revenue funds:	
Blue Water Bridge fund .....	56,300
Comprehensive transportation fund.....	228,900
Economic development fund.....	37,800
Michigan transportation fund .....	299,100
State aeronautics fund .....	178,500
State trunkline fund.....	37,713,900
State general fund/general purpose.....	\$ 0
<b>Sec. 106. TRANSPORTATION PLANNING</b>	
Full-time equated classified positions.....	137.0
Planning services—137.0 FTE positions.....	\$ 39,409,300
Grants to regional planning councils .....	<u>488,800</u>
GROSS APPROPRIATION.....	\$ 39,898,100
Appropriated from:	
Federal revenues:	
Federal aid - transportation programs.....	22,000,000
Special revenue funds:	
Comprehensive transportation fund.....	615,500
Michigan transportation fund .....	9,703,400
State aeronautics fund .....	15,200
State trunkline fund.....	7,564,000
State general fund/general purpose.....	\$ 0
<b>Sec. 107. DESIGN AND ENGINEERING SERVICES</b>	
Full-time equated classified positions.....	1,506.3
Program development and delivery—1,031.3 FTE positions .....	\$ 97,795,300
System operations management—357.0 FTE positions .....	56,231,200
Business services—118.0 FTE positions.....	<u>17,154,300</u>
GROSS APPROPRIATION.....	\$ 171,180,800
Appropriated from:	
Federal revenues:	
Federal aid - transportation programs.....	23,529,800
Special revenue funds:	
Comprehensive transportation fund.....	187,100
Michigan transportation fund .....	13,013,900
State aeronautics fund .....	160,300
State trunkline fund .....	134,289,700
State general fund/general purpose.....	\$ 0
<b>Sec. 108. HIGHWAY MAINTENANCE</b>	
Full-time equated classified positions.....	760.7
State trunkline operations—760.7 FTE positions .....	\$ <u>405,641,800</u>
GROSS APPROPRIATION.....	\$ 405,641,800
Appropriated from:	
Special revenue funds:	
State trunkline fund .....	405,641,800
State general fund/general purpose.....	\$ 0
<b>Sec. 109. ROAD AND BRIDGE PROGRAMS</b>	
Cities and villages .....	\$ 621,156,000
County road commissioners .....	1,114,091,700
Grants to local programs .....	33,000,000
Local agency wetland mitigation bank fund.....	2,000,000
Local bridge program.....	29,077,800
Local federal aid and road and bridge construction .....	278,400,300
Movable bridge fund.....	5,337,300
Rail grade crossing.....	3,000,000
Rail grade crossing-surface improvements.....	3,000,000
State trunkline federal aid and road and bridge construction .....	<u>1,329,604,600</u>
GROSS APPROPRIATION.....	\$ 3,418,667,700

For Fiscal Year  
Ending Sept. 30,  
2020

Appropriated from:	
Federal revenues:	
Federal aid - transportation programs .....	1,065,094,800
Special revenue funds:	
Local funds.....	30,003,500
Blue Water Bridge fund .....	11,341,100
Local bridge fund .....	29,077,800
Michigan transportation fund .....	1,781,585,000
State trunkline fund .....	501,565,500
State general fund/general purpose.....	\$ 0
<b>Sec. 110. FIXING MICHIGAN ROADS</b>	
General fund fixing roads and bridges.....	400,000,000
GROSS APPROPRIATION.....	\$ 400,000,000
Appropriated from:	
Special revenue funds:	
State general fund/general purpose.....	\$ 400,000,000
<b>Sec. 111. BLUE WATER BRIDGE</b>	
Full-time equated classified positions.....	41.0
Blue Water Bridge operations—41.0 FTE positions .....	\$ 6,595,800
GROSS APPROPRIATION.....	\$ 6,595,800
Appropriated from:	
Special revenue funds:	
Blue Water Bridge fund .....	6,595,800
State general fund/general purpose.....	\$ 0
<b>Sec. 112. TRANSPORTATION ECONOMIC DEVELOPMENT</b>	
Community service infrastructure fund .....	\$ 3,000,000
Forest roads.....	5,000,000
Rural county primary .....	8,314,700
Rural county urban system .....	2,500,000
Target industries/economic development .....	17,129,400
Urban county congestion.....	8,314,700
GROSS APPROPRIATION.....	\$ 44,258,800
Appropriated from:	
Special revenue funds:	
Economic development fund.....	44,258,800
State general fund/general purpose.....	\$ 0
<b>Sec. 113. AERONAUTICS SERVICES</b>	
Full-time equated classified positions.....	46.0
Air fleet operations and maintenance—8.0 FTE positions .....	\$ 1,774,500
Air service program.....	250,000
Aviation services—38.0 FTE positions .....	5,616,600
GROSS APPROPRIATION.....	\$ 7,641,100
Appropriated from:	
State aeronautics fund .....	7,641,100
State general fund/general purpose.....	\$ 0
<b>Sec. 114. PUBLIC TRANSPORTATION SERVICES</b>	
Full-time equated classified positions.....	36.0
Passenger transportation services—36.0 FTE positions .....	\$ 5,874,700
GROSS APPROPRIATION.....	\$ 5,874,700
Appropriated from:	
Federal revenues:	
Federal aid - transportation programs.....	972,100
Special revenue funds:	
Comprehensive transportation fund.....	4,902,600
State general fund/general purpose.....	\$ 0



For Fiscal Year  
Ending Sept. 30,  
2020

**Sec. 115. LOCAL BUS TRANSIT**

Local bus operating .....	\$	190,750,000
Nonurban operating/capital .....		<u>30,027,900</u>
GROSS APPROPRIATION .....	\$	220,777,900
Appropriated from:		
Federal revenues:		
Federal aid - transportation programs .....		28,027,900
Special revenue funds:		
Comprehensive transportation fund .....		190,750,000
Local funds .....		2,000,000
State general fund/general purpose .....	\$	0

**Sec. 116. INTERCITY PASSENGER**

Full-time equated classified positions .....	39.0	
Detroit/Wayne County Port Authority .....	\$	418,200
Freight property management .....		1,000,000
Intercity services .....		7,860,000
Marine passenger service .....		1,500,000
Office of rail—39.0 FTE positions .....		6,656,500
Rail freight, rail economic development .....		67,566,700
Rail passenger .....		<u>18,000,000</u>
GROSS APPROPRIATION .....	\$	103,001,400
Appropriated from:		
Federal revenues:		
Federal aid - transportation programs .....		14,500,000
Special revenue funds:		
Local funds .....		760,000
Private funds .....		900,000
Comprehensive transportation fund .....		77,894,400
Intercity bus equipment fund .....		100,000
Michigan transportation fund .....		2,086,300
Rail freight fund .....		6,000,000
State trunkline fund .....		760,700
State general fund/general purpose .....	\$	0

**Sec. 117. PUBLIC TRANSPORTATION DEVELOPMENT**

Municipal credit program .....	\$	2,000,000
Service initiatives .....		4,589,200
Specialized services .....		18,438,900
Transit capital - urban .....		32,317,400
Transit capital - nonurban .....		24,303,300
Transportation to work .....		3,875,000
Van pooling .....		195,000
Incentive challenge fund .....		<u>100</u>
GROSS APPROPRIATION .....	\$	85,718,900

Appropriated from:		
Federal revenues:		
Federal aid - transportation programs .....		26,850,000
Special revenue funds:		
Local funds .....		5,760,000
Comprehensive transportation fund .....		53,108,900
State general fund/general purpose .....	\$	0

**Sec. 118. CAPITAL OUTLAY**

**(1) BUILDINGS AND FACILITIES**

Salt storage buildings and containment control .....	\$	2,500,000
Special maintenance, remodeling, and additions .....		<u>3,001,500</u>
GROSS APPROPRIATION .....	\$	5,501,500
Appropriated from:		
Special revenue funds:		
State trunkline fund .....		5,501,500

	For Fiscal Year Ending Sept. 30, 2020
State general fund/general purpose.....	\$ 0
<b>(2) AIRPORT IMPROVEMENT PROGRAMS</b>	
Airport safety, protection and improvement program.....	\$ 95,477,300
Detroit Metropolitan Wayne County Airport .....	5,850,000
<b>GROSS APPROPRIATION.....</b>	<b>\$ 101,327,300</b>
Appropriated from:	
Federal revenues:	
Federal aid - transportation programs.....	79,000,000
Special revenue funds:	
Local funds.....	12,508,500
Qualified airport fund.....	5,850,000
State aeronautics fund .....	3,968,800
State general fund/general purpose.....	\$ 0
<b>Sec. 119. ONE-TIME BASIS ONLY</b>	
Carbide dock/Soo Locks project.....	\$ 1,000,000
Freight rail economic development .....	100
Rail grade separation project.....	22,700,000
<b>GROSS APPROPRIATION.....</b>	<b>\$ 23,700,100</b>
Appropriated from:	
Federal aid.....	10,700,000
Comprehensive transportation fund.....	13,000,100
State general fund/general purpose - one-time .....	\$ 0

PART 2  
PROVISIONS CONCERNING APPROPRIATIONS  
FOR FISCAL YEAR 2019-2020

**GENERAL SECTIONS**

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state sources under part 1 for fiscal year 2019-2020 is \$3,978,323,800.00 and state spending from state sources to be paid to local units of government for fiscal year 2019-2020 is \$2,380,150,900.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

**STATE TRANSPORTATION DEPARTMENT**

Grants to regional planning councils.....	\$ 488,800
Cities and villages .....	688,191,000
County road commissions .....	1,234,324,200
Grants to local programs .....	33,000,000
Local bridge program.....	54,077,800
Local bridge projects.....	67,500,000
Local agency wetland mitigation.....	2,000,000
Movable bridge .....	2,668,700
Rail grade crossing.....	1,500,000
Rail grade surface crossing improvements .....	3,000,000
Transportation economic development.....	37,749,600
Air service program.....	250,000
Local bus operating .....	190,750,000
Detroit/Wayne County Port Authority.....	418,200
Marine passenger service .....	1,000,000
Municipal credit program.....	2,000,000
Service initiatives .....	2,614,200
Specialized services .....	4,353,900
Transit capital.....	40,070,700
Transportation to work.....	4,375,000
Airport safety, protection, and improvement program.....	3,968,800
Detroit Metropolitan Wayne County Airport .....	5,850,000
<b>Total payments to local units of government.....</b>	<b>\$ 2,380,150,900</b>

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

Sec. 203. As used in this part and part 1:

- (a) "CTF" means comprehensive transportation fund.
- (b) "Department" means the state transportation department.
- (c) "Director" means the director of the department.
- (d) "DOT" means the United States Department of Transportation.
- (e) "DOT-FHWA" means DOT, Federal Highway Administration.
- (f) "FTE" means full-time equated.
- (g) "IDG" means interdepartmental grant.
- (h) "MTF" means Michigan transportation fund.
- (i) "SAF" means state aeronautics fund.
- (j) "STF" means state trunkline fund.

Sec. 204. The departments and agencies receiving appropriations in part 1 shall use the internet to fulfill the reporting requirements of this part. This requirement may include transmission of reports via electronic mail to the recipients identified for each reporting requirement, or it may include placement of reports on an internet or intranet site.

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

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

Sec. 207. The departments and agencies receiving appropriations in part 1 shall prepare a report on out-of-state travel expenses not later than January 1 of each year. The travel report shall be a listing of all travel by classified and unclassified employees outside this state in the immediately preceding fiscal year that was funded in whole or in part with funds appropriated in the department's budget. The report shall be submitted to the senate and house appropriations committees, the house and senate fiscal agencies, and the state budget director. The report shall include the following information:

(a) The dates of each travel occurrence.

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

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

Sec. 209. Not later than November 30, the state budget office shall prepare and transmit a report that provides for estimates of the total general fund/general purpose appropriation lapses at the close of the prior fiscal year. This report shall summarize the projected year-end general fund/general purpose appropriation lapses by major departmental program or program areas. The report shall be transmitted to the chairpersons of the senate and house of representatives standing committees on appropriations and the senate and house fiscal agencies.

Sec. 210. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$40,000,000.00 for federal contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 pursuant to section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

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

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

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

Sec. 211. The department shall cooperate with the department of technology, management, and budget to maintain a searchable website accessible by the public at no cost that includes, but is not limited to, all of the following:

- (a) Fiscal year-to-date expenditures by category.
- (b) Fiscal year-to-date expenditures by appropriation unit.
- (c) Fiscal year-to-date payments to a selected vendor, including the vendor name, payment date, payment amount, and payment description.
- (d) The number of active department employees by job classification.
- (e) Job specifications and wage rates.

Sec. 212. Within 14 days after the release of the executive budget recommendation, the department shall cooperate with the state budget office to provide the senate and house appropriations chairs, the senate and house appropriations subcommittees chairs, and the senate and house fiscal agencies with an annual report on estimated state restricted fund balances, state restricted fund projected revenues, and state restricted fund expenditures for the fiscal years ending September 30, 2019 and September 30, 2020.

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

Sec. 214. Total authorized appropriations from all sources under part 1 for legacy costs for the fiscal year ending September 30, 2020 are \$63,863,700.00. From this amount, total agency appropriations for pension-related legacy costs are estimated at \$31,045,600.00. Total agency appropriations for retiree health care legacy costs are estimated at \$32,818,100.00.

Sec. 215. A department shall not take disciplinary action against an employee for communicating with a member of the legislature or his or her staff. The department shall not require state employees of the department to report communications with a legislator or legislative staff.

Sec. 217. The department shall provide notice to the speaker of the house, the house minority leader, the senate majority leader, the senate minority leader, the house and senate standing committees on transportation, the appropriate house and senate appropriations subcommittees on transportation, and the house and senate fiscal agencies on proposed federal rule changes related to the department that would require amendments to the laws of this state. The notice shall be given within 30 business days of the proposed federal rule being posted to the federal register and shall include a description of the proposed federal rule, the publication date, the date when public comment closes, the document citation, and a description of the statutory changes needed when the rule is finalized.

Sec. 270. In order to reduce costs and maintain quality, it is the intent of the legislature that, excluding the fleet of motor vehicles for the department of state police, the department will prioritize the utilization of remanufactured parts as the primary means of maintenance and repair for the state of Michigan's fleet of motor vehicles.

Sec. 280. From the general funds appropriated in part 1, section 110, the department shall expend funds and award grants as follows:

(a) One hundred thirty-two million of ongoing general fund dollars shall be used for road and bridge construction and distributed to the following entities in the following amounts:

(i) To county road commissioners, \$51,612,000.00 shall be distributed in accordance with section 12 of 1951 PA 51, MCL 247.662.

(ii) To cities and villages, \$28,776,000.00 shall be distributed in accordance with section 13 of 1951 PA 51, MCL 247.663.

(iii) To the department, \$51,612,000.00 shall be distributed for road and bridge construction and maintenance of the state trunkline.

(b) Not more than \$25,000,000.00 shall be used on a one-time basis for the local bridge program.

(c) The remaining \$243,000,000.00 shall be expended on a one-time basis to the following projects in the following order:

(i) To the following bridge projects:

(A) A bridge between Service Drive and Rotunda Drive owned by a county with a population over 1,750,000 in a city with a population between 98,100 and 98,200 according to the most recent federal decennial census.

(B) A bridge between 168th Avenue and Landing Drive owned by a city with a population between 2,850 and 2,900 in a county with a population between 260,000 and 270,000 according to the most recent federal decennial census.

(C) A bridge east of Lakeshore Drive owned by a county with a population between 800,000 and 900,000 in a township with a population between 24,500 and 24,600 according to the most recent federal decennial census.

(D) A bridge between Platt Street and River Street owned by a city with a population between 114,200 and 114,300 in a county with a population between 280,000 and 290,000 according to the most recent federal decennial census.

(ii) To county road commissioners, cities and villages, and the department in proportion to the distribution amounts identified in section 10(l) of 1951 PA 51, MCL 247.660. Distributions to county road commissioners shall be made in accordance with section 12 of 1951 PA 51, MCL 247.662. Distributions to cities and villages shall be made in accordance with section 13 of 1951 PA 51, MCL 247.663.

#### **DEPARTMENT ADMINISTRATION AND SUPPORT**

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

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

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

Sec. 305. (1) The department may permit space on public passenger transportation properties to be occupied by public or private tenants on a competitive market rate basis. The department shall require that revenue from the tenants be placed in an account to be used to pay the costs to maintain and improve the property.

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

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

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

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

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

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

(3) The auditor general shall use a risk-based approach in developing an audit program for the use of transportation funds.

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

Sec. 308. By January 15, 2020, the department must provide a report to the legislature that includes all of the following:

(a) A list of all real estate owned or held by the department.

- (b) The current market value of any real estate owned or held by the department.
- (c) The amount paid for any real estate owned or held by the department.
- (d) A list of any real estate sold by the department during the prior fiscal year, along with the amount of the sale and the names of the purchasers of the real estate.

Sec. 309. No later than 90 days before the close of the fiscal year, the department shall compile and issue a report to the legislature regarding the use of employee accountability systems, including electronic monitoring of FTEs, contractors, part-time workers, and vendors. The report must include, but is not limited to, all of the following:

- (a) The number of individuals being monitored during the fiscal year.
- (b) The standards used to assess individual performance.
- (c) Any general findings from the accountability systems.
- (d) Any specific findings from the accountability systems.
- (e) A list of any corrective measures taken as a result of any findings from the accountability systems.
- (f) The standards by which the department applied personnel corrective measures.

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

Sec. 311. From funds appropriated in part 1, the department shall research 3 options for the relocation of its 3 highest rent operations to an area within the state located in a unit of government that is an enterprise zone under the enterprise zone act, 1985 PA 224, MCL 125.2101 to 125.2123, and not within 75 miles of the state capitol. The department shall report to each house of the legislature on its activities and findings under this section.

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

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

(3) The department shall submit a report to the state budget director, the house and senate appropriations subcommittees on transportation, and the house and senate fiscal agencies on the status of the state infrastructure bank. The report shall be submitted on or before December 1, 2019. The report shall include all of the following:

- (a) The balance in the state infrastructure bank at September 30, 2019, including a breakdown of the balance by cash and cash equivalents, outstanding loans, and balance available for loan to local agencies.
- (b) A breakdown of the state infrastructure loan balance by amounts designated as originating from federal sources and the amounts originating from nonfederal sources.
- (c) A list of outstanding loans by agency, original loan amount, project description, loan term, and amount outstanding.

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

Sec. 320. From the funds appropriated in part 1, all payments by the department to counties, cities, villages, and transit agencies or authorities must be accompanied by a statement that includes all of the following:

- (a) The amount of the current payment.
- (b) The date and estimated amount for the next payment.
- (c) The dates and estimated payments for the next 12 months.
- (d) The amount of any money being withheld by the department and the date by which the money can be fully recovered.

Sec. 323. From the funds appropriated in part 1, the department shall take all actions needed to develop a solicitation for proposals for the sale of department-owned rail property between Grayling and Gaylord by September 30, 2020. Any proposals received by the department shall include a commitment to maintain the rail property between Grayling and Gaylord as an operational rail line.

Sec. 324. (1) From the funds appropriated in part 1, the department shall take all actions needed to develop a solicitation for proposals for the sale of the following state-owned airports in this state by September 30, 2020:

- (a) Romeo State Airport.

(b) Linden (Price's Airport).

(2) In developing solicitations for proposals under this section, the department may include an option for the sale of all state-owned airports in this state.

(3) Money from the sale of state-owned airports shall be used to offset any costs associated with the sale, including costs related to contract termination.

Sec. 327. From the funds appropriated in part 1, Road Construction Unionized Labor Study, the department shall do all of the following:

(a) Provide for economical, nondiscriminatory, neutral, and efficient procurement of construction-related goods and services by this state and political subdivisions of this state in awarding contracts from funds appropriated in part 1.

(b) Not award any contract using funds appropriated in part 1 for the construction, repair, remodeling, or demolition of a project to a prime contractor who, as a condition of awarding or not awarding a contract to a subcontractor, does either of the following:

(i) Requires or prohibits a subcontractor in the performance of work to comply with any rates, terms or conditions, or fringe benefit contributions of a collective bargaining agreement.

(ii) Requires or prohibits a subcontractor with employees to pay into any health, welfare, educational, or retirement benefit fund in which their employees do not participate.

(c) Perform a study analyzing the number of union labor hours and nonunion labor hours used on state road construction projects.

(d) As used in this section, "project" means any actual physical improvement to real property owned or leased by the department, including, but not limited to, roads, bridges, runways, rails, or a building or structure including the building's or structure's grounds, approaches, services, and appurtenances.

Sec. 328. From the funds appropriated in part 1, section 104, the department shall do the following:

(a) Not later than 90 days before the close of the fiscal year, the department shall issue a report to each house of the legislature regarding freedom of information act compliance by the department that includes all of the following:

(i) The estimated cost and number of staff hours spent by the department to comply with the freedom of information act during the reporting period.

(ii) The estimated number of freedom of information act requests to the department, listed by subject area, during the reporting period.

(iii) A copy of each freedom of information act request to the department during the reporting period.

(iv) A copy of each freedom of information act response by the department to the requester during the reporting period.

(v) Any documents relating to an appeal or contested case involving a freedom of information act request to the department during the reporting period.

(b) The department shall submit the report described in subdivision (a) in electronic format.

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

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

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

Sec. 376. The department shall not spend funds appropriated in part 1 for the purpose of examining the potential association between commercial signs, outdoor advertising signs, billboards, digital billboards, or commercial electronic variable message signs and motor vehicle activity or motor vehicle driver behavior.

Sec. 381. The department shall require as a condition of each contract or subcontract for construction, maintenance, or engineering services that the prequalified contractor or prequalified subcontractor agree to use the E-Verify system to verify that all persons hired during the contract term by the contractor or subcontractor are legally present and authorized to work in the United States. The department may verify this information directly or may require contractors and subcontractors to verify the information and submit a certification to the department. The department shall report to the house and senate appropriations committees and the house and senate fiscal agencies by March 1 of each year describing the processes it has developed and implemented under provisions of this section. As used in this section, "E-Verify" means an internet-based system operated by the Department of Homeland Security, U.S. Citizenship and Immigration Services in partnership with the Social Security Administration.

Sec. 382. In administering a contract with a county road commission, city, or village that allocates costs of construction or reconstruction of highways, roads, and streets as provided in section 18d of 1951 PA 51, MCL 247.668d, the department shall submit the final cost-sharing bill to the county road commission, city, or village not later than 2 years after the date of the final contract payment to the construction contractor.

Sec. 383. (1) The department shall prepare a report on use of department-owned aircraft during the fiscal year ending September 30, 2019. With respect to each department-owned aircraft, the report shall include all of the following:

(a) Total hours of usage.

(b) Description of specific flights including dates of travel, names of passengers including state agency, university, or local government affiliation, travel origin and destination, and total estimated costs associated with the air travel.

(2) The report shall be submitted to the senate and house appropriations subcommittees on transportation, state budget director, and the house and senate fiscal agencies no later than February 1, 2020.

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

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

Sec. 384. (1) Except as otherwise provided in subsection (2), the department shall not obligate the state to expend any state transportation revenue for construction planning or construction of the Gordie Howe International Crossing or a renamed successor. In addition, except as provided in subsection (2), the department shall not commit the state to any new contract related to the construction planning or construction of the Gordie Howe International Crossing or a renamed successor that would obligate the state to expend any state transportation revenue. An expenditure for staff resources used in connection with project activities, which expenditure is subject to full and prompt reimbursement from Canada, shall not be considered an expenditure of state transportation revenue.

(2) If the legislature enacts specific enabling legislation for the construction of the Gordie Howe International Crossing or a renamed successor, subsection (1) does not apply once the enabling legislation goes into effect.

Sec. 385. (1) The department shall submit monthly reports to the state budget director, the speaker of the house of representatives, the house of representatives minority leader, the senate majority leader, the senate minority leader, the house and senate appropriations subcommittees on transportation, and the house and senate fiscal agencies on all of the following:

(a) All expenditures made by the state related to the Gordie Howe Bridge.

(b) All reimbursements made by Canada under section 384(1) of this part to the state for expenditures for staff resources used in connection with project activities.

(2) The initial report required under subsection (1) shall be submitted on or before December 1, 2019. The initial report shall cover the fiscal year ending September 30, 2019.

Sec. 386. (1) On or before May 1 of each year, the department shall submit a report to the state budget director, the house and senate appropriations subcommittees on transportation, and the house and senate fiscal agencies on its toll credit program. The report shall include the following information:

(a) The amount of toll credits earned and certified by the DOT-FHWA in the prior fiscal year.

(b) The value of toll credits used by programs and projects in the previous fiscal year.

(c) The balance of available toll credits at the end of the prior fiscal year.

(d) A discussion of the department's strategy for using toll credits.

(2) The department shall use toll credits to match grants from federal funds in the following order of priority:

(a) State trunkline and local agency road and bridge construction and preservation projects.

(b) Rail infrastructure projects.

(c) Transit capital grants.

(d) Aeronautics capital grants.

(e) Any other eligible projects.

(f) Bike paths.

Sec. 387. (1) Within 60 days of completion of any formal traffic study, formal traffic control study, or formal traffic mitigation study, the department shall post the results of the study on the department's website.

(2) As used in this section, the terms "traffic study", "traffic control study", and "traffic mitigation study" include, but are not limited to, investigations into the need for traffic lights, reviews of traffic speeds and related recommendations regarding speed limits, and ways to improve traffic flow during peak travel times.



Sec. 389. Within 30 days of entering into a long-term agreement with a private contractor, a public agency, or a partnership between 1 or more private contractors or public agencies, the department shall notify the state budget director, the house and senate appropriations subcommittees on transportation, and the house and senate fiscal agencies of the agreement, including the subject of the agreement, the term of the agreement, and financial obligations under the agreement. As used in this section, “long-term agreement” means an agreement that obligates the department for a period of 5 years or more and that actually or contingently obligates the department to make payments over the contract period of \$5,000,000.00 or more.

Sec. 390. (1) Within 14 days after the release of the executive budget recommendation, the department shall report on prior fiscal year revenues, expenditures, and ending balances, including a description of obligations or restrictions in ending balances, for the following funds and accounts:

- (a) The moveable bridge fund.
- (b) The rail grade crossing account.
- (c) The transportation economic development fund.
- (d) The roads and risks reserve fund.
- (e) Any unencumbered general fund revenue.
- (f) Any unexpended federal earmarks.

(2) The department shall transmit the reports required under this section to the state budget director, the house and senate appropriations subcommittees on transportation, and the house and senate fiscal agencies.

Sec. 391. The department shall not use any funds from the appropriations in part 1 to perform, or to assist any other state department in performing, inspections or testing of motor fuel quality.

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

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

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

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

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

Sec. 394. The department and local road agencies shall make the preservation of their existing road networks a funding priority.

Sec. 395. From the funds appropriated in part 1 for state trunkline federal aid road and bridge construction, the department may expend up to \$10,000,000.00 on highway maintenance activities to support safety-related, high-priority, and other deferred routine maintenance needs on Michigan’s state trunkline network.

Sec. 396. In soliciting proposals for contractual services, other than construction contracts, the department shall obtain assurance that the respondents have the financial capability, equipment, work force, and prior work experience sufficient to perform the proposed services.

Sec. 398. The department shall continue to work to eliminate fatalities and serious injuries on Michigan’s trunkline and shall maintain the Toward Zero Deaths statewide safety campaign. The department shall prioritize additional median cable guardrail installation when appropriate to address trunkline locations with a history of correctable fatal and serious injury crashes.

#### **FEDERAL**

Sec. 402. A portion of the federal DOT-FHWA highway research, planning, and construction funds made available to this state shall be allocated to transportation programs administered by local jurisdictions in accordance with section 10o of 1951 PA 51, MCL 247.660o. A local road agency, with respect to a project approved for federal aid funding in a state transportation improvement program, may enter into a voluntary buyout agreement with the department or with another local road agency to exchange the federal aid with state restricted transportation funds as agreed to by the respective parties. The state restricted transportation funds received in exchange for federal aid funds shall be used for the same purpose as the federal aid funds were originally intended.

Sec. 403. After meeting the capital needs of existing section 5310 subrecipients, the department shall include in its grant application to the Federal Transit Administration replacement buses for rural transit agencies to the maximum extent possible based on the federal regulations that govern the section 5310 program.

#### **MICHIGAN TRANSPORTATION FUND**

Sec. 501. The money received under the motor carrier act, 1933 PA 254, MCL 475.1 to 479.42, and not appropriated to the department of licensing and regulatory affairs or the department of state police is deposited in the Michigan transportation fund.

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

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

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

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

Sec. 504. Funds from the Michigan transportation fund shall be distributed to the comprehensive transportation fund, the economic development fund, the recreation improvement fund, and the state trunkline fund, in accordance with this part and part 1 and part 711 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.71101 to 324.71108, and may only be used as specified in this part and part 1, 1951 PA 51, MCL 247.651 to 247.675, and part 711 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.71101 to 324.71108.

#### **STATE TRUNKLINE FUND**

Sec. 601. The department shall maintain documentation to support initial acceptance of warrantied projects, interim and final inspections, and notifications to contractors that the warranty period had expired. The department also shall review and evaluate consultant evaluation requirements or recommendations and update existing policies and procedures accordingly.

Sec. 604. At the close of the fiscal year, any unencumbered and unexpended balance in the state trunkline fund shall remain in the state trunkline fund and shall carry forward and is appropriated for federal aid road and bridge programs for projects contained in the annual state transportation program.

Sec. 605. (1) From the increased funds appropriated in part 1 for highway maintenance, the department shall expand highway maintenance activities in the current fiscal year to support flooding mitigation-related activities on limited-access state trunklines in Wayne, Oakland, and Macomb Counties, as well as other safety-related, high-priority, and deferred routine maintenance needs on Michigan's state trunkline network.

(2) The department shall report on specific outcomes and performance measures, including, but not limited to, the following:

(a) The number of drainage catch basins cleaned on limited-access state trunklines in Wayne, Oakland, and Macomb Counties during the fiscal year ending September 30, 2020.

(b) The number of flooding-related closures on limited-access state trunklines in Wayne, Oakland, and Macomb Counties during the fiscal year ending September 30, 2020.

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

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

Sec. 613. (1) On or before February 1 of each year, the department shall prepare a report on all capital federal aid participating construction projects completed in the prior fiscal year. The report shall include the following information:

- (a) Location of the project.
- (b) General description of the project.
- (c) As-bid cost of the project.
- (d) As-built cost of the project.
- (e) Estimated completion date.
- (f) Actual completion date.

(g) Whether design engineering was performed by department staff or contract engineering consultants, and, if performed by contract engineering consultants, the name of the contract engineering consultant firm or firms.

(h) Design engineering costs.

(i) Whether construction engineering was performed by department staff or contract engineering consultants, and, if performed by contract engineering consultants, the name of the contract engineering consultant firm or firms.

(j) Construction engineering costs.

(k) Design life.

(2) The report shall include a discussion of design engineering and construction engineering costs as a proportion of total project costs and in comparison with other state transportation agencies. The report shall also include a discussion of relative efficiency and effectiveness of work performed by department staff and work performed by contract engineering consultants.

(3) The report described in this section shall be provided to the senate and house appropriations subcommittees on transportation, the senate and house standing committees on transportation, and the senate and house fiscal agencies.

Sec. 660. (1) The legislature encourages the department to examine the use of alternative road surface materials, including recycled materials, and to develop criteria and specifications for their use in both department-managed and contracted projects.

(2) The department shall report on efforts taken to implement this section. The report shall include descriptions of specific materials evaluated, evaluation methods, and results of specific field or laboratory tests. The department shall complete and submit the report to the state budget director, the house and senate appropriations subcommittees on transportation, and the house and senate fiscal agencies on or before March 1 of each year.

Sec. 661. (1) From funds appropriated in part 1, the department shall establish a collaborative stakeholder group to review innovative road materials and innovative road and bridge design and construction specifications. The collaborative group shall include representatives from the following stakeholder groups:

(a) The DOT-FHWA.

(b) An appointee of the speaker of the house of representatives.

(c) An appointee of the senate majority leader.

(d) The Asphalt Pavement Association of Michigan.

(e) The Michigan Concrete Association.

(f) The Michigan Council of Engineering Companies of Michigan.

(g) The Michigan Infrastructure and Transportation Association.

(h) The County Road Association of Michigan.

(i) The Michigan Municipal League.

(j) The Michigan Association of Drain Commissioners.

(k) The Michigan Aggregates Association.

(l) The Michigan Association of Counties.

(m) The Michigan Road Preservation Association.

(2) Beginning July 1, 2020, the department shall report quarterly on the activities of the collaborative stakeholder group established under this section. The report shall be provided by April 1, 2020, to the house appropriations committee, the senate appropriations committee, the house standing committee on transportation and infrastructure, the senate standing committee on transportation and infrastructure, and the house and senate fiscal agencies. The report shall describe the innovative materials and innovative road and bridge design and construction specifications submitted for review. The report shall also describe, of the innovative materials and innovative road and bridge design and construction specifications submitted for review, the submissions recommended for adoption by the department and the submissions not recommended for adoption by the department. The department shall provide recipients with updated reports on activities of the collaborative stakeholder group by July 1, 2020 and September 30, 2020.

#### **TRANSIT AND RAIL RELATED FUNDS**

Sec. 701. The department shall establish an intercity bus equipment and facility fund as a subsidiary fund within the comprehensive transportation fund created under section 10b of 1951 PA 51, MCL 247.660b. Proceeds received by this state from the sale of state-owned intercity bus equipment shall be credited to the intercity bus equipment and facility fund for the purchase and repair of intercity bus equipment, as appropriated. Security deposits not returned to a lessee of state-owned intercity bus equipment under terms of the lease agreement shall be credited to the intercity bus equipment and facility fund for the repair of intercity bus equipment, as appropriated. Money received by the department from lease payments for state-owned intercity bus equipment, and facility maintenance charges under terms of leases of state-owned

intercity facilities, shall be credited to the intercity bus equipment and facility fund for the purchase and repair of intercity bus equipment or for the maintenance and rehabilitation of state-owned intercity facilities, as appropriated. At the close of the fiscal year, any funds remaining in the intercity bus equipment and facility fund shall remain in the fund and be carried forward into the succeeding fiscal year.

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

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

Sec. 704. From the funds appropriated in part 1, the department shall prepare and transmit a report that provides detail regarding the department's obligations for programs funded under the appropriation in part 1 for rail operations and infrastructure. The report shall include a breakdown of the appropriation by program, year-to-date obligations under each program itemized by project, and an estimate of future obligations under each program itemized by project for the remainder of the fiscal year. The initial report shall be submitted to the senate and house appropriations subcommittees on transportation, the state budget director, and the senate and house fiscal agencies, on or before February 1, 2020. The department also shall update and resubmit the final report on or before November 1, 2020.

Sec. 706. The Detroit/Wayne County Port Authority shall issue a complete operations assessment and a financial disclosure statement. The operations assessment shall include operational goals for the next 5 years and recommendations to improve land acquisition and development efficiency. The report shall be completed and submitted to the house of representatives and senate appropriations subcommittees on transportation, the state budget director, and the house and senate fiscal agencies by June 30 of each fiscal year for the prior fiscal year.

Sec. 711. (1) As prescribed in subsection (2), the department shall submit reports to the state budget director, the house and senate appropriations subcommittees on transportation, and the house and senate fiscal agencies on rail passenger service provided by Amtrak under a contractual agreement with the department. The report shall be submitted on or before May 1 of each year.

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

(a) Passenger counts for the preceding fiscal year for each Amtrak service route in Michigan.

(b) Revenue and operating expenses by Amtrak route.

(c) Total state operating payments to Amtrak in the preceding fiscal year by Amtrak route.

(d) A discussion of major factors affecting route costs and revenue and net state costs in the preceding fiscal year, and factors affecting route costs and revenue and net state costs anticipated in the current and future fiscal years.

(e) Fare revenue by route and fare revenue as a percentage of route operating expense.

Sec. 712. From the funds appropriated in part 1, the department shall take all actions needed to develop a solicitation for proposals for the delivery of daily round-trip rail passenger service between Grand Rapids and Chicago, Illinois by September 30, 2020.

Sec. 719. It is the intent of the legislature that by September 30, 2020, each subsidized elderly and medical transit system located in a county with a population of 100,000 or more must determine that system's estimated cost per rider. It is the intent of the legislature that during the fiscal year, each system must issue a request for proposals from ride-sharing companies for 100% of the system's anticipated service.

Sec. 735. For the fiscal year ending September 30, 2020, the appropriation to a street railway pursuant to section 10e(22) of 1951 PA 51, MCL 247.660e, is \$0.

Sec. 752. At least once each fiscal year, the department shall meet with representatives of a rail industry trade association to provide information on the availability of rail infrastructure loan and grant funding programs and freight economic development project opportunities.

Sec. 753. From the funds appropriated in part 1 for marine passenger service, 60% must be spent on eligible entities servicing multiple destinations. The remaining funds must be spent on eligible entities servicing a single destination.

#### **AERONAUTICS FUND**

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

Sec. 802. The legislature encourages the department to find private entities or local public agencies to assume ownership and operating responsibility for airports currently owned by the department.

Sec. 804. (1) The department shall not expend funds from the appropriation in part 1, air fleet operations and maintenance, if the department owns a Cessna 206 aircraft. The department shall notify the state budget director, the house and senate appropriations subcommittees on transportation, and the house and senate fiscal agencies when it no longer owns a Cessna 206 aircraft.

(2) The department shall submit a report by February 1, 2020 to the state budget director, the house and senate appropriations subcommittees on transportation, and the house and senate fiscal agencies on the number of FTEs required to maintain and operate airfleet operations.

Sec. 805. The department shall take all steps necessary to sell any aircraft with less than 50 flight hours logged by September 15, 2020.

Sec. 806. (1) From the funds appropriated in part 1 for aviation services, the department shall review the information and forms on the office of aeronautics public website to ensure that the terminology used on the website is consistent with the terminology and definitions used in the aeronautics code of the state of Michigan, 1945 PA 327, MCL 259.1 to 259.208. In addition, the department shall review the aeronautics code of the state of Michigan, 1945 PA 327, MCL 259.1 to 259.208, to identify definitions or provisions that are unclear, out-of-date, or otherwise no longer consistent with current practice.

(2) On or before December 1, 2019, the department shall submit a report to the house and senate appropriations subcommittees on transportation and the house and senate fiscal agencies describing its activities under subsection (1). The report shall include a list of terminology, definitions, and provisions of the aeronautics code of the state of Michigan, 1945 PA 327, MCL 259.1 to 259.208, the department has identified as unclear, out-of-date, or no longer consistent with current practice. The department shall include in the report any recommended changes to the aeronautics code of the state of Michigan, 1945 PA 327, MCL 259.1 to 259.208, and the reasons for any proposed changes.

#### **CAPITAL OUTLAY**

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

(2) Political entities and subdivisions shall provide not less than 5% of the cost of any project under this section, unless a total nonfederal share less than 10% is otherwise specified in federal law. State money shall not be allocated until local money is allocated. State money for any 1 project shall not exceed 1/3 of the total appropriation in part 1 from state funds for airport improvement programs.

(3) The Michigan aeronautics commission may take those steps necessary to match federal money available for airport construction and improvement within this state and to meet the matching requirements of the federal government. Whether acting alone or jointly with another political subdivision or public agency or with this state, a political subdivision or public agency of this state shall not submit to any agency of the federal government a project application for airport planning or development unless it is authorized in this part and part 1 and the project application is approved by the governing body of each political subdivision or public agency making the application and by the Michigan aeronautics commission.

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

#### **ONE-TIME APPROPRIATIONS**

Sec. 1001. The one-time general fund/general purpose appropriation in part 1 for county road commissions shall be distributed among the county road commissions in accordance with section 12 of 1951 PA 51, MCL 247.662, to be used by county road commissions as provided under that section. The one-time general fund/general purpose appropriation in part 1 for cities and villages shall be distributed among cities and villages in accordance with section 13 of 1951 PA 51, MCL 247.663, to be used by cities and villages as provided under that section.

Sec. 1002. The one-time appropriation of comprehensive transportation funds for Carbide dock/Soo Locks project shall be used for demolition needs associated with the Carbide dock project.

Sec. 1003. From the funds appropriated in one-time spending in part 1, to enhance the movement of people and goods on public or privately owned rail lines, the department shall award up to \$22,700,000.00 of which \$10,700,000.00 is federal spending authority, to a county with a population greater than 1,500,000 for a railroad grade separation project in a city with a population between 12,750 and 13,000 according to the most recent federal decennial census.

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

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

Wayne Schmidt  
Jim Stamas  
Conferees for the Senate

Matt Maddock  
Jeff Yaroeh  
Conferees for the House

The question being on the adoption of the conference report,

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

**Roll Call No. 226**

**Yeas—22**

Barrett	LaSata	Nesbitt	Stamas
Bizon	Lauwers	Outman	Theis
Bumstead	Lucido	Runestad	VanderWall
Daley	MacDonald	Schmidt	Victory
Horn	MacGregor	Shirkey	Zorn
Johnson	McBroom		

**Nays—16**

Alexander	Bullock	Hollier	Moss
Ananich	Chang	Irwin	Polehanki
Bayer	Geiss	McCann	Santana
Brinks	Hertel	McMorrow	Wojno

**Excused—0**

**Not Voting—0**

In The Chair: President

Senator MacGregor moved that the bill be given immediate effect.

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

**Protests**

Senators Hollier, Hertel, Polehanki, Moss, McMorrow, Bullock, Wojno, Alexander, Geiss, Ananich, Brinks and McCann, under their constitutional right of protest (Art. 4, Sec. 18), protested against the adoption of the first conference report on Senate Bill No. 149.

Senators Hollier and Hertel moved that the statements they made during the discussion of the conference report be printed as their reasons for voting “no.”

The motion prevailed.

Senator Hollier’s statement is as follows:

Michigan has some of the worst roads in the country—a fact that is abundantly clear to me once a month as I make the long and treacherous drive to Columbus, Ohio where it is so clear because driving through Michigan is like rumble strips. I get to Ohio and I’m almost falling asleep on the road because the roads are so smooth and I come back and I don’t need to see the sign welcoming me back to Michigan. I feel it on the

road as my car starts to gyrate. Michigan's roads are terrible and we've got to fix them. I don't think that this transportation budget is the time to do that. The leadership has agreed that we're going to come back and fund and do a long-term solution for transportation, and this isn't it. In this budget, we should just do the things that we need to do and not spend any General Fund dollars.

For all of you, I think we can all agree that there is never a time that we want Buckeyes to be better at anything than us. That's what we see with Ohio roads. In Michigan, we see a host of cosmetic fixes and one-time explanations on how we're going to fund a problem that needs a real solution. I will agree with every member of this chamber who says no one wants to pay new taxes. No one wants to pay higher taxes. But every single one of us is tired of paying the cost of indecision which, for southeastern Michiganders, is something like \$800 per year according to a recent Crain's report. That's something I know a lot about because my wife gets a flat tire every couple months. I am almost a professional at changing tires because I live in Detroit and our roads are terrible. When you talk about that, that's driving on Ryan or Mound or Harper, on Davison, it's crossing over roads that are routinely shut down because rebar is popping out. There's a spot on Davison where there is a crater-size pothole, large enough for me to lay down in, with my good friend the Lieutenant Governor. It's not impressive that I can lay in a pothole, but when you can see this man lying flat down in a space that you can't drive a car across, that talks about the danger that we have in this community. Many of you have often heard me talk about my father and his service as a firefighter and you got a chance to see him earlier today. When we talk about how dangerous it is for emergency vehicles, there are whole roads they can't use in my community that are ruined because of this very issue.

But let's talk a little bit about what this package does. It means \$106 million in funding which sounds like a lot of money, except it's 98 lane-miles of the roughly 6,300 we have in Michigan, which is about one and a half percent. We're talking about spending money to spend one and a half percent. We may as well not do that. We may as well not divert those dollars that can be spent on children, on young kids, in the School Aid Fund, if we had that \$105 million, we could have fully funded pre-K education for Detroiters, for folks all across this state. That's how we should be spending these General Fund dollars—on programs that will make an impact, not saying we made a difference, we fixed some roads. Ninety-eight miles is not fixing some roads. It's telling people that we are again wasting valuable tax dollars.

I think for the last eight years, we got the constant refrain that we needed to root out fraud, waste, and abuse, that we needed to be more lean. I'll take your word for it—if that's what Republicans did over the last eight years of control, we'll take that for granted. We'll accept that. But we can't continue to say we can do more with less. We have to finally admit that you get what you pay for and we are not paying for good roads. We are not paying for safe bridges. We are not paying for things that make a difference.

You all have gotten a chance to meet my daughter. She will be two in December, but the greatest concern I had as I was rushing my wife to the hospital on the Lodge at five in the morning was not how quickly am I going to get there but am I going to break a rim taking my wife in an emergency situation driving as fast as I could possibly go—am I going to break a rim? That is the reality we face every day. The reality that folks have to deal with of bridges collapsing. We're talking about spending enough money to fix just four bridges in this budget. We're going to fix just four bridges.

TRIP, the national transportation research group, said that Michiganders lose \$4.6 billion in depreciation to their vehicles every year, and all of you know that. You've all seen it on your cars with your suspensions with the impact on your resale value. That is \$1.9 billion in difference to the \$2.5 billion the Governor said we needed to raise. Michiganders are already paying for it. The question is are we going to pay to fix it or are we going to continue to pay for it to be broken, for it to continue to cause us issues, because the only people who are making money in Michigan on roads are the auto repair dealers, the body shops, who are making money hand over fist because every day, we are all forced to spend money that we don't have.

Senator Hertel's statement, in which Senators Polehanki, Moss, McMorrow, Bullock, Wojno, Alexander, Geiss, Ananich, Brinks and McCann concurred, is as follows:

Today I rise to offer my strong opposition and "no" vote explanation to this woefully-inadequate transportation budget. A budget that does little to address our crumbling infrastructure. A budget that robs from the communities in this state that most need the funding—and a note to my colleagues on the other side of the aisle from Oakland and Macomb counties, when I say they are robbing from your communities, you are exactly who I'm speaking of. A budget that will not help us fix our roads. It's a budget that lacks a real road funding plan.

The majority promised a road funding plan by the Mackinac Policy Conference at the end of May. Still no plan. Turns out we learn four months later during the Republican policy conference the plan is to let some roads literally turn to gravel. Right island, wrong plan. Four months late, and at least a billion dollars short.

I've heard my colleagues talk about record funding. Let's be very clear—record funding is just another gimmick. We had record funding in 2016 and then in 2017. Did we make progress fixing the roads? The

answer is “no.” Record funding in 2018—turns out the roads actually got worse. Record funding in 2019—how are the roads you’re driving on today? Turns out you can’t fix potholes with talking points. The only real record that is being broken today is another year—another year when the Legislature comes up and says they solved the problem and a record year of failing to do so again. In 2015, 39 percent of our roads were in poor condition. Now it’s 48 percent. Band-Aids and one-time spending measures have not worked.

The definition of insanity is doing the same thing over and over again and expecting a different result. Record funding means nothing if you don’t address the full problem. Experts have told us that without additional funding, the percentage of trunkline and local roads in poor condition will nearly double within the next 10 years and would likely include two-thirds of the state’s entire roadway system by 2028. They also told us we needed \$1.2 billion in 2015, and because we did not solve the problem then, we now need \$2.2 billion. Every year we fail to pay the bill, the interest just keeps adding up. It’s like we took a loan from a bad loan shark. The juice has been running the entire time. Michiganders keep paying the bills with broken axles and bent rims, and when somebody finally—finally—comes around to solving this problem, it will cost more and that is the ultimate hidden tax on our taxpayers. People are frustrated and I don’t blame them. They have been lied to by politicians who lack the political courage to tell people what the real problem is and what it’s going to actually take to solve it.

Three years ago, after the last tax increase in this body, one member of the majority promised their constituents at a coffee hour that we would be driving on diamonds by now. So, we were going to be driving on diamonds; now the majority is promising we will be driving on gravel. In three years, we’re going to be driving on broken promises. It’s like one of those terrible stories where you find out your two-carat wedding ring is actually cubic zirconium. I hope the Michigan people got a prenup.

Michiganders want our roads fixed. But more than that, Michiganders want a government that works for them. They don’t want partisan bickering or ridiculous Twitter posts or talking points. They don’t need leaders who will stand up and say what they’re against over and over again but sit down when it’s time to find real solutions.

We need to get back to the negotiating table with a real plan to finally fix the damn roads. Until we do that; until we put the partisan bickering aside; until we put the Twitter and Facebook posts and all that garbage aside and sit down in a room and actually solve this problem; until we sit down and actually make an agreement amongst all of us to work together to solve the problems for the people, I ask you all to vote “no” on this budget.

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

The motion prevailed.

Senator Schmidt’s statement is as follows:

I’d like to thank the staff and my colleagues in both the House and the Senate for all of their work on this transportation appropriations bill. Before us today is a transportation budget that provides record funding for road repairs—\$5.39 billion to be precise—that’s an increase of nearly 7.5 percent. If signed into law, Michigan would spend more in the coming fiscal year on roads than at any other time in our state’s history. And we’d be doing it without a 45-cent gas tax increase.

I admit, there is still plenty more work to be done, but by providing record funding through existing revenue—that is a tremendous step in the right direction. The transportation budget before us is not built upon a massive tax hike that cannot pass, but rather it’s built on existing revenues and takes another big step addressing our roads problem that is decades in the making. And if you feel like you’ve heard the words “record funding” a lot recently, it’s because it is worth highlighting. As I have said from the podium last week, a budget is a statement of priorities. Our record school funding budget that passed last week was a statement that we prioritize and value education. And this transportation budget makes clear our commitment to fixing Michigan’s road. A veto of this budget would halt road construction all across our state, delaying the progress being made to improve our infrastructure. Workers and machines would be made idle and deterioration would take over. I ask for a “yes” vote on this opportunity to provide record funding for road and bridge repairs in Michigan while we continue to work on a longer-term road plan.

### **Recess**

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

The motion prevailed, the time being 1:15 p.m.



1:22 p.m.

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

By unanimous consent the Senate proceeded to the order of

**Introduction and Referral of Bills**

Senator Lucido introduced

**Senate Bill No. 534, entitled**

A bill to amend 1927 PA 175, entitled “The code of criminal procedure,” by amending section 20a of chapter VIII (MCL 768.20a), as amended by 2014 PA 76.

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

Senator Lucido introduced

**Senate Bill No. 535, entitled**

A bill to amend 1976 PA 223, entitled “An act to create an agency concerned with crime victim services; to prescribe its powers and duties; to provide compensation to certain victims of crimes; to provide for the promulgation of rules; and to provide for penalties,” by amending the title and sections 1, 4, 10, and 11 (MCL 18.351, 18.354, 18.360, and 18.361), the title and section 1 as amended by 1996 PA 519, sections 4 and 10 as amended by 2008 PA 390, and section 11 as amended by 2010 PA 282, and by adding section 5b.

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

Senators Hollier, McCann, Polehanki, Bullock, Wojno, Alexander, Geiss, Chang, Lauwers, Bizon, Theis, Johnson and McMorro introduced

**Senate Bill No. 536, entitled**

A bill to amend 2001 PA 142, entitled “Michigan memorial highway act,” (MCL 250.1001 to 250.2083) by adding section 1070a.

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

Senator McMorro introduced

**Senate Bill No. 537, entitled**

A bill to amend 2001 PA 142, entitled “Michigan memorial highway act,” (MCL 250.1001 to 250.2081) by adding section 101.

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

**House Bill No. 4128, entitled**

A bill to amend 1939 PA 288, entitled “Probate code of 1939,” by amending section 1 of chapter XI (MCL 711.1), as amended by 2000 PA 111.

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

The bill was read a first and second time by title and referred to the Committee on Families, Seniors, and Veterans.

**House Bill No. 4209, entitled**

A bill to amend 1893 PA 206, entitled “The general property tax act,” by amending section 44 (MCL 211.44), as amended by 2012 PA 482.

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

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

**House Bill No. 4371, entitled**

A bill to amend 1927 PA 175, entitled “The code of criminal procedure,” by amending section 13n of chapter XVII (MCL 777.13n), as amended by 2018 PA 583.

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

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

**House Bill No. 4710, entitled**

A bill to amend 1978 PA 368, entitled “Public health code,” by amending the heading of part 165 and sections 16215, 16322, 16501, 16511, 16521, 16525, and 16529 (MCL 333.16215, 333.16322, 333.16501, 333.16511, 333.16521, 333.16525, and 333.16529), section 16215 as amended by 2005 PA 211, sections 16322, 16501, 16525, and 16529 as added by 2006 PA 30, section 16511 as amended by 2006 PA 397, and section 16521 as amended by 2010 PA 79, and by adding sections 16513, 16515, and 16517.

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

The bill was read a first and second time by title and referred to the Committee on Health Policy and Human Services.

By unanimous consent the Senate returned to the order of  
**Resolutions**

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

**Senate Resolution No. 30**

**Senate Resolution No. 38**

**Senate Resolution No. 49**

The motion prevailed.

**House Concurrent Resolution No. 9.**

A concurrent resolution relative to secondary road patrol funds for counties providing road patrol services to cities and villages.

The question being on the adoption of the concurrent resolution,

The concurrent resolution was adopted, a majority of the members serving voting therefor.

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

Senator MacGregor moved that the Senate proceed to consideration of the following bill:

**House Bill No. 4239**

The motion prevailed.

**House Bill No. 4239, entitled**

A bill to make appropriations for the department of licensing and regulatory affairs for the fiscal year ending September 30, 2020; and to provide for the expenditure of the appropriations.

The House of Representatives has adopted the report of the Committee of Conference and ordered that the bill be given immediate effect.

The Conference Report was read as follows:

**FIRST CONFERENCE REPORT**

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

**House Bill No. 4239, entitled**

A bill to make appropriations for the department of licensing and regulatory affairs for the fiscal year ending September 30, 2020; and to provide for the expenditure of the appropriations.

Recommends:

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

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

A bill to make appropriations for the department of licensing and regulatory affairs for the fiscal year ending September 30, 2020; and to provide for the expenditure of the appropriations.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

**PART 1**

**LINE-ITEM APPROPRIATIONS**

Sec. 101. There is appropriated for the department of licensing and regulatory affairs for the fiscal year ending September 30, 2020, from the following funds:

**DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS**

**APPROPRIATION SUMMARY**

Full-time equated unclassified positions .....	57.5	
Full-time equated classified positions .....	2,328.3	
<b>GROSS APPROPRIATION .....</b>		<b>\$ 566,294,000</b>
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers .....	49,014,200	
<b>ADJUSTED GROSS APPROPRIATION .....</b>		<b>\$ 517,279,800</b>
Federal revenues:		
Total federal revenues .....	91,988,300	
Special revenue funds:		
Total local revenues .....	100,000	
Total private revenues .....	111,800	
Total other state restricted revenues .....	301,049,000	
State general fund/general purpose .....		<b>\$ 124,030,700</b>

**Sec. 102. DEPARTMENTAL ADMINISTRATION AND SUPPORT**

Full-time equated unclassified positions .....	57.5	
Full-time equated classified positions .....	104.0	
Unclassified salaries—57.5 FTE positions .....		<b>\$ 5,443,200</b>
Administrative services—77.0 FTE positions .....		9,041,700
Executive director programs—24.0 FTE positions .....		3,337,000
FOIA coordination—3.0 FTE positions .....		319,400
Property management .....		11,874,900
Worker’s compensation .....		<u>232,700</u>
<b>GROSS APPROPRIATION .....</b>		<b>\$ 30,248,900</b>

Appropriated from:

Interdepartmental grant revenues:		
IDG from DIFS, accounting services .....	150,000	
IDG from LEO, unemployment hearings .....	625,400	
Federal revenues:		
DED, vocational rehabilitation and independent living .....	921,600	
DOL, occupational safety and health .....	713,600	
EPA, underground storage tanks .....	29,000	
HHS - Medicaid, certification of health care providers and suppliers .....	405,200	
HHS - Medicare, certification of health care providers and suppliers .....	589,300	
Special revenue funds:		
Aboveground storage tank fees .....	92,400	
Accountancy enforcement fund .....	60,900	
Asbestos abatement fund .....	150,900	
Boiler inspection fund .....	280,300	
Builder enforcement fund .....	101,700	
Construction code fund .....	772,600	
Corporation fees .....	5,757,100	
Elevator fees .....	304,200	
Fire alarm fees .....	7,300	
Fire safety standard and enforcement fund .....	2,100	
Fire service fees .....	459,300	
Fireworks safety fund .....	60,100	
Health professions regulatory fund .....	1,625,900	
Health systems fees .....	244,200	

	For Fiscal Year Ending Sept. 30, 2020
Licensing and regulation fund .....	902,400
Liquor license revenue .....	300,000
Liquor purchase revolving fund .....	3,647,200
Marihuana registry fund .....	727,500
Marihuana regulation fund .....	21,000
Marihuana regulatory fund .....	534,000
Michigan unarmed combat fund.....	5,900
Mobile home code fund.....	283,800
Nurse professional fund .....	38,200
PMECSEMA fund .....	45,800
Private occupational school license fees.....	55,500
Property development fees .....	7,400
Public utility assessments.....	2,998,500
Radiological health fees .....	284,900
Real estate appraiser education fund .....	2,600
Real estate education fund.....	11,100
Real estate enforcement fund .....	11,400
Refined petroleum fund.....	173,300
Restructuring mechanism assessments.....	32,300
Safety education and training fund.....	828,300
Second injury fund .....	272,800
Securities fees .....	3,639,400
Securities investor education and training fund .....	9,300
Security business fund.....	7,000
Self-insurers security fund.....	150,000
Silicosis and dust disease fund .....	111,300
Survey and remonumentation fund.....	97,600
Tax tribunal fund.....	825,300
Utility consumer representation fund .....	54,000
Worker’s compensation administrative revolving fund .....	90,100
State general fund/general purpose.....	\$ 727,900
<b>Sec. 103. PUBLIC SERVICE COMMISSION</b>	
Full-time equated classified positions.....	188.0
Public service commission—188.0 FTE positions .....	\$ 32,308,100
GROSS APPROPRIATION.....	\$ 32,308,100
Appropriated from:	
Federal revenues:	
DOT, gas pipeline safety .....	2,233,500
Special revenue funds:	
Public utility assessments.....	29,512,800
Restructuring mechanism assessments .....	561,800
State general fund/general purpose.....	\$ 0
<b>Sec. 104. LIQUOR CONTROL COMMISSION</b>	
Full-time equated classified positions.....	145.0
Liquor licensing and enforcement—116.0 FTE positions .....	\$ 16,243,700
Management support services—29.0 FTE positions .....	4,564,100
GROSS APPROPRIATION.....	\$ 20,807,800
Appropriated from:	
Special revenue funds:	
Direct shipper enforcement revolving fund .....	302,300
Liquor control enforcement and license investigation revolving fund.....	175,000
Liquor license fee enhancement fund.....	76,400
Liquor license revenue .....	7,690,000
Liquor purchase revolving fund .....	12,564,100
State general fund/general purpose.....	\$ 0

For Fiscal Year  
Ending Sept. 30,  
2020

**Sec. 105. OCCUPATIONAL REGULATION**

Full-time equated classified positions.....	1,161.9	
Adult foster care and camps licensing and regulation—92.0 FTE positions.....		\$ 12,842,300
Bureau of community and health systems administration—80.0 FTE positions.....		13,126,500
Bureau of construction codes—189.0 FTE positions .....		24,761,600
Bureau of fire services—79.0 FTE positions.....		12,119,700
Bureau of professional licensing—205.0 FTE positions .....		40,091,000
Childcare licensing and regulation—113.0 FTE positions .....		16,913,200
Corporations, securities, and commercial licensing bureau—112.0 FTE positions .....		14,791,200
Health facilities regulation—140.9 FTE positions.....		21,332,100
Marihuana treatment research .....		20,000,000
Medical marihuana facilities licensing and tracking—95.0 FTE positions.....		10,856,500
Medical marihuana program—25.0 FTE positions.....		5,033,000
Nurse aide program—1.0 FTE position.....		600,000
Recreational marihuana regulation—30.0 FTE positions .....		5,979,000
Urban search and rescue.....		600,000
<b>GROSS APPROPRIATION.....</b>		<b>\$ 199,046,100</b>
Appropriated from:		
Interdepartmental grant revenues:		
IDG from MDE, child care licensing .....		18,096,700
Federal revenues:		
DHS, fire training systems .....		528,000
DOT, hazardous materials training and planning .....		60,000
EPA, underground storage tanks .....		804,400
HHS - Medicaid, certification of health care providers and suppliers .....		8,497,200
HHS - Medicare, certification of health care providers and suppliers .....		13,854,500
Special revenue funds:		
Aboveground storage tank fees .....		223,000
Accountancy enforcement fund.....		694,800
Adult foster care facilities licenses fund.....		410,000
Boiler inspection fund .....		3,397,700
Builder enforcement fund.....		644,000
Child care home and center licenses fund .....		500,000
Construction code fund .....		8,013,200
Corporation fees .....		7,836,000
Distance education fund .....		357,700
Division on deafness fund .....		93,400
Elevator fees.....		4,348,400
Fire alarm fees.....		130,000
Fire safety standard and enforcement fund.....		40,500
Fire service fees .....		2,591,000
Fireworks safety fund.....		1,000,600
Health professions regulatory fund.....		24,389,700
Health systems fees .....		3,840,200
Licensing and regulation fund .....		12,001,700
Liquor purchase revolving fund .....		144,700
Marihuana registry fund .....		5,033,000
Marihuana regulation fund .....		25,979,000
Marihuana regulatory fund.....		11,356,500
Mobile home code fund.....		3,061,900
Nurse aide registration fund .....		600,000
Nurse professional fund .....		1,965,800
Nursing home administrative penalties.....		100,000
PMECSEMA fund .....		1,857,700
Private occupational school license fees.....		487,200
Property development fees .....		292,600
Real estate appraiser education fund .....		65,700

	For Fiscal Year Ending Sept. 30, 2020
Real estate education fund.....	346,300
Real estate enforcement fund .....	704,400
Refined petroleum fund.....	2,655,900
Securities fees .....	4,840,300
Securities investor education and training fund.....	489,700
Security business fund.....	234,400
Survey and remonumentation fund.....	874,000
State general fund/general purpose.....	\$ 25,604,300
<b>Sec. 106. EMPLOYMENT SERVICES</b>	
Full-time equated classified positions.....	470.4
Bureau of employment relations—22.0 FTE positions.....	\$ 4,357,000
Bureau of services for blind persons—113.0 FTE positions.....	25,143,000
Compensation supplement fund .....	1,820,000
First responder presumed coverage fund claims.....	250,000
Insurance funds administration—23.0 FTE positions.....	4,665,600
Michigan occupational safety and health administration—197.0 FTE positions .....	29,843,900
Office for new Americans—9.0 FTE positions .....	29,248,600
Radiation safety section—21.4 FTE positions.....	3,355,200
Wage and hour program—29.0 FTE positions .....	3,897,500
Workers' compensation agency—56.0 FTE positions.....	7,981,300
<b>GROSS APPROPRIATION.....</b>	<b>\$ 110,562,100</b>
Appropriated from:	
Federal revenues:	
DED, vocational rehabilitation and independent living .....	18,916,800
DOL, occupational safety and health.....	12,231,300
HHS, mammography quality standards.....	513,300
HHS, refugee assistance program fund.....	28,769,000
Special revenue funds:	
Blind services, local .....	100,000
Blind services, private .....	111,800
Asbestos abatement fund.....	813,700
Corporation fees .....	9,761,700
Michigan business enterprise program fund .....	350,000
Radiological health fees .....	2,841,900
Safety education and training fund .....	10,071,800
Second injury fund .....	2,363,100
Securities fees .....	8,933,800
Self-insurers security fund.....	1,604,000
Silicosis and dust disease fund .....	698,500
Worker's compensation administrative revolving fund .....	1,702,900
State general fund/general purpose.....	\$ 10,778,500
<b>Sec. 107. MICHIGAN OFFICE OF ADMINISTRATIVE HEARINGS AND RULES</b>	
Full-time equated classified positions.....	240.0
Michigan office of administrative hearings and rules—222.0 FTE positions.....	\$ 39,568,100
Michigan compensation appellate commission—18.0 FTE positions .....	4,660,500
<b>GROSS APPROPRIATION.....</b>	<b>\$ 44,228,600</b>
Appropriated from:	
Interdepartmental grant revenues:	
IDG from LEO, unemployment hearings .....	4,317,700
IDG revenues, administrative hearings and rules .....	25,824,400
Federal revenues:	
DOL, occupational safety and health.....	154,200
Special revenue funds:	
Construction code fund .....	26,100
Corporation fees .....	4,058,500
Health professions regulatory fund.....	400,100

	For Fiscal Year Ending Sept. 30, 2020
Health systems fees .....	157,400
Licensing and regulation fund .....	866,500
Liquor purchase revolving fund .....	972,300
Marihuana regulatory fund .....	50,000
Public utility assessments .....	2,574,200
Safety education and training fund .....	62,600
Securities fees .....	2,432,500
Tax tribunal fund .....	852,300
Worker’s compensation administrative revolving fund .....	139,300
State general fund/general purpose .....	\$ 1,340,500
<b>Sec. 108. COMMISSIONS</b>	
Full-time equated classified positions .....	19.0
Asian Pacific American affairs commission—1.0 FTE position .....	\$ 137,400
Commission on Middle Eastern American affairs—1.0 FTE position .....	125,000
Hispanic/Latino commission of Michigan—1.0 FTE position .....	290,700
Michigan indigent defense commission—16.0 FTE positions .....	2,449,200
Michigan unarmed combat commission .....	<u>126,200</u>
GROSS APPROPRIATION .....	\$ 3,128,500
Appropriated from:	
Special revenue funds:	
Michigan unarmed combat fund .....	126,200
State general fund/general purpose .....	\$ 3,002,300
<b>Sec. 109. DEPARTMENT GRANTS</b>	
Firefighter training grants .....	\$ 2,300,000
Liquor law enforcement grants .....	8,400,000
Medical marihuana operation and oversight grants .....	3,000,000
Michigan indigent defense commission grants .....	80,999,600
Remonumentation grants .....	7,300,000
Subregional libraries state aid .....	451,800
Utility consumer representation .....	<u>750,000</u>
GROSS APPROPRIATION .....	\$ 103,201,400
Appropriated from:	
Special revenue funds:	
Fireworks safety fund .....	2,300,000
Liquor license revenue .....	8,400,000
Local indigent defense reimbursement .....	200,000
Marihuana registry fund .....	3,000,000
Survey and remonumentation fund .....	7,300,000
Utility consumer representation fund .....	750,000
State general fund/general purpose .....	\$ 81,251,400
<b>Sec. 110. INFORMATION TECHNOLOGY</b>	
Information technology services and projects .....	\$ <u>22,232,500</u>
GROSS APPROPRIATION .....	\$ 22,232,500
Appropriated from:	
Federal revenues:	
DED, vocational rehabilitation and independent living .....	749,800
DOL, occupational safety and health .....	373,100
DOT, gas pipeline safety .....	45,000
EPA, underground storage tanks .....	100,200
HHS - Medicaid, certification of health care providers and suppliers .....	337,400
HHS - Medicare, certification of health care providers and suppliers .....	641,900
Special revenue funds:	
Aboveground storage tank fees .....	34,600
Accountancy enforcement fund .....	1,100
Asbestos abatement fund .....	35,400
Boiler inspection fund .....	338,800

	For Fiscal Year Ending Sept. 30, 2020
Construction code fund .....	778,800
Corporation fees .....	4,747,900
Distance education fund .....	5,600
Elevator fees .....	476,900
Fire safety standard and enforcement fund .....	3,000
Fire service fees .....	199,200
Fireworks safety fund .....	47,200
Health professions regulatory fund .....	1,287,700
Health systems fees .....	348,200
Licensing and regulation fund .....	1,901,700
Liquor purchase revolving fund .....	3,306,200
Marihuana registry fund .....	310,300
Marihuana regulatory fund .....	250,000
Michigan unarmed combat fund .....	6,800
Mobile home code fund .....	171,400
PMECSEMA fund .....	68,600
Private occupational school license fees .....	21,900
Public utility assessments .....	1,466,400
Radiological health fees .....	143,300
Real estate appraiser education fund .....	1,000
Real estate education fund .....	1,900
Refined petroleum fund .....	170,800
Restructuring mechanism assessments .....	28,100
Safety education and training fund .....	404,200
Second injury fund .....	364,100
Securities fees .....	1,142,500
Securities investor education and training fund .....	1,000
Self-insurers security fund .....	258,700
Silicosis and dust disease fund .....	78,400
Survey and remonumentation fund .....	74,100
Tax tribunal fund .....	183,500
State general fund/general purpose .....	\$ 1,325,800
<b>Sec. 111. ONE-TIME APPROPRIATIONS</b>	
Marihuana education .....	\$ 10,000
Refugee services database .....	520,000
<b>GROSS APPROPRIATION .....</b>	<b>\$ 530,000</b>
Appropriated from:	
Federal revenues:	
HHS, refugee assistance program fund .....	520,000
Special revenue funds:	
Marihuana regulation fund .....	10,000
State general fund/general purpose .....	\$ 0

PART 2  
PROVISIONS CONCERNING APPROPRIATIONS  
FOR FISCAL YEAR 2019-2020

**GENERAL SECTIONS**

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state sources under part 1 for fiscal year 2019-2020 is \$425,079,700.00 and state spending from state sources to be paid to local units of government for fiscal year 2019-2020 is \$102,451,400.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

**DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS**

Firefighter training grants .....	\$ 2,300,000
Liquor law enforcement grants .....	8,400,000
Medical marihuana operation and oversight grants .....	3,000,000
Michigan indigent defense commission grants .....	80,999,600
Remonumentation grants .....	7,300,000
Subregional libraries state aid .....	451,800
Total department of licensing and regulatory affairs .....	\$ 102,451,400



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

Sec. 203. As used in this part and part 1:

- (a) "DED" means the United States Department of Education.
- (b) "Department" means the department of licensing and regulatory affairs.
- (c) "DHS" means the United States Department of Homeland Security.
- (d) "DIFS" means the department of insurance and financial services.
- (e) "Director" means the director of the department.
- (f) "DOE" means the United States Department of Energy.
- (g) "DOL" means the United States Department of Labor.
- (h) "DOT" means the United States Department of Transportation.
- (i) "EPA" means the United States Environmental Protection Agency.
- (j) "FOIA" means the freedom of information act, 1976 PA 442, MCL 15.231 to 15.246.
- (k) "FTE" means full-time equated.
- (l) "HHS" means the United States Department of Health and Human Services.
- (m) "IDG" means interdepartmental grant.
- (n) "IT" means information technology.
- (o) "LEO" means the Michigan department of labor and economic opportunity.
- (p) "MDE" means the Michigan department of education.
- (q) "PMECSEMA" means pain management education and controlled substances electronic monitoring and antidiversion.
- (r) "Subcommittees" means the subcommittees of the house and senate appropriations committees with jurisdiction over the budget for the department.

Sec. 204. The department and agencies receiving appropriations in this part and part 1 shall use the internet to fulfill the reporting requirements of this part. This requirement may include transmission of reports via electronic mail to the recipients identified for each reporting requirement, or it may include placement of reports on an internet or intranet site.

Sec. 205. Funds appropriated in this part and part 1 shall not be used for the purchase of foreign goods or services, or both, if competitively priced and of comparable quality American goods or services, or both, are available. Preference shall be given to goods or services, or both, manufactured or provided by Michigan businesses, if they are competitively priced and of comparable quality. In addition, preference shall be given to goods or services, or both, that are manufactured or provided by Michigan businesses owned and operated by veterans, if they are competitively priced and of comparable quality.

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

Sec. 207. (1) Out-of-state travel shall be limited to situations when travel is approved by a departmental employee's immediate supervisor and in which 1 or more of the following conditions apply:

- (a) The travel is required by legal mandate or court order or for law enforcement purposes.
- (b) The travel is necessary to protect the health or safety of Michigan citizens or visitors or to assist other states in similar circumstances.
- (c) The travel is necessary to produce budgetary savings or to increase state revenues, including protecting existing federal funds or securing additional federal funds.
- (d) The travel is necessary to comply with federal requirements.
- (e) The travel is necessary to secure specialized training for staff that is not available within this state.
- (f) The travel is financed entirely by federal or nonstate funds.

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

(3) Not later than January 1, the department shall prepare a travel report listing all travel by classified and unclassified employees outside this state in the immediately preceding fiscal year that was funded in whole or in part with funds appropriated in the department's budget. The report shall be submitted to the house and senate appropriations committees, the senate and house fiscal agencies, and the state budget director. The report shall include all of the following information:

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

(b) The destination of each travel occurrence.

(c) The dates of each travel occurrence.

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

(e) The transportation and related costs of each travel occurrence, including the proportion funded with state general fund/general purpose revenues, the proportion funded with state restricted revenues, the proportion funded with federal revenues, and the proportion funded with other revenues.

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

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

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

Sec. 210. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$1,000,000.00 for federal contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

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

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

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

Sec. 211. The department shall cooperate with the department of technology, management, and budget to maintain a searchable website accessible by the public at no cost that includes, but is not limited to, all of the following for the department and each agency:

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

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

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

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

(e) Job specifications and wage rates.

Sec. 212. Within 14 days after the release of the executive budget recommendation, the department shall cooperate with the state budget office to provide the senate and house appropriations chairs, the senate and house appropriations subcommittees chairs, and the senate and house fiscal agencies with an annual report on estimated state restricted fund balances, state restricted fund projected revenues, and state restricted fund expenditures for the fiscal years ending September 30, 2019 and September 30, 2020.

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

Sec. 214. Total authorized appropriations from all sources under part 1 for legacy costs for the fiscal year ending September 30, 2020 are estimated at \$54,351,800.00. From this amount, total agency appropriations for pension-related legacy costs are estimated at \$26,421,700.00. Total agency appropriations for retiree health care legacy costs are estimated at \$27,930,100.00.

Sec. 215. Unless prohibited by law, the department may accept credit card or other electronic means of payment for licenses, fees, or permits.

Sec. 216. The department shall not take disciplinary action against an employee for communicating with a member of the legislature or his or her staff.

Sec. 217. The department shall not use any of the funds appropriated in this part or part 1 to contract with a third-party vendor to develop or produce a television or radio production.

Sec. 220. The department, in conjunction with the department of health and human services, shall maintain an accounting structure within this state's accounting system that will allow expenditures associated with the administration of the Healthy Michigan plan to be identified.

Sec. 221. The department may carry into the succeeding fiscal year unexpended federal pass-through funds to local institutions and governments that do not require additional state matching funds. Federal pass-through funds to local institutions and governments that are received in amounts in addition to those included in part 1 and that do not require additional state matching funds are appropriated for the purposes intended. Within 14 days after the receipt of federal pass-through funds, the department shall notify the house and senate chairpersons of the subcommittees, the senate and house fiscal agencies, and the state budget director of pass-through funds appropriated under this section.

Sec. 222. (1) Grants supported with private revenues received by the department are appropriated upon receipt and are available for expenditure by the department, subject to subsection (3), for purposes specified within the grant agreement and as permitted under state and federal law.

(2) Within 10 days after the receipt of a private grant appropriated in subsection (1), the department shall notify the house and senate chairpersons of the subcommittees, the senate and house fiscal agencies, and the state budget director of the receipt of the grant, including the fund source, purpose, and amount of the grant.

(3) The amount appropriated under subsection (1) shall not exceed \$1,500,000.00.

Sec. 223. (1) The department may charge registration fees to attendees of informational, training, or special events sponsored by the department, and related to activities that are under the department's purview.

(2) These fees shall reflect the costs for the department to sponsor the informational, training, or special events.

(3) Revenue generated by the registration fees is appropriated upon receipt and available for expenditure to cover the department's costs of sponsoring informational, training, or special events.

(4) Revenue generated by registration fees in excess of the department's costs of sponsoring informational, training, or special events shall carry forward to the subsequent fiscal year and not lapse to the general fund.

(5) The amount appropriated under subsection (3) shall not exceed \$500,000.00.

Sec. 224. The department may make available to interested entities otherwise unavailable customized listings of nonconfidential information in its possession, such as names and addresses of licensees. The department may establish and collect a reasonable charge to provide this service. The revenue received from this service is appropriated when received and shall be used to offset expenses to provide the service. Any balance of this revenue collected and unexpended at the end of the fiscal year shall lapse to the appropriate restricted fund.

Sec. 225. (1) The department shall sell documents at a price not to exceed the cost of production and distribution. Money received from the sale of these documents shall revert to the department. In addition to the funds appropriated in part 1, these funds are available for expenditure when they are received by the department of treasury. This subsection applies only for the following documents:

(a) Corporation and securities division documents, reports, and papers required or permitted by law pursuant to section 1060(6) of the business corporation act, 1972 PA 284, MCL 450.2060.

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

(c) The mobile home commission act, 1987 PA 96, MCL 125.2301 to 125.2350; the business corporation act, 1972 PA 284, MCL 450.1101 to 450.2098; the nonprofit corporation act, 1982 PA 162, MCL 450.2101 to 450.3192; and the uniform securities act (2002), 2008 PA 551, MCL 451.2101 to 451.2703.

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

(e) Construction code manuals.

(f) Copies of transcripts from administrative law hearings.

(2) In addition to the funds appropriated in part 1, funds appropriated for the department under sections 57, 58, and 59 of the administrative procedures act of 1969, 1969 PA 306, MCL 24.257, 24.258, and 24.259, and section 203 of the legislative council act, 1986 PA 268, MCL 4.1203, are appropriated for all expenses necessary to provide for the cost of publication and distribution.

(3) Unexpended funds at the end of the fiscal year shall carry forward to the subsequent fiscal year and not lapse to the general fund.

Sec. 226. (1) Not later than March 1, the department shall submit a report to the subcommittees and the senate and house fiscal agencies pertaining to licensing and regulatory programs during the previous 3 fiscal years for the following agencies:

(a) Public service commission.

(b) Liquor control commission.

(c) Bureau of fire services.

(d) Bureau of construction codes.

(e) Corporations, securities, and commercial licensing bureau.

- (f) Bureau of professional licensing.
- (g) Bureau of community and health systems.
- (h) Michigan occupational safety and health administration.
- (i) Marijuana regulatory agency.

(2) The report shall be in a format that is consistent between the agencies listed in subsection (1) and shall provide, but is not limited to, the following information for the 3 previous fiscal years, as applicable, for each agency in subsection (1):

- (a) Revenue generated by and expenditures disbursed for each regulatory product.
- (b) Number of applications, both initial and renewal, for each regulatory product.
- (c) Number of applications, both initial and renewal, approved for each regulatory product.
- (d) Number of applications, both initial and renewal, denied for each regulatory product.
- (e) Average amount of time, both tolled and untolled, to approve or deny applications, both initial and renewal, for each regulatory product.
- (f) Number of examinations proctored for initial applications for each regulatory product.
- (g) Number of complaints received pertaining to each regulated activity.
- (h) Number of investigations opened pertaining to each regulated activity.
- (i) Number of investigations closed pertaining to each regulated activity.
- (j) Average amount of time to close investigations pertaining to each regulated activity.
- (k) Number of enforcement actions pertaining to each regulated activity.
- (l) Number of administrative hearings pertaining to each regulated activity.
- (m) Number of administrative hearing adjudications pertaining to each regulated activity.
- (n) The type and amount of each fee charged to support each regulated activity.

(3) As used in subsection (2), “regulatory product” means licensure, certification, registration, inspection, review, permitting, approval, or any other regulatory service provided by the agencies specified in subsection (1) for each regulated activity. As used in this subsection and subsection (2), “regulated activity” means the particular activities, entities, facilities, and industries regulated by the agencies specified in subsection (1).

Sec. 227. It is the intent of the legislature that the department establish an employee performance monitoring process that is consistent throughout the department in addition to current civil service commission evaluations. By April 1, the department shall submit a report to the state budget office, the subcommittees, and the senate and house fiscal agencies on changes to the employee performance monitoring process that are planned or implemented, as well as the number of employee evaluations performed.

#### **PUBLIC SERVICE COMMISSION**

Sec. 301. The public service commission administers the low-income energy assistance grant program on behalf of the Michigan department of health and human services via an interagency agreement. Funds supporting the grant program are appropriated in the department upon awarding of grants and may be expended for grant payments and administrative related expenses incurred in the operation of the program.

#### **LIQUOR CONTROL COMMISSION**

Sec. 401. (1) From the appropriations in part 1 from the direct shipper enforcement fund, the liquor control commission shall expend these funds as required under section 203(11) of the Michigan liquor control code of 1998, 1998 PA 58, MCL 436.1203, to investigate and audit unlawful direct shipments of wine by unlicensed wineries and retailers, with priority directed toward unlicensed out-of-state retailers and third-party marketers. The commission shall use shipping records available to it under section 203(21) of the Michigan liquor control code of 1998, 1998 PA 58, MCL 436.1203, to assist with this effort. The liquor control commission must refer all unlicensed out-of-state retailers and third-party marketers identified with the shipping records to the attorney general.

(2) By February 1, the liquor control commission shall provide a report to the legislature, the subcommittees, and the state budget director detailing the commission’s activities to investigate and audit the illegal shipping of wine and the results of these activities. The report shall include the following:

- (a) Work hours spent, specific actions undertaken, and the number of FTEs dedicated to identify and stop unlicensed out-of-state retailers, third-party marketers, and wineries that ship illegally in Michigan.
- (b) General overview of expenditures associated with efforts to identify and stop unlicensed out-of-state retailers, third-party marketers, and wineries that ship illegally in Michigan.
- (c) Number of out-of-state entities found to have illegally shipped wine into Michigan and total number of bottles (750 ml), number of cases with 750 ml bottles, number of liters, or number of gallons of illegally shipped wine. These items must be broken down by total number of retailers and total number of wineries.
- (d) Suggested areas of focus on how to address direct shipper enforcement and illegal importation in the future.
- (e) Number of unlicensed out-of-state entities found to have illegally shipped wine into Michigan identified with the shipping records under subsection (1).

(f) Number of notices sent under subsection (3).

(3) From the appropriations in part 1 from the direct shipper enforcement fund, the liquor control commission shall send a notice to each unlicensed out-of-state entity found to have illegally shipped wine into Michigan that has been identified via the shipping records under subsection (1). The notice must include all of the following:

(a) Notification that shipping wine into Michigan by retailers and third-party marketers is illegal, and wineries shipping into Michigan must obtain a direct shipper license.

(b) Under section 909 of the Michigan liquor control code of 1998, 1998 PA 58, MCL 436.1909, making unlawful shipments of wine into Michigan may be a felony punishable by imprisonment for not more than 4 years or a fine of not more than \$5,000.00, or both.

(c) Notice that the matter has been referred to the attorney general.

**OCCUPATIONAL REGULATION**

Sec. 501. Money appropriated under this part and part 1 for the bureau of fire services shall not be expended unless, in accordance with section 2c of the fire prevention code, 1941 PA 207, MCL 29.2c, inspection and plan review fees will be charged according to the following schedule:

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

Sec. 502. The funds collected by the department for licenses, permits, and other elevator regulation fees set forth in the Michigan Administrative Code and as determined under section 8 of 1976 PA 333, MCL 338.2158, and section 16 of 1967 PA 227, MCL 408.816, that are unexpended at the end of the fiscal year shall carry forward to the subsequent fiscal year.

Sec. 503. Not later than February 15, the department shall submit a report to the subcommittees, the senate and house fiscal agencies, and the state budget director providing the following information:

(a) The number of veterans who were separated from service in the Armed Forces of the United States with an honorable character of service or under honorable conditions (general) character of service, individually or if a majority interest of a corporation or limited liability company, that were exempted from paying licensure, registration, filing, or any other fees collected under each licensure or regulatory program administered by the bureau of construction codes, the bureau of professional licensing, and the corporations, securities, and commercial licensing bureau during the preceding fiscal year.

(b) The specific fees and total amount of revenue exempted under each licensure or regulatory program administered by the bureau of construction codes, the bureau of professional licensing, and the corporations, securities, and commercial licensing bureau during the preceding fiscal year.

(c) The actual costs of providing licensing and other regulatory services to veterans exempted from paying licensure, registration, filing, or any other fees during the preceding fiscal year and a description of how these costs were calculated.

(d) The estimated amount of revenue that will be exempted under each licensure or regulatory program administered by the bureau of construction codes, the bureau of professional licensing, and the corporations, securities, and commercial licensing bureau in both the current and subsequent fiscal years and a description of how the exempted revenue was estimated.

Sec. 504. Funds remaining in the homeowner construction lien recovery fund are appropriated to the department for payment of court-ordered homeowner construction lien recovery fund judgments entered prior to August 23, 2010. Pursuant to available funds, the payment of final judgments shall be made in the order in which the final judgments were entered and began accruing interest.

Sec. 505. The department shall submit a report by January 31 to the standing committees on appropriations of the senate and house of representatives, the senate and house fiscal agencies, and the state budget director that includes all of the following information for the prior fiscal year regarding the medical marihuana program under the Michigan Medical Marihuana Act, 2008 IL 1, MCL 333.26421 to 333.26430:

(a) The number of initial applications received.

(b) The number of initial applications approved and the number of initial applications denied.

(c) The average amount of time, from receipt to approval or denial, to process an initial application.

- (d) The number of renewal applications received.
- (e) The number of renewal applications approved and the number of renewal applications denied.
- (f) The average amount of time, from receipt to approval or denial, to process a renewal application.
- (g) The percentage of initial applications not approved or denied within the time requirements established in section 6 of the Michigan Medical Marihuana Act, 2008 IL 1, MCL 333.26426.
- (h) The percentage of renewal applications not approved or denied within the time requirements established in section 6 of the Michigan Medical Marihuana Act, 2008 IL 1, MCL 333.26426.
- (i) The percentage of registry identification cards for approved initial applications not issued within the time requirements established in section 6 of the Michigan Medical Marihuana Act, 2008 IL 1, MCL 333.26426.
- (j) The percentage of registry identification cards for approved renewal applications not issued within the time requirements established in section 6 of the Michigan Medical Marihuana Act, 2008 IL 1, MCL 333.26426.
- (k) The number of registry identification cards issued to or renewed for patients residing in each county as of September 30 of the preceding fiscal year under the Michigan Medical Marihuana Act, 2008 IL 1, MCL 333.26421 to 333.26430.
- (l) The amount collected from the medical marihuana program application and renewal fees authorized in section 5 of the Michigan Medical Marihuana Act, 2008 IL 1, MCL 333.26425.
- (m) The costs of administering the medical marihuana program under the Michigan Medical Marihuana Act, 2008 IL 1, MCL 333.26421 to 333.26430.

Sec. 506. If the revenue collected by the department for health systems administration or radiological health administration and projects from fees and collections exceeds the amount appropriated in part 1, the revenue may be carried forward into the subsequent fiscal year. The revenue carried forward under this section shall be used as the first source of funds in the subsequent fiscal year.

Sec. 507. Not later than February 1, the department shall submit a report to the subcommittees, the senate and house fiscal agencies, and state budget director providing the following information:

- (a) The total amount of reimbursements made to local units of government for delegated inspections of fireworks retail locations pursuant to section 11 of the Michigan fireworks safety act, 2011 PA 256, MCL 28.461, from the funds appropriated in part 1 for the bureau of fire services during the preceding fiscal year.
- (b) The amount of reimbursement for delegated inspections of fireworks retail locations for each local unit of government that received reimbursement from the funds appropriated in part 1 for the bureau of fire services during the preceding fiscal year.

Sec. 508. (1) Beginning October 1, for the purpose of defraying the costs associated with responding to false final inspection appointments and to discourage the practice of calling for final inspections when the project is incomplete or noncompliant with a plan of correction previously provided by the bureau of fire services, the bureau of fire services may assess a fee not to exceed \$200.00 for responding to a second or subsequent confirmed false inspection appointment. Fees collected under this section shall be deposited into the restricted account referenced by section 2c(2) of the fire prevention code, 1941 PA 207, MCL 29.2c, and explicitly identified within the statewide integrated governmental management applications system.

(2) Not later than September 30, the department shall prepare a report that provides the amount of the fee assessed under subsection (1), the number of fees assessed and issued per region, the cost allocation for the work performed and reduced as a result of this section, and any recommendations for consideration by the legislature. The department shall submit this information to the state budget director, the subcommittees, and the senate and house fiscal agencies.

Sec. 510. The department shall submit a report on the Michigan automated prescription system to the senate and house appropriations committees, the senate and house fiscal agencies, and the state budget director by November 30. The report shall include, but is not limited to, the following:

- (a) Total number of licensed health professionals registered to the Michigan automated prescription system.
- (b) Total number of dispensers registered to the Michigan automated prescription system.
- (c) Total number of prescribers using the Michigan automated prescription system.
- (d) Total number of dispensers using the Michigan automated prescription system.
- (e) Number of cases related to overprescribing, overdispensing, and drug diversion where the department took administrative action as a result of information and data generated from the Michigan automated prescription system.
- (f) The number of hospitals, doctor's offices, pharmacies, and other health facilities that have integrated the Michigan automated prescription system into their electronic health records systems.
- (g) Total number of delegate users registered to the Michigan automated prescription system.

Sec. 511. From the amount appropriated in part 1 for the bureau of community and health systems, upon receipt of the order of suspension of a licensed adult foster care home, home for the aged, or nursing home,

the department shall serve the facility and provide contemporaneous notice to the offices of legislators representing a district where the licensed facility is situated.

Sec. 512. The department shall submit a report regarding the medical marihuana facilities licensing act, 2016 PA 281, MCL 333.27101 to 333.27801, and the Michigan Regulation and Taxation of Marihuana Act, 2018 IL 1, MCL 333.27951 to 333.27967, to the standing committees on appropriations of the senate and house, the senate and house fiscal agencies, and the state budget director by March 1. The report shall include, but is not limited to, the following for each act:

- (a) The number of initial license applications received for each license category.
- (b) The number of initial applications approved and the number of initial license applications denied.
- (c) The number of license renewals for each license category.
- (d) The average amount of time, from receipt to approval or denial, to process an initial application.
- (e) The total number of license applications approved by license category and by county.
- (f) The total amount collected from application fees.
- (g) The total amount collected from any established regulatory assessment.
- (h) The costs of administering the licensing program under that act.

Sec. 513. (1) From the funds appropriated in part 1, the department must prepare and submit a report to the subcommittees and the senate and house fiscal agencies providing the addresses of all facilities licensed under the medical marihuana facilities licensing act, 2016 PA 281, MCL 333.27101 to 333.27801, and the Michigan Regulation and Taxation of Marihuana Act, 2018 IL 1, MCL 333.27951 to 333.27967.

(2) Upon the written request of the governing body of a city, village, or township containing 3 or more licensed facilities, the department must coordinate with the local entity to interface with local elected officials, law enforcement, the prosecutor's office, service agencies, and any school systems to prepare a community impact statement. This impact statement must contain information on whether there have been increases or decreases in total crimes, reported drug addictions, homelessness rates, domestic violence incidents, abuse and neglect cases, truancy rates, and the community's unemployment rate within the previous year. This impact statement must determine if there is any association with the above metrics and the proximity of medical or recreational marihuana facilities. If a negative impact is determined to exist, the department shall work with the city, village, or township to create a neighbor responsibility plan to alleviate any negative impact. The department shall submit all completed impact statements and neighbor responsibility plans to the subcommittees, the senate and house fiscal agencies, and the respective local units.

Sec. 514. From the appropriations in part 1, the bureau of community and health systems; bureau of construction codes; bureau of fire services; bureau of professional licensing; corporations, securities, and commercial licensing bureau; and marijuana regulatory agency must submit reports to the subcommittees, senate and house fiscal agencies, and state budget director by December 31. The reports must include all of the following information for the prior fiscal year for each agency or bureau:

- (a) The number of complaints received, with the number of complaints specified for each profession or license type that the agency or bureau regulates.
- (b) A description of the process used to resolve complaints.
- (c) A description of the types of complaints received with total counts of the number of complaints of that type received.
- (d) The number of investigations initiated and the number of investigations closed.
- (e) The number and type of enforcement actions taken against licensees and metrics regarding any adverse actions taken against licensees including license revocations, suspensions, and fines.

Sec. 515. From the funds appropriated in part 1 for health facilities regulation for the purpose of administering licensure activities associated with substance use disorder programs, the residential detoxification programs licensed shall meet the Michigan Medicaid Provider Manual guidelines regarding sub-acute detoxification residential settings and the American Society of Addiction Medicine (ASAM) criteria for residential-based services. Treatment requirements must be based on the least restrictive settings and must not exceed national standards for levels of care.

### **EMPLOYMENT SERVICES**

Sec. 701. (1) The appropriation in part 1 for the bureau of services for blind persons includes funds for case services. These funds may be used for tuition payments for blind clients.

(2) Revenue collected by the bureau of services for blind persons and from private and local sources that is unexpended at the end of the fiscal year may carry forward to the subsequent fiscal year.

Sec. 702. The bureau of services for blind persons shall work collaboratively with service organizations and government entities to identify qualified match dollars to maximize use of available federal vocational rehabilitation funds.

Sec. 703. The bureau of services for blind persons may provide and enter into agreements to provide general services, training, meetings, information, special equipment, software, facility use, and technical consulting services to other principal executive departments, state agencies, local units of government, the judicial

branch of government, other organizations, and patrons of department facilities. The department may charge fees for these services that are reasonably related to the cost of providing the services. In addition to the funds appropriated in part 1, funds collected by the department for these services are appropriated for all expenses necessary. The funds appropriated under this section are allotted for expenditure when they are received by the department of treasury.

Sec. 704. Funds received in excess of the appropriation in part 1 for first responder presumed coverage claims from the first responder presumed coverage fund are appropriated in an amount sufficient to pay approved claims due in the current fiscal year pursuant to section 405 of the worker's disability compensation act of 1969, 1969 PA 317, MCL 418.405.

### **COMMISSIONS**

Sec. 801. If Byrne formula grant funding is awarded to the Michigan indigent defense commission, the Michigan indigent defense commission may receive and expend Byrne formula grant funds in an amount not to exceed \$250,000.00 as an interdepartmental grant from the department of state police. The Michigan indigent defense commission, created under section 5 of the Michigan indigent defense commission act, 2013 PA 93, MCL 780.985, may receive and expend federal grant funding from the United States Department of Justice in an amount not to exceed \$300,000.00 as other federal grants.

Sec. 802. From the funds appropriated in part 1, the Michigan indigent defense commission shall submit a report by September 30 to the senate and house appropriations subcommittees on licensing and regulatory affairs, the senate and house fiscal agencies, and the state budget director on the incremental costs associated with the standard development process, the compliance plan process, and the collection of data from all indigent defense systems and attorneys providing indigent defense. Particular emphasis shall be placed on those costs that may be avoided after standards are developed and compliance plans are in place.

Sec. 803. The Michigan office for new Americans is to coordinate with the Asian Pacific American affairs commission, the Commission on Middle Eastern American affairs, and the Hispanic/Latino commission of Michigan to produce a report by January 31 that is to be transmitted to the senate and house subcommittee chairpersons, the senate and house fiscal agencies, and the state budget director. The report shall include, but is not limited to, the following:

- (a) Total number of people with whom each commission directly interacts through programming.
- (b) Total number of public events and number of attendees at each event that each commission conducted.
- (c) Description of the activities that the commissions initiated to promote cooperation between the commissions.
- (d) Total number of meetings that each commission held with foreign diplomats.
- (e) Programmatic costs of each commission.
- (f) The number of people that each commission has assisted with specific hurdles that each commission has identified.

Sec. 804. An expenditure of funds appropriated in part 1 by the Asian Pacific American affairs commission, the Commission on Middle Eastern American affairs, or the Hispanic/Latino commission of Michigan for a commission event must directly relate to the mission statement of that commission.

Sec. 805. The Michigan office for new Americans must produce a report by January 31 and transmit the report to the subcommittees, the senate and house fiscal agencies, and the state budget director. The report may include other information, but it must include all of the following:

- (a) The number of education and workforce training programs that the office held during the previous 3 fiscal years and the number of individuals that attended the programs.
- (b) The number of people that the office has helped navigate the immigration system.
- (c) A description of the activities that the office has conducted to attract and retain international, advanced degree, and entrepreneurial talent.

### **DEPARTMENT GRANTS**

Sec. 901. (1) The department shall expend the funds appropriated in part 1 for medical marihuana operation and oversight grants for grants to counties for education and outreach programs relating to the Michigan medical marihuana program pursuant to section 6(l) of the Michigan Medical Marihuana Act, 2008 IL 1, MCL 333.26426. These grants shall be distributed proportionately based on the number of registry identification cards issued to or renewed for the residents of each county that applied for a grant under subsection (2). For the purposes of this subsection, operation and oversight grants are for education, communication, and outreach regarding the Michigan Medical Marihuana Act, 2008 IL 1, MCL 333.26421 to 333.26430. Grants provided under this section must not be used for law enforcement purposes.

(2) Not later than December 1, the department shall post a listing of potential grant money available to each county on its website. In addition, the department shall work collaboratively with counties regarding the availability of these grant funds. A county requesting a grant shall apply on a form developed by the department and available on its website. The form shall contain the county's specific projected plan for use of the money and its agreement to maintain all records and to submit documentation to the department to support the use of the grant money.



(3) In order to be eligible to receive a grant under subsection (1), a county shall apply not later than January 1 and agree to report how the grant was expended and to provide that report to the department not later than September 15. The department shall submit a report not later than October 15 of the subsequent fiscal year to the state budget director, the subcommittees, and the senate and house fiscal agencies detailing the grant amounts by recipient and the reported uses of the grants in the preceding fiscal year.

Sec. 902. (1) The amount appropriated in part 1 for firefighter training grants shall only be expended for payments to counties to reimburse organized fire departments for firefighter training and other activities required under the firefighters training council act, 1966 PA 291, MCL 29.361 to 29.377.

(2) If the amount appropriated in part 1 for firefighter training grants is expended by the firefighters training council, established in section 3 of the firefighters training council act, 1966 PA 291, MCL 29.363, for payments to counties under section 14 of the firefighters training council act, 1966 PA 291, MCL 29.374, it is the intent of the legislature that:

(a) The amount appropriated in part 1 for firefighter training grants shall be allocated pursuant to section 14(2) of the firefighters training council act, 1966 PA 291, MCL 29.374.

(b) If the amount allocated to any county under subdivision (a) is less than \$5,000.00, the amounts disbursed to each county under subdivision (a) shall be adjusted to provide for a minimum payment of \$5,000.00 to each county.

(3) Not later than February 1, the department shall submit a financial report to the subcommittees, the senate and house fiscal agencies, and the state budget director identifying the following information for the preceding fiscal year:

(a) The amount of the payments that would be made to each county if the distribution formula described by the first sentence of section 14(2) of the firefighters training council act, 1966 PA 291, MCL 29.374, would have been utilized to allocate the total amount appropriated in part 1 for firefighter training grants.

(b) The amount of the payments approved by the firefighters training council for allocation to each county.

(c) The amount of the payments actually expended or encumbered within each county.

(d) A description of any other payments or expenditures made under the authority of the firefighters training council.

(e) The amount of payments approved for allocations to counties that was not expended or encumbered and lapsed back to the fireworks safety fund.

Sec. 903. (1) The funds appropriated in part 1 for a regional or subregional library shall not be released until a budget for that regional or subregional library has been approved by the department for expenditures for library services directly serving the blind and persons with disabilities.

(2) In order to receive subregional state aid as appropriated in part 1, a regional or subregional library's fiscal agency shall agree to maintain local funding support at the same level in the current fiscal year as in the fiscal agency's preceding fiscal year. If a reduction in expenditures equally affects all agencies in a local unit of government that is the regional or subregional library's fiscal agency, that reduction shall not be interpreted as a reduction in local support and shall not disqualify a regional or subregional library from receiving state aid under part 1. If a reduction in income affects a library cooperative or district library that is a regional or subregional library's fiscal agency or a reduction in expenditures for the regional or subregional library's fiscal agency, a reduction in expenditures for the regional or subregional library shall not be interpreted as a reduction in local support and shall not disqualify a regional or subregional library from receiving state aid under part 1.

Sec. 904. An indigent criminal defense system's duty of compliance with 1 or more standards within a plan approved by the Michigan indigent defense commission is contingent upon receipt of a grant in an amount sufficient to cover that particular standard or standards, as provided in the Michigan indigent defense commission act, 2013 PA 93, MCL 780.981 to 780.1003.

### **ONE-TIME APPROPRIATIONS**

Sec. 1001. The marijuana regulatory agency must utilize the funds appropriated in part 1 for marijuana education to produce and disseminate educational videos and pamphlets geared toward children and young adults that highlight the potential risks and consequences associated with the use of marijuana.

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

A bill to make appropriations for the department of licensing and regulatory affairs for the fiscal year ending September 30, 2020; and to provide for the expenditure of the appropriations.

Jeff Yaroch  
Annette Glenn  
Ronnie D. Peterson  
Conferees for the House

Aric Nesbitt  
Jim Stamas  
Sylvia Santana  
Conferees for the Senate

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

**Roll Call No. 227****Yeas—25**

Alexander	Johnson	McBroom	Shirkey
Barrett	LaSata	Nesbitt	Stamas
Bizon	Lauwers	Outman	Theis
Bumstead	Lucido	Runestad	VanderWall
Daley	MacDonald	Santana	Victory
Geiss	MacGregor	Schmidt	Zorn
Horn			

**Nays—13**

Ananich	Chang	Irwin	Moss
Bayer	Hertel	McCann	Polehanki
Brinks	Hollier	McMorrow	Wojno
Bullock			

**Excused—0****Not Voting—0**

In The Chair: President

Senator MacGregor moved that the bill be given immediate effect.  
The motion prevailed, 2/3 of the members serving voting therefor.

Senator MacGregor moved that the Senate proceed to consideration of the following bill:

**House Bill No. 4238**

The motion prevailed.

**House Bill No. 4238, entitled**

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

The House of Representatives has adopted the report of the Committee of Conference and ordered that the bill be given immediate effect.

The Conference Report was read as follows:

**FIRST CONFERENCE REPORT**

The Committee of Conference on the matters of difference between the two Houses concerning  
**House Bill No. 4238, entitled**

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

Recommends:

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

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

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

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

**PART 1**

**LINE-ITEM APPROPRIATIONS**

Sec. 101. There is appropriated for the judiciary for the fiscal year ending September 30, 2020, from the following funds:

**JUDICIARY**

**APPROPRIATION SUMMARY**

Full-time equated exempted positions .....	509.0	
<b>GROSS APPROPRIATION</b> .....		\$ 311,062,100
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers .....	1,551,700	
<b>ADJUSTED GROSS APPROPRIATION</b> .....		\$ 309,510,400
Federal revenues:		
Total federal revenues .....	5,748,400	
Special revenue funds:		
Total local revenues .....	6,579,500	
Total private revenues .....	994,300	
Total other state restricted revenues .....	94,796,000	
State general fund/general purpose.....		\$ 201,392,200

**Sec. 102. SUPREME COURT**

Full-time equated exempted positions .....	250.0	
Community dispute resolution—3.0 FTE positions.....		\$ 3,276,700
Direct trial court automation support—44.0 FTE positions.....		6,579,500
Drug treatment courts.....		11,833,000
Foster care review board—10.0 FTE positions .....		1,342,500
Judicial information systems—24.0 FTE positions .....		4,931,600
Judicial institute—13.0 FTE positions .....		1,876,500
Kalamazoo County trauma court.....		250,000
Mental health courts and diversion services—1.0 FTE position.....		5,468,500
Next generation Michigan court system .....		4,116,000
Other federal grants.....		275,100
State court administrative office—63.0 FTE positions.....		11,248,800
Supreme court administration—92.0 FTE positions.....		14,379,200
Swift and sure sanctions program.....		3,600,000
Veterans courts.....		936,400
<b>GROSS APPROPRIATION</b> .....		\$ 70,113,800

Appropriated from:

Interdepartmental grant revenues:		
IDG from department of corrections .....	51,700	
IDG from department of state police .....	1,500,000	
Federal revenues:		
DOJ, drug court training and evaluation.....	300,000	
DOT, National Highway Traffic Safety Administration.....	1,942,800	
HHS, access and visitation grant .....	488,300	
HHS, children’s justice grant .....	241,700	
HHS, court improvement project.....	927,100	
HHS, title IV-D child support program .....	822,400	
HHS, title IV-E foster care program.....	403,500	
Other federal grant revenues .....	275,100	
Special revenue funds:		
Local - user fees .....	6,579,500	
Private.....	198,100	
Private - interest on lawyers trust accounts.....	273,100	
Private - state justice institute.....	436,100	

	For Fiscal Year Ending Sept. 30, 2020
Community dispute resolution fund .....	2,400,000
Court of appeals filing/motion fees .....	1,450,000
Drug court fund .....	1,920,500
Justice system fund .....	595,700
Law exam fees .....	742,000
Miscellaneous revenue .....	245,900
State court fund .....	397,600
State general fund/general purpose .....	\$ 47,922,700
<b>Sec. 103. COURT OF APPEALS</b>	
Full-time equated exempted positions .....	175.0
Court of appeals operations—175.0 FTE positions .....	\$ 25,130,300
GROSS APPROPRIATION .....	\$ 25,130,300
Appropriated from:	
State general fund/general purpose .....	\$ 25,130,300
<b>Sec. 104. BRANCHWIDE APPROPRIATIONS</b>	
Full-time equated exempted positions .....	4.0
Branchwide appropriations—4.0 FTE positions .....	\$ 8,959,100
GROSS APPROPRIATION .....	\$ 8,959,100
Appropriated from:	
State general fund/general purpose .....	\$ 8,959,100
<b>Sec. 105. JUSTICES' AND JUDGES' COMPENSATION</b>	
Full-time judges positions .....	587.0
Supreme court justices' salaries—7.0 justices .....	\$ 1,152,300
Circuit court judges' state base salaries—217.0 judges .....	22,939,900
Circuit court judicial salary standardization .....	9,922,100
Court of appeals judges' salaries—25.0 judges .....	4,097,700
District court judges' state base salaries—235.0 judges .....	24,424,000
District court judicial salary standardization .....	10,745,200
Probate court judges' state base salaries—103.0 judges .....	10,802,900
Probate court judicial salary standardization .....	4,669,600
Judges' retirement system defined contributions .....	4,974,800
OASI, Social Security .....	6,280,000
GROSS APPROPRIATION .....	\$ 100,008,500
Appropriated from:	
Special revenue funds:	
Court fee fund .....	3,329,400
State general fund/general purpose .....	\$ 96,679,100
<b>Sec. 106. JUDICIAL AGENCIES</b>	
Full-time equated exempted positions .....	7.0
Judicial tenure commission—7.0 FTE positions .....	\$ 1,276,000
GROSS APPROPRIATION .....	\$ 1,276,000
Appropriated from:	
State general fund/general purpose .....	\$ 1,276,000
<b>Sec. 107. INDIGENT DEFENSE - CRIMINAL</b>	
Full-time equated exempted positions .....	55.0
Appellate public defender program—55.0 FTE positions .....	\$ 8,560,900
GROSS APPROPRIATION .....	\$ 8,560,900
Appropriated from:	
Federal revenues:	
Other federal grant revenues .....	347,500
Special revenue funds:	
Private - interest on lawyers trust accounts .....	87,000
Miscellaneous revenue .....	168,300
State general fund/general purpose .....	\$ 7,958,100
<b>Sec. 108. INDIGENT CIVIL LEGAL ASSISTANCE</b>	
Indigent civil legal assistance .....	\$ 7,937,000
GROSS APPROPRIATION .....	\$ 7,937,000

For Fiscal Year  
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Appropriated from:	
Special revenue funds:	
State court fund .....	7,937,000
State general fund/general purpose .....	\$ 0
<b>Sec. 109. TRIAL COURT OPERATIONS</b>	
Full-time equated exempted positions .....	6.0
Court equity fund reimbursements .....	\$ 60,815,700
Drug case-flow program .....	250,000
Drunk driving case-flow program .....	3,300,000
Judicial technology improvement fund .....	4,815,000
Juror compensation reimbursement—1.0 FTE position .....	6,604,600
Statewide e-file system—5.0 FTE positions .....	10,200,000
GROSS APPROPRIATION .....	\$ 85,985,300
Appropriated from:	
Special revenue funds:	
Court equity fund .....	50,440,000
Drug fund .....	250,000
Drunk driving fund .....	3,300,000
Electronic filing fee fund .....	10,200,000
Judicial technology improvement fund .....	4,815,000
Juror compensation fund .....	6,604,600
State general fund/general purpose .....	\$ 10,375,700
<b>Sec. 110. ONE-TIME APPROPRIATIONS</b>	
Full-time equated exempted positions .....	12.0
Compliance with <i>Montgomery v Louisiana</i> —11.0 FTE positions .....	\$ 841,900
Expansion of problem solving courts .....	348,600
Judicial tenure commission .....	100,000
Michigan supreme court public website upgrade .....	1,475,000
Pretrial risk assessment—1.0 FTE position .....	325,700
GROSS APPROPRIATION .....	\$ 3,091,200
Appropriated from:	
State general fund/general purpose .....	\$ 3,091,200

PART 2  
PROVISIONS CONCERNING APPROPRIATIONS  
FOR FISCAL YEAR 2019-2020

**GENERAL SECTIONS**

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state sources under part 1 for fiscal year 2019-2020 is \$296,188,200.00 and state spending from state sources to be paid to local units of government for fiscal year 2019-2020 is \$145,951,300.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

**JUDICIARY**

**SUPREME COURT**

Drug treatment courts .....	\$ 8,158,000
Kalamazoo County trauma court .....	250,000
Mental health courts and diversion services .....	5,468,500
Next generation Michigan court system .....	4,116,000
Swift and sure sanctions program .....	3,600,000
Veterans courts .....	936,400

**COURT OF APPEALS**

Court of appeals operations .....	\$ 200,000
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**JUSTICES' AND JUDGES' COMPENSATION**

Circuit court judicial salary standardization .....	\$ 9,922,100
District court judicial salary standardization .....	10,745,200
Probate court judges' state base salaries .....	10,802,900
Probate court judicial salary standardization .....	4,669,600
OASI, Social Security .....	1,097,300

TRIAL COURT OPERATIONS

Court equity fund reimbursements .....	\$ 60,815,700
Drug case-flow program.....	250,000
Drunk driving case-flow program .....	3,300,000
Judicial technology improvement fund.....	4,815,000
Juror compensation reimbursement.....	6,604,600
Statewide e-file system.....	<u>10,200,000</u>
TOTAL .....	\$ 145,951,300

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

(2) Funds appropriated in part 1 to an entity within the judicial branch shall not be expended or transferred to another account without written approval of the authorized agent of the judicial entity. If the authorized agent of the judicial entity notifies the state budget director of its approval of an expenditure or transfer, the state budget director shall immediately make the expenditure or transfer. The authorized judicial entity agent shall be designated by the chief justice of the supreme court.

Sec. 203. As used in this part and part 1:

- (a) "DOJ" means the United States Department of Justice.
- (b) "DOT" means the United States Department of Transportation.
- (c) "FTE" means full-time equated.
- (d) "HHS" means the United States Department of Health and Human Services.
- (e) "IDG" means interdepartmental grant.
- (f) "OASI" means old age survivor's insurance.
- (g) "SADO" means the state appellate defender office created under the appellate defender act, 1978 PA 620, MCL 780.711 to 780.719.
- (h) "Title IV-D" means the part of the federal social security act, 42 USC 301 to 1397mm, pertaining to the child support enforcement program.
- (i) "Title IV-E" means the part of the federal social security act, 42 USC 301 to 1397mm, pertaining to the foster care program.

Sec. 204. The reporting requirements of this part shall be completed with the approval of, and at the direction of, the supreme court, except as otherwise provided in this part. The judicial branch shall use the internet to fulfill the reporting requirements of this part. This may include transmission of reports via electronic mail to the recipients identified for each reporting requirement, or it may include placement of reports on an internet or intranet site.

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

Sec. 207. Not later than January 1 of each year, the state court administrative office shall prepare a report on out-of-state travel listing all travel by judicial branch employees outside this state in the immediately preceding fiscal year that was funded in whole or in part with funds appropriated in the budget for the judicial branch. The report shall be submitted to the senate and house appropriations committees, the senate and house fiscal agencies, and the state budget office. The report shall include the following information:

- (a) The dates of each travel occurrence.
- (b) The transportation and related costs of each travel occurrence, including the proportion funded with state general fund/general purpose revenues, the proportion funded with state restricted revenues, the proportion funded with federal revenues, and the proportion funded with other revenues.

Sec. 209. Not later than November 30, the state budget office shall prepare and transmit a report that provides for estimates of the total general fund/general purpose appropriation lapses at the close of the prior fiscal year. This report shall summarize the projected year-end general fund/general purpose appropriation lapses by major program or program areas. The report shall be transmitted to the chairpersons of the senate and house appropriations committees and the senate and house fiscal agencies.

Sec. 211. From the funds appropriated in part 1, the judicial branch shall maintain a searchable website accessible by the public at no cost that includes all expenditures made by the judicial branch within a fiscal year. The posting shall include the purpose for which each expenditure is made. The judicial branch shall not provide financial information on its website under this section if doing so would violate a federal or state law, rule, regulation, or guideline that establishes privacy or security standards applicable to that financial information.

Sec. 212. Within 14 days after the release of the executive budget recommendation, the judicial branch shall cooperate with the state budget office to provide the senate and house appropriations committee chairs, the senate and house appropriations subcommittee chairs, and the senate and house fiscal agencies with an annual report on estimated state restricted fund balances, state restricted fund projected revenues, and state restricted fund expenditures for the prior 2 fiscal years.

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

Sec. 214. Total authorized appropriations from all sources under part 1 for legacy costs for the fiscal year ending September 30, 2020 are estimated at \$13,102,700.00. From this amount, total judiciary appropriations for pension-related legacy costs are estimated at \$6,369,500.00. Total judiciary appropriations for retiree health care legacy costs are estimated at \$6,733,200.00.

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

Sec. 216. It is the intent of the legislature that judges who are presiding over a hearing on a foster care case shall publicly acknowledge and request the input of the foster parent or foster parents during the hearing.

Sec. 217. If the judicial branch makes any changes to a foster care family service plan before its finalization, it is the intent of the legislature that the presiding judge provide an explanation for any changes to that plan in the court record.

Sec. 218. From the funds appropriated in part 1, the state court administrative office shall identify programs, within the department of health and human services, the department of labor and economic opportunity, and the department of corrections, that have programmatic connections with the participants in the swift and sure sanctions program. The purpose of this relationship is to leverage collaborations and to determine avenues of success for offenders who are eligible for state-provided programs. The state court administrative office shall provide guidance to courts participating in the swift and sure sanctions program, under the probation swift and sure sanctions act, chapter XIA of the code of criminal procedure, 1927 PA 175, MCL 771A.1 to 771A.8, of the available department of health and human services, department of labor and economic opportunity, and department of corrections programming.

Sec. 219. The judicial branch shall receive and retain copies of all reports funded from appropriations in part 1. Federal and state guidelines for short-term and long-term retention of records shall be followed. The judicial branch may electronically retain copies of reports unless otherwise required by federal and state guidelines.

#### **JUDICIAL BRANCH**

Sec. 301. From the funds appropriated in part 1, the direct trial court automation support program of the state court administrative office shall recover direct and overhead costs from trial courts by charging for services rendered. The fee shall cover the actual costs incurred to the direct trial court automation support program in providing the service, including development of future versions of case management systems.

Sec. 302. Funds appropriated within the judicial branch shall not be expended by any component within the judicial branch without the approval of the supreme court.

Sec. 303. Of the amount appropriated in part 1 for the judicial branch, \$711,900.00 is allocated for circuit court reimbursement under section 3 of 1978 PA 16, MCL 800.453, and for costs associated with the court of claims.

Sec. 304. A member of the legislature may request a report or data from the data collected in the judicial data warehouse. The report shall be made available to the public upon request, unless disclosure is prohibited by court order or state or federal law. Any data provided under this section shall be public and non-identifying information.

Sec. 305. From the funds appropriated in part 1 for community dispute resolution, community dispute resolution centers shall provide dispute resolution services specified in the community dispute resolution act, 1988 PA 260, MCL 691.1551 to 691.1564, and shall help to reduce suspensions and truancy, and improve school climate. Funding appropriated in part 1 for community dispute resolution may be used to develop or expand juvenile diversion services in cooperation with local prosecutors. Participation in the dispute resolution processes is voluntary for all parties.

Sec. 307. From the funds appropriated in part 1 for mental health courts and diversion services, \$1,730,000.00 is intended to address the recommendations of the mental health diversion council.

Sec. 308. If sufficient funds are not available from the court fee fund to pay judges' compensation, the difference between the appropriated amount from that fund for judges' compensation and the actual amount available after the amount appropriated for trial court reimbursement is made shall be appropriated from the state general fund for judges' compensation. If an appropriation is made under this section, the state court administrative office shall notify, within 14 days of the appropriation, the senate and house standing committees on appropriations, the senate and house appropriations subcommittees on judiciary, the senate and house fiscal agencies, and the state budget office.

Sec. 309. By April 1, the state court administrative office shall provide a report on drug treatment, mental health, and veterans court programs in this state. The report shall include information on the number of each type of program that has been established, the number of program participants in each jurisdiction, and the impact of the programs on offender criminal involvement and recidivism. The report shall be submitted to the senate and house appropriations subcommittees on judiciary, the senate and house fiscal agencies, and the state budget office.

Sec. 311. (1) The funds appropriated in part 1 for drug treatment courts as that term is defined in section 1060 of the revised judicature act of 1961, 1961 PA 236, MCL 600.1060, shall be administered by the state court administrative office to operate drug treatment court programs. A drug treatment court shall be responsible for handling cases involving substance abusing nonviolent offenders through comprehensive supervision, testing, treatment services, and immediate sanctions and incentives. A drug treatment court shall use all available county and state personnel involved in the disposition of cases including, but not limited to, parole and probation agents, prosecuting attorneys, defense attorneys, and community corrections providers. The funds may be used in connection with other federal, state, and local funding sources.

(2) From the funds appropriated in part 1, the chief justice shall allocate sufficient funds for the Michigan judicial institute to provide in-state training for those identified in subsection (1), including training for new drug treatment court judges.

(3) For drug treatment court grants, consideration for priority may be given to those courts where higher instances of substance abuse cases are filed.

(4) The judiciary shall receive \$1,500,000.00 in Byrne formula grant funding as an interdepartmental grant from the department of state police to be used for expansion of drug treatment courts, to assist in avoiding prison bed space growth for nonviolent offenders in collaboration with the department of corrections.

Sec. 312. From the funds appropriated in part 1, the state court administrator shall produce a statistical report regarding the implementation of the parental rights restoration act, 1990 PA 211, MCL 722.901 to 722.908, as it pertains to minors seeking court-issued waivers of parental consent. The state court administrative office shall report the total number of petitions filed and the total number of petitions granted under that act.

Sec. 316. (1) From the funds appropriated in part 1 for pretrial risk assessment, the state court administrative office shall continue to pilot a pretrial risk assessment tool in an effort to provide relevant information to judges so they can make evidence-based bond decisions that will increase public safety and reduce costs associated with unnecessary pretrial detention.

(2) The state court administrative office shall submit a status report by February 1 to the senate and house appropriations subcommittees on judiciary, the senate and house fiscal agencies, and the state budget office. The report shall include, but not be limited to, all of the following:

(a) An assessment of the effectiveness of the pretrial risk assessment tool pilot program that was implemented in the prior fiscal year. The assessment shall include, but not be limited to, for defendants screened by the pretrial risk assessment tool, the failure to appear rate for each type of bond, including personal recognizance with or without conditions, 10% deposit bail with or without conditions, and cash or surety bail with or without conditions.

(b) Plans to expand use of the assessment tool.

(c) Details on prior year expenditures, allocations, and planned expenditures.

Sec. 317. Funds appropriated in part 1 shall not be used for the permanent assignment of state-owned vehicles to justices or judges or any other judicial branch employee. This section does not preclude the use of state-owned motor pool vehicles for state business in accordance with approved guidelines.

Sec. 320. (1) From the funds appropriated in part 1 for the swift and sure sanctions program, created under section 3 of chapter XIA of the code of criminal procedure, 1927 PA 175, MCL 771A.3, the state court administrative office shall administer a program to distribute grants to qualifying courts in accordance with the objectives and requirements of the probation swift and sure sanctions act, chapter XIA of the code of criminal procedure, 1927 PA 175, MCL 771A.1 to 771A.8. Of the funds designated for the program, not more than \$100,000.00 shall be available to the state court administrative office to pay for employee costs associated with the administration of the program funds. Of the funds designated for the program, \$500,000.00 is reserved for programs in counties that had more than 325 individuals sentenced to prison in the previous calendar year. Courts interested in participating in the swift and sure sanctions program may apply to the state court administrative office for a portion of the funds appropriated in part 1 under this section.

(2) By April 1, the state court administrative office, in cooperation with the department of corrections, shall provide a report on the courts that receive funding under the swift and sure sanctions program described in subsection (1) to the senate and house appropriations subcommittees on judiciary, the senate and house fiscal agencies, and the state budget office. The report shall include all of the following:

(a) The number of offenders who participate in the program.

(b) The criminal history of offenders who participate in the program.



(c) The recidivism rate of offenders who participate in the program, including the rate of return to jail, prison, or both.

(d) A detailed description of the establishment and parameters of the program.

(e) A list of courts participating in the program.

(f) An accounting of prior year expenditures, including grant amounts requested by the courts, grant amounts awarded to the courts, and grant amounts expended by the courts.

(3) As used in this section, “program” means a swift and sure sanctions program described in subsection (1).

Sec. 321. From the funds appropriated in part 1, the judicial branch shall support a statewide legal self-help internet website and local nonprofit self-help centers that use the statewide website to provide assistance to individuals representing themselves in civil legal proceedings. The state court administrative office shall summarize the costs of maintaining the website, provide statistics on the number of people visiting the website, and provide information on content usage, form completion, and user feedback. By March 1, the state court administrative office shall report this information for the preceding fiscal year to the senate and house appropriations subcommittees on judiciary, the senate and house fiscal agencies, and the state budget office.

Sec. 322. If Byrne formula grant funding is awarded to the state appellate defender, the state appellate defender office may receive and expend Byrne formula grant funds in an amount not to exceed \$250,000.00 as an interdepartmental grant from the department of state police. If the appellate defender appointed under section 3 of the appellate defender act, 1978 PA 620, MCL 780.713, receives federal grant funding from the United States Department of Justice in excess of the amount appropriated in part 1, the office of appellate defender may receive and expend grant funds in an amount not to exceed \$300,000.00 as other federal grants.

Sec. 324. From the funds appropriated in part 1 for the medication-assisted treatment program, the judiciary shall maintain a medication-assisted treatment program to provide treatment for opioid-addicted and alcohol-addicted individuals who are referred to and voluntarily participate in the medication-assisted treatment program.

Sec. 325. (1) From the funds appropriated in part 1 for Kalamazoo County trauma court, the county office of the prosecuting attorney shall hire an assistant prosecutor who specializes in trauma for prosecution of offenders and for providing intervention and treatment services to offenders and referral services for victims. The court shall focus on deterrence of offenders by reducing incidence and recidivism. Intervention services shall be supplemented by trauma treatment and addiction services. The prosecutor shall collaborate with the trauma and resiliency team to review the progress of program participants, and to assure offender accountability and victim safety. Treatment providers shall specialize in substance abuse addiction and trauma treatment services for adolescents and adults.

(2) The county office of the prosecuting attorney, together with the intervention and treatment providers, shall submit a report, by September 30, to the state court administrative office, the senate and house of representatives subcommittees on judiciary, the senate and house fiscal agencies, and the state budget office on the outcomes of the trauma court. The report shall include program performance measures, the number of individuals served, the outcomes of participants who complete the program, recommendations on how the state can hold offenders accountable while rehabilitating them with treatment, community-based resources and support, and restorative justice approaches to conflict resolution, with the goal of being a more effective and less costly alternative to incarceration.

#### **ONE-TIME APPROPRIATIONS**

Sec. 402. (1) From the funds appropriated in part 1, the state appellate defender office attorneys and support staff shall ensure Michigan compliance with *Montgomery v Louisiana*, 577 US \_\_\_\_ (2016). The purpose of the program is to ensure competent, resourced, and supervised counsel in cases involving the resentencing of juvenile lifers. The representation by SADO counsel will create opportunities for release, saving prison costs for the state.

(2) The state appellate defender office shall submit a report by September 30 to the senate and house appropriations subcommittees on judiciary, the senate and house fiscal agencies, and the state budget office on the number of juvenile lifer cases investigated and prepared by the state appellate defender office. The report shall include a calculation of hours spent and focus on incremental costs associated with investigating and conducting a robust examination of each case, with particular emphasis on those costs that may be avoided after the cases have been disposed.

Sec. 403. (1) From the funds appropriated in part 1 for expansion of problem solving courts, the state court administrative office shall create a pilot program in a veteran court within a county with a population between 100,000 and 110,000 according to the most recent federal decennial census. The pilot program will investigate the effectiveness of saliva testing to determine compliance with required mental health medicine prescriptions or requirements.

(2) From the funds appropriated in part 1 for expansion of problem solving courts, \$20,000.00 is allocated to cover the costs of saliva testing.

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

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

Tommy Brann  
Sarah L. Lightner  
Julie Brixie  
Conferees for the House

Tom Barrett  
Jim Stamas  
Adam Hollier  
Conferees for the Senate

The question being on the adoption of the conference report,

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

**Roll Call No. 228**

**Yeas—38**

Alexander	Geiss	MacGregor	Santana
Ananich	Hertel	McBroom	Schmidt
Barrett	Hollier	McCann	Shirkey
Bayer	Horn	McMorrow	Stamas
Bizon	Irwin	Moss	Theis
Brinks	Johnson	Nesbitt	VanderWall
Bullock	LaSata	Outman	Victory
Bumstead	Lauwers	Polehanki	Wojno
Chang	Lucido	Runestad	Zorn
Daley	MacDonald		

**Nays—0**

**Excused—0**

**Not Voting—0**

In The Chair: President

Senator MacGregor moved that the bill be given immediate effect.

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

Senator MacGregor moved that the Senate proceed to consideration of the following bill:

**House Bill No. 4229**

The motion prevailed.

**House Bill No. 4229, entitled**

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

The House of Representatives has adopted the report of the Committee of Conference and ordered that the bill be given immediate effect.

The Conference Report was read as follows:

FIRST CONFERENCE REPORT

The Committee of Conference on the matters of difference between the two Houses concerning **House Bill No. 4229, entitled**

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

Recommends:

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

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

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

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. There is appropriated for the department of agriculture and rural development for the fiscal year ending September 30, 2020, from the following funds:

**DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT**

**APPROPRIATION SUMMARY**

Full-time equated unclassified positions .....	6.0	
Full-time equated classified positions .....	508.0	
<b>GROSS APPROPRIATION .....</b>		<b>\$ 112,637,600</b>
Interdepartmental grant revenues:		
IDG from LARA (LCC), liquor quality testing fees .....	227,000	
IDG from MDEGLE, biosolids .....	91,400	
IDG from MDNR, forest development fund.....	997,300	
Total interdepartmental grants and intradepartmental transfers .....	1,315,700	
<b>ADJUSTED GROSS APPROPRIATION .....</b>		<b>\$ 111,321,900</b>
Federal revenues:		
Department of interior .....	238,900	
EPA, multiple grants .....	1,292,300	
HHS, multiple grants.....	4,471,200	
USDA, multiple grants.....	6,634,000	
Total federal revenues .....	12,636,400	
Special revenue funds:		
Private - commodity group revenue .....	80,500	
Private - slow-the-spread foundation.....	21,300	
Total private revenues .....	101,800	
Agricultural preservation fund .....	3,444,900	
Agriculture equine industry development fund .....	3,667,200	
Agriculture licensing and inspection fees .....	5,066,600	
Animal welfare fund.....	150,000	
Commodity inspection fees .....	656,000	
Consumer and industry food safety education fund.....	243,000	
Dairy and food safety fund.....	6,079,100	
Feed control fund .....	1,318,900	
Fertilizer control fund.....	1,103,100	
Freshwater protection fund.....	8,501,500	
Gasoline inspection and testing fund.....	1,455,400	
Grain dealers fee fund .....	690,400	
Horticulture fund.....	40,000	
Industrial hemp licensing and registration fund.....	120,000	
Industry food safety education fund .....	114,100	
Industry support funds.....	486,000	
Michigan craft beverage council fund .....	900,300	
Migratory labor housing fund.....	169,100	
Private forestland enhancement fund.....	795,700	

	For Fiscal Year Ending Sept. 30, 2020
Refined petroleum fund.....	3,353,200
Rural development fund.....	2,006,300
Testing fees.....	292,600
Weights and measures regulation fees.....	730,300
Total other state restricted revenues.....	41,383,700
State general fund/general purpose.....	\$ 57,200,000
<b>Sec. 102. DEPARTMENTAL ADMINISTRATION AND SUPPORT</b>	
Full-time equated unclassified positions.....	6.0
Full-time equated classified positions.....	26.0
Unclassified positions—6.0 FTE positions.....	\$ 596,700
Accounting service center.....	1,011,300
Commissions and boards.....	23,800
Emergency management—4.0 FTE positions.....	1,101,300
Executive direction—22.0 FTE positions.....	2,958,700
Property management.....	738,100
GROSS APPROPRIATION.....	\$ 6,429,900
Appropriated from:	
Federal revenues:	
HHS, multiple grants.....	440,000
Special revenue funds:	
Agriculture licensing and inspection fees.....	34,500
Dairy and food safety fund.....	30,400
Feed control fund.....	3,100
Freshwater protection fund.....	36,100
Industry support funds.....	54,300
Michigan craft beverage council fund.....	8,800
Private forestland enhancement fund.....	15,600
State general fund/general purpose.....	\$ 5,807,100
<b>Sec. 103. INFORMATION AND TECHNOLOGY</b>	
Information technology services and projects.....	\$ 1,812,800
GROSS APPROPRIATION.....	\$ 1,812,800
Appropriated from:	
Interdepartmental grant revenues:	
IDG from LARA (LCC), liquor quality testing fees.....	3,200
Special revenue funds:	
Agricultural preservation fund.....	200
Agriculture licensing and inspection fees.....	93,800
Dairy and food safety fund.....	61,200
Freshwater protection fund.....	100
Gasoline inspection and testing fund.....	31,800
Michigan craft beverage council fund.....	500
State general fund/general purpose.....	\$ 1,622,000
<b>Sec. 104. FOOD AND DAIRY</b>	
Full-time equated classified positions.....	134.0
Food safety and quality assurance—98.0 FTE positions.....	\$ 17,124,500
Milk safety and quality assurance—36.0 FTE positions.....	5,510,700
GROSS APPROPRIATION.....	\$ 22,635,200
Appropriated from:	
Federal revenues:	
HHS, multiple grants.....	2,714,200
USDA, multiple grants.....	137,200
Special revenue funds:	
Consumer and industry food safety education fund.....	243,000
Dairy and food safety fund.....	5,484,000
Industry food safety education fund.....	114,100
State general fund/general purpose.....	\$ 13,942,700

For Fiscal Year  
Ending Sept. 30,  
2020

**Sec. 105. ANIMAL INDUSTRY**

Full-time equated classified positions.....	61.0	
Michigan animal agriculture alliance .....		\$ 3,000,000
Animal disease prevention and response—61.0 FTE positions .....		9,065,100
Indemnification - livestock depredation .....		<u>25,000</u>
<b>GROSS APPROPRIATION.....</b>		<b>\$ 12,090,100</b>
Appropriated from:		
Federal revenues:		
Department of interior.....		40,800
HHS, multiple grants.....		46,600
USDA, multiple grants.....		531,600
Special revenue funds:		
Private - commodity group revenue .....		30,500
Agriculture licensing and inspection fees .....		70,300
Animal welfare fund.....		150,000
State general fund/general purpose.....		\$ 11,220,300

**Sec. 106. PESTICIDE AND PLANT PEST MANAGEMENT**

Full-time equated classified positions.....	88.0	
Pesticide and plant pest management—80.0 FTE positions .....		\$ 12,109,200
Animal feed safety—8.0 FTE positions .....		<u>1,752,900</u>
<b>GROSS APPROPRIATION.....</b>		<b>\$ 13,862,100</b>
Appropriated from:		
Federal revenues:		
Department of interior.....		101,800
EPA, multiple grants .....		554,800
HHS, multiple grants.....		327,900
USDA, multiple grants.....		719,000
Special revenue funds:		
Private - slow-the-spread foundation.....		21,300
Agriculture licensing and inspection fees .....		4,520,700
Commodity inspection fees .....		656,000
Feed control fund .....		1,125,000
Fertilizer control fund.....		1,079,000
Freshwater protection fund.....		156,600
Horticulture fund.....		40,000
Industry support funds.....		228,100
State general fund/general purpose.....		\$ 4,331,900

**Sec. 107. ENVIRONMENTAL STEWARDSHIP**

Full-time equated classified positions.....	65.5	
Agricultural preservation easement grants.....		\$ 1,900,000
Environmental stewardship - MAEAP—25.0 FTE positions .....		10,739,000
Farmland and open space preservation—10.0 FTE positions .....		1,566,600
Intercounty drain—6.0 FTE positions .....		822,000
Migrant labor housing—9.0 FTE positions .....		1,298,600
Qualified forest program—9.0 FTE positions .....		2,681,100
Right-to-farm—6.5 FTE positions .....		<u>974,700</u>
<b>GROSS APPROPRIATION.....</b>		<b>\$ 19,982,000</b>
Appropriated from:		
Interdepartmental grant revenues:		
IDG from MDEGLE, biosolids .....		91,400
IDG from MDNR, forest development fund.....		997,300
Federal revenues:		
Department of interior.....		96,300
EPA, multiple grants .....		561,600
USDA, multiple grants.....		1,322,300
Special revenue funds:		
Agricultural preservation fund .....		3,444,700

	For Fiscal Year Ending Sept. 30, 2020
Freshwater protection fund.....	8,263,000
Migratory labor housing fund.....	140,100
Private forestland enhancement fund.....	780,100
State general fund/general purpose.....	\$ 4,285,200
<b>Sec. 108. LABORATORY PROGRAM</b>	
Full-time equated classified positions.....	107.0
Central licensing and customer call center—12.0 FTE positions .....	\$ 1,355,600
Consumer protection program—42.0 FTE positions .....	6,868,300
Laboratory services—41.0 FTE positions .....	7,226,900
USDA monitoring—12.0 FTE positions .....	<u>1,647,900</u>
GROSS APPROPRIATION.....	\$ 17,098,700
Appropriated from:	
Interdepartmental grant revenues:	
IDG from LARA (LCC), liquor quality testing fees.....	223,800
Federal revenues:	
EPA, multiple grants .....	175,900
HHS, multiple grants.....	942,500
USDA, multiple grants.....	1,649,100
Special revenue funds:	
Agriculture licensing and inspection fees .....	342,200
Dairy and food safety fund.....	503,500
Feed control fund .....	190,800
Fertilizer control fund.....	24,100
Freshwater protection fund.....	45,700
Gasoline inspection and testing fund.....	1,423,600
Grain dealers fee fund .....	7,900
Migratory labor housing fund.....	29,000
Refined petroleum fund.....	3,353,200
Testing fees .....	202,600
Weights and measures regulation fees.....	730,300
State general fund/general purpose.....	\$ 7,254,500
<b>Sec. 109. AGRICULTURE DEVELOPMENT</b>	
Full-time equated classified positions.....	22.0
Agriculture development—13.0 FTE positions .....	\$ 4,323,900
Fair food network - double up food bucks.....	1,000,000
Food and agriculture investment program .....	4,000,000
Michigan craft beverage council—3.0 FTE positions .....	940,100
Producer security/grain dealers—5.0 FTE positions .....	729,300
Rural development fund grant program—1.0 FTE position .....	<u>2,006,300</u>
GROSS APPROPRIATION.....	\$ 12,999,600
Appropriated from:	
Federal revenues:	
USDA, multiple grants.....	2,274,800
Special revenue funds:	
Private - commodity group revenue .....	50,000
Agriculture licensing and inspection fees .....	5,100
Grain dealers fee fund .....	682,500
Industry support funds.....	203,600
Michigan craft beverage council fund .....	891,000
Rural development fund .....	2,006,300
State general fund/general purpose.....	\$ 6,886,300
<b>Sec. 110. FAIRS AND EXPOSITIONS</b>	
County fairs, shows, and expositions. ....	\$ 1,000,000
Fairs and racing.....	256,600
Licensed tracks - light horse racing.....	40,300
Light horse racing - breeders' awards .....	20,000
Purses and supplements - fairs/licensed tracks .....	708,300

	For Fiscal Year Ending Sept. 30, 2020
Standardbred breeders' awards.....	345,900
Standardbred purses and supplements - licensed tracks.....	671,800
Standardbred sire stakes.....	275,000
Thoroughbred breeders' awards.....	368,600
Thoroughbred sire stakes.....	378,800
Thoroughbred supplements - licensed tracks.....	<u>601,900</u>
GROSS APPROPRIATION.....	\$ 4,667,200
Appropriated from:	
Special revenue funds:	
Agriculture equine industry development fund.....	3,667,200
State general fund/general purpose.....	\$ 1,000,000
<b>Sec. 111. ONE-TIME BASIS ONLY APPROPRIATIONS</b>	
Full-time equated classified positions.....	4.5
Farm stress program.....	\$ 500,000
Industrial hemp program—4.5 FTE positions.....	360,000
Local conservation districts - pilot project.....	<u>200,000</u>
GROSS APPROPRIATION.....	\$ 1,060,000
Appropriated from:	
Special revenue funds:	
Industrial hemp licensing and registration fund.....	120,000
Testing fees.....	90,000
State general fund/general purpose.....	\$ 850,000

PART 2  
PROVISIONS CONCERNING APPROPRIATIONS  
FOR FISCAL YEAR 2019-2020

**GENERAL SECTIONS**

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state sources under part 1 for fiscal year 2019-2020 is \$98,583,700.00 and state spending from state sources to be paid to local units of government for fiscal year 2019-2020 is \$9,650,000.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

**DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT**

Agriculture preservation easement grants.....	\$ 1,900,000
Environmental stewardship/MAEAP.....	4,250,000
Qualified forest program.....	1,500,000
Rural development fund grant program.....	<u>2,000,000</u>
TOTAL.....	\$ 9,650,000

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

Sec. 203. As used in part 1 and this part:

- (a) "Department" means the department of agriculture and rural development.
- (b) "Director" means the director of the department.
- (c) "EPA" means the United States Environmental Protection Agency.
- (d) "FDA" means the United States Food and Drug Administration.
- (e) "Fiscal agencies" means the Michigan house fiscal agency and the Michigan senate fiscal agency.
- (f) "FTE" means full-time equated.
- (g) "HHS" means the United States Department of Health and Human Services.
- (h) "IDG" means interdepartmental grant.
- (i) "LARA" means the Michigan department of licensing and regulatory affairs.
- (j) "LCC" means the Michigan liquor control commission.
- (k) "MAEAP" means the Michigan agriculture environmental assurance program.
- (l) "MDEGLE" means the Michigan department of environment, Great Lakes, and energy.
- (m) "MDNR" means the Michigan department of natural resources.
- (n) "MOU" means memorandum of understanding.
- (o) "Subcommittees" means all members of the subcommittees of the house and senate appropriations committees with jurisdiction over the budget for the department.
- (p) "TB" means tuberculosis.
- (q) "USDA" means the United States Department of Agriculture.

Sec. 204. (1) The departments and agencies receiving appropriations in part 1 shall use the internet to fulfill the reporting requirements of this part. This requirement may include transmission of reports via electronic mail to the recipients identified for each reporting requirement, or it may include placement of reports on an internet or intranet site.

(2) In fulfilling the reporting requirements of this part, the department shall notify report recipients when reports are posted to the department website.

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

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

Sec. 207. The departments and agencies receiving appropriations in part 1 shall prepare a report on out-of-state travel expenses not later than January 1 of each year. The travel report shall be a listing of all travel by classified and unclassified employees outside this state in the immediately preceding fiscal year that was funded in whole or in part with funds appropriated in the department's budget. The report shall be submitted to the house and senate appropriations committees, the house and senate fiscal agencies, and the state budget director. The report shall include the following information:

(a) The dates of each travel occurrence.

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

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

Sec. 209. Not later than November 30, the state budget office shall prepare and transmit a report that provides for estimates of the total general fund/general purpose appropriation lapses at the close of the prior fiscal year. This report shall summarize the projected year-end general fund/general purpose appropriation lapses by major departmental program or program areas. The report shall be transmitted to the chairpersons of the senate and house of representatives standing committees on appropriations and the senate and house fiscal agencies.

Sec. 210. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$3,000,000.00 for federal contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

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

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

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

Sec. 211. The department shall cooperate with the department of technology, management, and budget to maintain a searchable website accessible by the public at no cost that includes, but is not limited to, all of the following for each department or agency:

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

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

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



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

(e) Job specifications and wage rates.

Sec. 212. Within 14 days after the release of the executive budget recommendation, the department shall cooperate with the state budget office to provide the senate and house appropriations chairs, the subcommittees, respectively, and the senate and house fiscal agencies with an annual report on estimated state restricted fund balances, state restricted fund projected revenues, and state restricted fund expenditures for the fiscal years ending September 30, 2019 and September 30, 2020.

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

Sec. 214. Total authorized appropriations from all sources under part 1 for legacy costs for the fiscal year ending September 30, 2020 is \$12,028,500.00. From this amount, total agency appropriations for pension-related legacy costs are estimated at \$5,847,300.00. Total agency appropriations for retiree health care legacy costs are estimated at \$6,181,200.00.

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

Sec. 234. The department and agencies receiving appropriations in part 1 shall receive and retain copies of all reports funded from appropriations in part 1. Federal and state guidelines for short-term and long-term retention of records shall be followed. The department may electronically retain copies of reports unless otherwise required by federal and state guidelines.

#### **DEPARTMENTAL ADMINISTRATION AND SUPPORT**

Sec. 301. (1) The department may establish a fee schedule and collect fees for the following work activities and services:

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

(b) Fruit and vegetable inspection and grading services at shipping and termination points and processing plants.

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

(d) Laboratory support test samples for other state and local agencies and public or private organizations.

(2) The department may receive and expend revenue from the fees authorized under subsection (1), subject to appropriation, for the purpose of recovering expenses associated with the work activities and services described in subsection (1). Fee revenue collected by the department under subsection (1) shall not lapse to the state general fund at the end of the fiscal year but shall carry forward for appropriation by the legislature in the subsequent fiscal year.

(3) The department shall notify the subcommittees, the fiscal agencies, and the state budget office 30 days prior to proposing changes in fees authorized under this section or under section 5 of 1915 PA 91, MCL 285.35.

(4) On or before February 1 of each year, the department shall provide a report to the subcommittees, the fiscal agencies, and the state budget office detailing all the fees charged by the department under the authorization provided in this section, including, but not limited to, rates, number of individuals paying each fee, and the revenue generated by each fee in the previous fiscal year.

Sec. 302. (1) The department may contract with or provide grants to local units of government, institutions of higher education, or nonprofit organizations to support activities authorized by appropriations in part 1. As used in this section, contracts and grants include, but are not limited to, contracts for delivery of groundwater/freshwater programs, MAEAP technical assistance, forest management, invasive species monitoring, wildlife risk mitigation, grants promoting proper pesticide disposal, and research grants for the purpose of enhancing the agricultural industries in this state.

(2) The department shall provide notice of contracts or grants authorized under this section to the subcommittees, the fiscal agencies, and the state budget office not later than 7 days before the department notifies contract or grant recipients.

#### **FOOD AND DAIRY**

Sec. 401. (1) The department shall report on the previous fiscal year's activities of the food and dairy division. The report shall include information on activities and outcomes of the dairy safety and inspection program, the food safety inspection program, the foodborne illness and emergency response program, and the food service program.

(2) The report shall include information on significant foodborne outbreaks and emergencies, including any significant enforcement actions taken related to food safety during the prior calendar year.

(3) The report shall be transmitted to the subcommittees, the fiscal agencies, and the state budget office and posted to the department's website on or before April 1 of each year.

**ANIMAL INDUSTRY**

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

Sec. 452. (1) The department shall report on the previous calendar year's activities of the animal industry division. The report shall be transmitted to the subcommittees, the fiscal agencies, and the state budget office and posted to the department's website on or before April 1 of each year.

(2) The department shall include in the report all indemnification payments for livestock depredation made in the previous calendar year and shall include all of the following:

- (a) The reason for the indemnification.
- (b) The amount of the indemnification.
- (c) The person for whom the indemnification was paid.

Sec. 454. The department shall use its resources to collaborate with the USDA to monitor bovine TB, consistent with the May 2016 and April 2019 memoranda of understanding between the department and the USDA.

Sec. 457. (1) On or before October 15, 2019, the department shall provide to the subcommittees, the fiscal agencies, and the state budget office a report on bovine TB status and department activities.

(2) For each fiscal quarter following the report required in subsection (1), the department shall provide an update to the subcommittees, the fiscal agencies, and the state budget office. The quarterly update reports shall identify significant impacts to the program, including new incidence of bovine TB in this state, department activity associated with specific new incidence of bovine TB, any changes in USDA requirements or movement orders, and information and data on wildlife risk mitigation plan implementation in the modified accredited zone; implementation of a movement certificate process; progress toward annual surveillance test requirements; efforts to work with slaughter facilities in this state, as well as those that slaughter a significant number of animals from this state; educational programs and information for this state's livestock community; and any other item the legislature should be aware of that will promote or hinder efforts to achieve bovine TB-free status for this state.

**PESTICIDE AND PLANT PEST MANAGEMENT**

Sec. 501. The department shall report on the previous calendar year's activities of the pesticide and plant pest management division. The report shall be transmitted to the subcommittees, the fiscal agencies, and the state budget office and posted to the department's website on or before April 1 of each year.

**ENVIRONMENTAL STEWARDSHIP**

Sec. 601. The funds appropriated in part 1 for environmental stewardship/MAEAP shall be used to support department agriculture pollution prevention programs, including groundwater and freshwater protection programs under part 87 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.8701 to 324.8717, and technical assistance in implementing conservation grants available under the federal farm bill of 2014 and the federal farm bill of 2018.

Sec. 602. The department shall report on the previous calendar year's activities of the environmental stewardship division. The report shall be transmitted to the subcommittees, the fiscal agencies, and the state budget office and posted to the department's website on or before April 1 of each year.

Sec. 604. The department may receive and expend federal revenues in excess of the federal revenue appropriated in section 107 of part 1 for environmental stewardship and MAEAP activities. The department shall notify the subcommittees, the fiscal agencies, and the state budget office prior to expending federal revenues authorized under this section.

Sec. 608. (1) The appropriations in part 1 for the qualified forest affidavit program are for the purpose of increasing the knowledge of nonindustrial private forestland owners of sound forest management practices and increasing the amount of commercial timber production from those lands.

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

**LABORATORY PROGRAM**

Sec. 651. The department shall report on the previous calendar year's activities of the laboratory division. The report shall be transmitted to the subcommittees, the fiscal agencies, and the state budget office and posted to the department's website on or before April 1 of each year.

**AGRICULTURE DEVELOPMENT**

Sec. 701. (1) From the funds appropriated in part 1 for the food and agriculture investment program, the department shall establish and administer a food and agriculture investment program.

(2) The food and agriculture investment program shall expand the Michigan food and agriculture sector, grow Michigan exports, promote the development of value-added agricultural production, food hubs, food incubators, and community-based processing facilities, and the expansion of farm markets and urban agriculture, including promotion of hoop houses, and increase food processing activities within the state by accelerating projects and infrastructure development that support growth in the food and agriculture processing industry.

(3) In addition to the funds appropriated in part 1, the department may receive and expend funds received from outside sources for the food and agriculture investment program.

(4) Before the allocation of funding, all projects shall receive approval from the Michigan commission of agriculture and rural development, except for projects selected through a competitive process by a joint evaluation committee selected by the director and consisting of representatives that have agriculture, business, and economic development expertise. Projects funded through the food and agriculture investment program will be required to have a grant agreement that outlines milestones and activities that must be met in order to receive a disbursement of funds. Projects must also identify measurable project outcomes.

(5) The department shall include in the agriculture development annual report a report on the food and agriculture investment program for the previous fiscal year that includes a listing of the grantees, award amounts, match funding, project locations, and project outcomes.

(6) The food and agriculture investment program shall be administered by the department and provide support for food and agriculture projects that will enable growth in the industry and this state's economy.

(7) The unexpended funds appropriated in part 1 for the food and agriculture investment program are designated as a work project appropriation, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures for projects under this section until the projects have been completed. The following is in compliance with section 451a(1) of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to promote and expand the Michigan food and agriculture sector, grow Michigan exports, and increase food processing activities within the state.

(b) The project will be funded in accordance with this section and the project guidelines approved by the Michigan agriculture commission prior to an award.

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

(d) The tentative completion date for the work project is September 30, 2022.

(8) The department may expend money from the funds appropriated in part 1 for the food and agriculture investment program, including all of the following activities:

(a) Grants.

(b) Loans or loan guarantees.

(c) Infrastructure development.

(d) Other economic assistance.

(e) Program administration.

(f) Export assistance.

(9) The department shall expend no more than 5% from the funds appropriated in part 1 for the food and agriculture investment program for administrative purposes.

Sec. 702. The department shall work with the rural development fund board to establish a process and criteria for funding projects as well as establishing metrics and measurable outcomes for the program. Funds appropriated from the rural development fund shall be used in accordance with the provisions of the rural development fund act, 2012 PA 411, MCL 286.941 to 286.947.

Sec. 703. (1) The department shall work with the department of health and human services to do all of the following:

(a) Notify recipients of food assistance program benefits that food assistance program benefits can be accessed at many farmer's markets in this state with bridge cards.

(b) Notify recipients of food assistance program benefits about the double up food bucks program that is administered by the fair food network. Food assistance program recipients shall receive information about the double up food bucks program, including information that explains that when program recipients spend up to \$20.00 at participating farmer's markets and grocery stores, the recipient can receive an additional \$20.00 to buy Michigan produce.

(2) The department shall work with the fair food network to expand access to the double up food bucks program in each of the state's counties with grocery stores or farmer's markets that meet the program's eligibility requirements.

(3) On or before June 1, 2020, the department shall submit a report on activities and outcomes of the double up food bucks program to the house and senate appropriations subcommittees on agriculture and rural development and the fiscal agencies. The report shall contain all of the following:

(a) Counties in this state with participating double up food bucks vendors, the number of vendors by county, and the name and location of vendors, as of May 1, 2019.

(b) Counties in this state with participating double up food bucks vendors, the number of vendors by county, and the name of location of vendors, as of May 1, 2020. The report shall highlight counties and vendors added to the program since May 1, 2019.

(c) Number of individuals participating in the program, by county.

(d) A breakdown of program participation by county and by day of week.

(4) The report required under subsection (3) shall also include a discussion of program evaluation criteria, as well as recommendation of a reporting metric for tracking health outcomes of program participants.

Sec. 706. (1) The department shall report on the previous calendar year's activities of the agriculture development division. The report shall be transmitted to the subcommittees, the fiscal agencies, and the state budget office and posted to the department's website on or before April 1 of each year.

(2) The report shall include the following information on any grants awarded during the prior fiscal year:

(a) The name of the grantee.

(b) The amount of the grant.

(c) The purpose of the grant, including measurable outcomes.

(d) Additional state, federal, private, or local funds contributed to the grant project.

(e) The completion date of grant-funded activities.

(3) The report shall include the following information on the Michigan craft beverage council established under section 303 of the Michigan liquor control code of 1998, 1998 PA 58, MCL 436.1303:

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

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

(c) Grants awarded during the previous fiscal year and the results of research grant projects completed during the previous fiscal year.

#### **FAIRS AND EXPOSITIONS**

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

Sec. 802. From the funds appropriated in part 1 from agriculture equine industry development funds, available revenue shall be allocated in the following priority order:

(a) To support all administrative, contractual, and regulatory costs incurred by the department and the Michigan gaming control board.

(b) Up to \$395,000.00 shall be allocated to the purses and supplements – fairs/licensed tracks line item.

(c) Any remaining funds collected through September 30, 2020, after the obligations in subdivisions (a) and (b) have been met, shall be prorated equally among the supplements, breeders' awards, and sire stakes awards to eligible race meeting licensees in accordance with section 20 of the horse racing law of 1995, 1995 PA 279, MCL 431.320.

Sec. 805. (1) The department shall establish and administer a county fairs, shows, and expositions grant program. The program shall have the following objectives:

(a) Assist in the promotion of building improvements or other capital improvements at county fairgrounds of the state.

(b) Provide financial support, promotion, prizes, and premiums of equine, livestock, and other agricultural commodity expositions in the state.

(2) The department shall award grants on a competitive basis to county fairs or other organizations from the funds appropriated in part 1 for county fairs, shows, and expositions grants. Grantees will be required to provide a 50% cash match with grant awards and identify measurable project outcomes. A county fair organization that received a county fair capital improvement grant in the prior fiscal year shall not receive a grant from the appropriation in part 1.

(3) From the amount appropriated in part 1 for county fairs, shows, and expositions, up to \$25,000.00 shall be expended for the purpose of financial support, promotion, prizes, and premiums of equine, livestock, and other agricultural commodity expositions in this state, and festivals.

(4) All fairs receiving grants under this section shall provide a report to the department on the financial impact resulting from the capital improvement project on both fair and nonfair events. These reports are due for 3 years immediately following the completion of the capital improvement project.

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

(6) The department may expend money from the funds appropriated in part 1 for the county fairs, shows, and expositions grants for administering the program.

(7) The unexpended portion of the county fairs, shows, and expositions grants is considered a work project appropriation in accordance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a. The following apply to the project:

(a) The purpose of the project is to support building improvements or other capital improvements at county fairgrounds of the state.

(b) All grants will be distributed in accordance with this section and the grant guidelines published prior to the request for proposals.

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

(d) The tentative completion date for the work project is September 30, 2022.

(8) The department shall provide a year-end report on the county fairs, shows, and expositions grants no later than December 1, 2020 to the subcommittees, the fiscal agencies, and the state budget director that includes a listing of the grantees, award amounts, match funding, and project outcomes.

Sec. 806. From the funds appropriated in part 1 for county fairs, shows, and expositions, \$50,000.00 shall be used to promote festivals and events in this state.

**ONE-TIME BASIS ONLY APPROPRIATIONS**

Sec. 901. The appropriation in part 1 for the farm stress program shall be used to respond to the mental stress and fatigue of Michigan farmers and agricultural producers and their families through utilizing existing services that offer behavioral health specialists in the agriculture industry.

Sec. 902. The funds appropriated in part 1 for local conservation districts - pilot project shall be used for the development of a conservation district natural resources assessment model. The assessment model shall be designed for the purposes of assisting the department and conservation districts in creating a standardized report that would provide a description of each of the conservation districts in the state, identify, at a minimum, the top 5 natural resources needs for each conservation district, and provide a business plan on how each conservation district will implement programs and services necessary to meet the top 5 resources needs in a district. A status update on the progress toward completion of a conservation district natural resources assessment model shall be presented to the department and the subcommittees no later than May 1, 2020, with a final completion deadline of no later than September 9, 2020.

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

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

Greg VanWoerkom  
Ann M. Bollin  
Sheryl Y. Kennedy  
Conferees for the House

Roger Victory  
Jim Stamas  
Conferees for the Senate

The question being on the adoption of the conference report,

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

**Roll Call No. 229**

**Yeas—22**

Barrett	LaSata	Nesbitt	Stamas
Bizon	Lauwers	Outman	Theis
Bumstead	Lucido	Runestad	VanderWall
Daley	MacDonald	Schmidt	Victory
Horn	MacGregor	Shirkey	Zorn
Johnson	McBroom		

**Nays—16**

Alexander	Bullock	Hollier	Moss
Ananich	Chang	Irwin	Polehanki
Bayer	Geiss	McCann	Santana
Brinks	Hertel	McMorrow	Wojno

**Excused—0**

**Not Voting—0**

In The Chair: President

Senator MacGregor moved that the bill be given immediate effect.  
The motion prevailed, 2/3 of the members serving voting therefor.

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

The motion prevailed.

Senator Victory's statement is as follows:

Before you is the budget for the Department of Agriculture and Rural Development. This budget delivers on two key components that our agricultural industry depends on. One, it would provide timely inspection for our growers, producers, and processors. And two, it will ensure that we continue to provide safe food and secure food for the good people of Michigan. Beyond those two fundamental operations, it supports the highly successful Double Up Food Bucks program and makes strong investment in growing our value-added facilities, including significant grant support for hoop houses. It also provides funding for our county fairs to make much needed improvements to their grounds that provide modern and complete facilities as well as to promote our many food-themed festivals and events. It also gives support outreach to help our farmers and their families dealing with the stress and pressure that is too real in this time of economic distress in the agricultural economy.

This is not a large budget, but it provides some of the most important services and benefits for the good people of Michigan.

### **Third Reading of Bills**

Senator MacGregor moved that the Senate proceed to consideration of the following bills:

**Senate Bill No. 455**

**Senate Bill No. 460**

**Senate Bill No. 530**

**Senate Bill No. 473**

**Senate Bill No. 474**

**Senate Bill No. 475**

**Senate Bill No. 476**

The motion prevailed.

The following bill was read a third time:

**Senate Bill No. 455, entitled**

A bill to amend 1893 PA 206, entitled "The general property tax act," by amending section 7ff (MCL 211.7ff), as amended by 2005 PA 165.

The question being on the passage of the bill,

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

**Roll Call No. 230**

**Yeas—27**

Ananich

Bizon

Bullock

Bumstead

Hollier

Horn

Johnson

LaSata

MacGregor

McCann

Moss

Nesbitt

Shirkey

Stamas

VanderWall

Victory

Daley	Lauwers	Outman	Wojno
Geiss	Lucido	Santana	Zorn
Hertel	MacDonald	Schmidt	

**Nays—11**

Alexander	Brinks	McBroom	Runestad
Barrett	Chang	McMorrow	Theis
Bayer	Irwin	Polehanki	

**Excused—0****Not Voting—0**

In The Chair: President

The Senate agreed to the title of the bill.

The following bill was read a third time:

**Senate Bill No. 460, entitled**

A bill to amend 1978 PA 368, entitled "Public health code," by amending sections 20904 and 20910 (MCL 333.20904 and 333.20910), section 20904 as amended by 2000 PA 375 and section 20910 as amended by 2006 PA 582.

The question being on the passage of the bill,  
Senator Nesbitt offered the following substitute:  
Substitute (S-2).

The question being on the adoption of the substitute,  
Senator Nesbitt withdrew the substitute.

Senator Nesbitt offered the following substitute:  
Substitute (S-3).

The question being on the adoption of the substitute,  
The substitute was adopted, a majority of the members serving voting therefor.

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

**Roll Call No. 231****Yeas—21**

Barrett	Lauwers	Nesbitt	Stamas
Bizon	Lucido	Outman	Theis
Daley	MacDonald	Runestad	VanderWall
Horn	MacGregor	Schmidt	Victory
Johnson	McBroom	Shirkey	Zorn
LaSata			

**Nays—17**

Alexander	Bumstead	Hollier	Moss
Ananich	Chang	Irwin	Polehanki
Bayer	Geiss	McCann	Santana
Brinks	Hertel	McMorrow	Wojno
Bullock			

**Excused—0**

**Not Voting—0**

In The Chair: President

The Senate agreed to the title of the bill.

**Recess**

Senator MacGregor moved that the Senate recess subject to the call of the Chair. The motion prevailed, the time being 1:44 p.m.

1:54 p.m.

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

By unanimous consent the Senate returned to the order of

**Conference Reports**

Senator MacGregor moved that the Senate proceed to consideration of the following bill:

**House Bill No. 4232**

The motion prevailed.

**House Bill No. 4232, entitled**

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

The House of Representatives has adopted the report of the Committee of Conference and ordered that the bill be given immediate effect.

The Conference Report was read as follows:

**FIRST CONFERENCE REPORT**

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

**House Bill No. 4232, entitled**

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

Recommends:

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

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

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

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

**PART 1**

**LINE-ITEM APPROPRIATIONS**

Sec. 101. There is appropriated for the department of education for the fiscal year ending September 30, 2020, from the following funds:

**DEPARTMENT OF EDUCATION**

**APPROPRIATION SUMMARY**

Full-time equated unclassified positions.....	6.0
Full-time equated classified positions.....	614.5



For Fiscal Year  
Ending Sept. 30,  
2020

GROSS APPROPRIATION.....	\$	419,794,500
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers .....		0
ADJUSTED GROSS APPROPRIATION .....	\$	419,794,500
Federal revenues:		
Total federal revenues .....		315,352,900
Special revenue funds:		
Total local revenues .....		5,893,400
Total private revenues .....		2,036,200
Total other state restricted revenues .....		9,300,000
State general fund/general purpose.....	\$	87,212,000
<b>Sec. 102. STATE BOARD OF EDUCATION/OFFICE OF THE SUPERINTENDENT</b>		
Full-time equated unclassified positions .....		6.0
Full-time equated classified positions .....		11.0
Unclassified positions—6.0 FTE positions.....	\$	226,000
Education commission of the states.....		30,200
State board of education, per diem payments .....		6,100
State board/superintendent operations—11.0 FTE positions .....		556,100
GROSS APPROPRIATION .....	\$	818,400
Appropriated from:		
Federal revenues:		
Federal revenues .....		60,500
Special revenue funds:		
Private foundations.....		7,000
Certification fees .....		198,100
State general fund/general purpose.....	\$	552,800
<b>Sec. 103. DEPARTMENTAL ADMINISTRATION AND SUPPORT</b>		
Full-time equated classified positions.....		47.6
Central support operations—38.6 FTE positions.....	\$	1,497,000
Federal and private grants .....		750,000
Grant and contract operations—9.0 FTE positions.....		678,000
Property management.....		874,900
Terminal leave payments.....		88,300
Training and orientation workshops .....		37,500
Worker's compensation.....		6,900
GROSS APPROPRIATION .....	\$	3,932,600
Appropriated from:		
Federal revenues:		
Federal indirect funds.....		719,800
Federal revenues .....		1,530,000
Special revenue funds:		
Private foundations.....		250,000
Certification fees .....		140,500
Teacher testing fees.....		1,100
Training and orientation workshop fees .....		37,500
State general fund/general purpose.....	\$	1,253,700
<b>Sec. 104. INFORMATION TECHNOLOGY</b>		
Information technology services and projects .....	\$	1,162,700
GROSS APPROPRIATION .....	\$	1,162,700
Appropriated from:		
Federal revenues:		
Federal indirect funds.....		473,300
Federal revenues .....		160,000
Special revenue funds:		
Certification fees .....		178,100
State general fund/general purpose.....	\$	351,300

For Fiscal Year  
Ending Sept. 30,  
2020

**Sec. 105. SPECIAL EDUCATION SERVICES**

Full-time equated classified positions.....	47.0	
Special education operations—47.0 FTE positions .....		\$ 2,288,200
<b>GROSS APPROPRIATION.....</b>		<b>\$ 2,288,200</b>

Appropriated from:		
Federal revenues:		
Federal revenues .....		2,140,300
Special revenue funds:		
Private foundations.....		27,500
Certification fees .....		11,500
State general fund/general purpose.....	\$	108,900

**Sec. 106. MICHIGAN SCHOOLS FOR THE DEAF AND BLIND**

Full-time equated classified positions.....	82.0	
Camp Tuhsmehta—1.0 FTE position .....		\$ 74,500
Low incidence outreach program .....		250,000
Michigan schools for the deaf and blind operations—81.0 FTE positions .....		3,379,000
Private gifts - blind.....		50,000
Private gifts - deaf .....		37,500
<b>GROSS APPROPRIATION.....</b>		<b>\$ 3,791,000</b>

Appropriated from:		
Federal revenues:		
Federal revenues .....		1,882,300
Special revenue funds:		
Local cost sharing (schools for deaf/blind).....		1,473,400
Gifts, bequests, and donations .....		162,000
Low incidence outreach fund .....		250,000
Student insurance revenue.....		23,300
State general fund/general purpose.....	\$	0

**Sec. 107. EDUCATOR EXCELLENCE**

Full-time equated classified positions.....	48.0	
Educator excellence operations—48.0 FTE positions .....		\$ 2,709,200
<b>GROSS APPROPRIATION.....</b>		<b>\$ 2,709,200</b>

Appropriated from:		
Federal revenues:		
Federal revenues .....		1,163,600
Special revenue funds:		
Certification fees .....		993,100
Teacher testing fees.....		48,300
State general fund/general purpose.....	\$	504,200

**Sec. 108. MICHIGAN OFFICE OF GREAT START**

Full-time equated classified positions.....	66.0	
Child development and care contracted services .....		\$ 3,100,000
Child development and care external support.....		7,268,200
Child development and care public assistance.....		54,250,000
Head start collaboration office—1.0 FTE position .....		79,200
Office of great start operations—65.0 FTE positions .....		3,342,400
T.E.A.C.H. Early Childhood Michigan scholarship program .....		1,250,000
<b>GROSS APPROPRIATION.....</b>		<b>\$ 69,289,800</b>

Appropriated from:		
Federal revenues:		
Federal revenues .....		58,723,100
Special revenue funds:		
Private foundations.....		62,500
Certification fees .....		16,100
State general fund/general purpose.....	\$	10,488,100

For Fiscal Year  
Ending Sept. 30,  
2020

**Sec. 109. SYSTEMS, EVALUATION, AND TECHNOLOGY**

Full-time equated classified positions.....	10.0	
Office of systems, evaluation, and technology operations—10.0 FTE positions.....		\$ <u>498,300</u>
GROSS APPROPRIATION.....		\$ 498,300
Appropriated from:		
Federal revenues:		
Federal indirect funds.....		35,100
Federal revenues.....		244,200
Special revenue funds:		
Certification fees.....		2,700
State general fund/general purpose.....		\$ 216,300

**Sec. 110. STRATEGIC PLANNING AND IMPLEMENTATION**

Full-time equated classified positions.....	6.0	
Strategic planning and implementation operations—6.0 FTE positions.....		\$ <u>265,400</u>
GROSS APPROPRIATION.....		\$ 265,400
Appropriated from:		
Federal revenues:		
Federal revenues.....		135,400
Special revenue funds:		
State general fund/general purpose.....		\$ 130,000

**Sec. 111. ADMINISTRATIVE LAW SERVICES**

Full-time equated classified positions.....	2.0	
Administrative law operations—2.0 FTE positions.....		\$ <u>350,600</u>
GROSS APPROPRIATION.....		\$ 350,600
Appropriated from:		
Federal revenues:		
Federal revenues.....		143,400
Special revenue funds:		
Certification fees.....		181,200
State general fund/general purpose.....		\$ 26,000

**Sec. 112. ACCOUNTABILITY SERVICES**

Full-time equated classified positions.....	63.6	
Accountability services operations—63.6 FTE positions.....		\$ <u>3,677,700</u>
GROSS APPROPRIATION.....		\$ 3,677,700
Appropriated from:		
Federal revenues:		
Federal revenues.....		3,127,900
State general fund/general purpose.....		\$ 549,800

**Sec. 113. SCHOOL SUPPORT SERVICES**

Full-time equated classified positions.....	74.6	
Adolescent and school health.....		\$ 80,000
School support services operations—74.6 FTE positions.....		<u>3,391,000</u>
GROSS APPROPRIATION.....		\$ 3,471,000
Appropriated from:		
Federal revenues:		
Federal revenues.....		3,112,200
Special revenue funds:		
Commodity distribution fees.....		17,900
State general fund/general purpose.....		\$ 340,900

**Sec. 114. EDUCATIONAL SUPPORTS**

Full-time equated classified positions.....	82.7	
Educational supports operations—82.7 FTE positions.....		\$ <u>3,791,000</u>
GROSS APPROPRIATION.....		\$ 3,791,000
Appropriated from:		
Federal revenues:		
Federal revenues.....		2,762,200

	For Fiscal Year Ending Sept. 30, 2020
Special revenue funds:	
Certification fees .....	150,600
State general fund/general purpose.....	\$ 878,200
<b>Sec. 115. CAREER AND TECHNICAL EDUCATION</b>	
Full-time equated classified positions.....	28.0
Career and technical education operations—28.0 FTE positions.....	\$ 1,340,000
GROSS APPROPRIATION.....	\$ 1,340,000
Appropriated from:	
Federal revenues:	
Federal revenues .....	993,100
State general fund/general purpose.....	\$ 346,900
<b>Sec. 116. LIBRARY OF MICHIGAN</b>	
Full-time equated classified positions.....	33.0
Library of Michigan operations—31.0 FTE positions.....	\$ 1,239,700
Library services and technology program—1.0 FTE position.....	1,403,100
Michigan eLibrary—1.0 FTE position .....	440,400
Renaissance zone reimbursements .....	550,000
State aid to libraries.....	3,017,000
GROSS APPROPRIATION.....	\$ 6,650,200
Appropriated from:	
Federal revenues:	
Federal revenues .....	1,403,100
Special revenue funds:	
Library fees .....	75,000
State general fund/general purpose.....	\$ 5,172,100
<b>Sec. 117. PARTNERSHIP DISTRICT SUPPORT</b>	
Full-time equated classified positions.....	13.0
Partnership district support operations—13.0 FTE positions .....	\$ 912,600
GROSS APPROPRIATION.....	\$ 912,600
Appropriated from:	
Federal revenues:	
Federal revenues .....	28,600
State general fund/general purpose.....	\$ 884,000
<b>Sec. 118. DEPARTMENT ADMINISTRATIVE RESERVE FUNDS</b>	
Department administrative reserve fund 1.....	\$ 104,948,600
Department administrative reserve fund 2.....	104,948,600
Department administrative reserve fund 3.....	104,948,600
GROSS APPROPRIATION.....	\$ 314,845,800
Appropriated from:	
Federal revenues:	
Federal indirect revenues.....	3,684,800
Federal revenues .....	232,830,000
Special revenue funds:	
Local cost sharing (schools for deaf/blind).....	4,420,000
Gifts, bequests, and donations .....	486,000
Private foundations.....	1,041,200
Certification fees .....	5,615,400
Commodity distribution fees .....	53,800
Library fees .....	225,000
Low incidence outreach fund .....	750,000
Student insurance revenue.....	70,000
Teacher testing fees.....	148,300
Training and orientation workshop fees .....	112,500
State general fund/general purpose.....	\$ 65,408,800

PART 2  
PROVISIONS CONCERNING APPROPRIATIONS  
FOR FISCAL YEAR 2019-2020

**GENERAL SECTIONS**

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state sources under part 1 for fiscal year 2019-2020 is \$96,512,000.00 and state spending from state sources

to be paid to local units of government for fiscal year 2019-2020 is \$14,267,700.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF EDUCATION

Renaissance zone reimbursements.. .. .	\$ 2,200,000
State aid to libraries.....	<u>12,067,700</u>
Total department of education.....	\$ 14,267,700

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

Sec. 203. As used in this part and part 1:

- (a) "Department" means the Michigan department of education.
- (b) "District" means a local school district as that term is defined in section 6 of the revised school code, 1976 PA 451, MCL 380.6, or a public school academy as that term is defined in section 5 of the revised school code, 1976 PA 451, MCL 380.5.
- (c) "FTE" means full-time equated.

Sec. 204. The departments and agencies receiving appropriations in part 1 shall use the internet to fulfill the reporting requirements of this part. This requirement may include transmission of reports via electronic mail to the recipients identified for each reporting requirement, or it may include placement of reports on an internet or intranet site.

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

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

Sec. 207. The departments and agencies receiving appropriations in part 1 shall prepare a report on out-of-state travel expenses not later than January 1 of each year. The travel report shall be a listing of all travel by classified and unclassified employees outside this state in the immediately preceding fiscal year that was funded in whole or in part with funds appropriated in the department's budget. The report shall be submitted to the senate and house appropriations committees, the house and senate fiscal agencies, and the state budget director. The report must include the following information:

- (a) The dates of each travel occurrence.
- (b) The transportation and related costs of each travel occurrence, including the proportion funded with state general fund/general purpose revenues, the proportion funded with state restricted revenues, the proportion funded with federal revenues, and the proportion funded with other revenues.

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

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

Sec. 210. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$5,000,000.00 for federal contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

(2) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$400,000.00 for state restricted contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

(3) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$250,000.00 for local contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

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

Sec. 211. The department shall cooperate with the department of technology, management, and budget to maintain a searchable website accessible by the public at no cost that includes, but is not limited to, all of the following for each department or agency:

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

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

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

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

(e) Job specifications and wage rates.

Sec. 212. Within 14 days after the release of the executive budget recommendation, the department shall cooperate with the state budget office to provide the senate and house appropriations chairs, the chairs of the senate and house appropriations subcommittees responsible for the department budget, and the senate and house fiscal agencies with an annual report on estimated state restricted fund balances, state restricted fund projected revenues, and state restricted fund expenditures for the fiscal years ending September 30, 2019 and September 30, 2020.

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

Sec. 214. Total authorized appropriations from all sources under part 1 for legacy costs for the fiscal year ending September 30, 2020 are estimated at \$14,654,400.00. From this amount, total agency appropriations for pension-related legacy costs are estimated at \$7,123,800.00. Total agency appropriations for retiree health care legacy costs are estimated at \$7,530,600.00.

Sec. 215. The department shall provide through the internet the state board of education agenda and all supporting documents, and shall notify the state budget director and the senate and house fiscal agencies that the agenda and supporting documents are available on the internet, at the time the agenda and supporting documents are provided to state board of education members.

Sec. 217. The department may assist the department of health and human services, other departments, and local school districts to secure reimbursement for eligible services provided in Michigan schools from the federal Medicaid program. The department may submit reports of direct expenses related to this effort to the department of health and human services for reimbursement.

Sec. 219. From the funds appropriated in part 1, the department shall ensure that kindergarten benchmark data include a method for information to be provided regarding a child's participation in the great start readiness program.

Sec. 220. The department shall post on its website a link to the federal Institute of Education Sciences' What Works Clearinghouse. The department also shall work to disseminate knowledge about the What Works Clearinghouse to districts and intermediate districts so that it may be used to improve reading proficiency for pupils in grades K to 3.

Sec. 222. The department shall not take disciplinary action against an employee who communicates truthfully and factually with a member of the legislature or his or her staff.

Sec. 223. The department and agencies receiving appropriations in part 1 shall receive and retain copies of all reports funded from appropriations in part 1. Federal and state guidelines for short-term and long-term retention of records shall be followed. The department may electronically retain copies of reports unless otherwise required by federal and state guidelines.

Sec. 225. (1) From the funds appropriated in part 1, the department must comply with section 17c of the state school aid act of 1979, 1979 PA 94, MCL 388.1617c.

(2) If the department fails to comply with subsection (1), the state funds appropriated in part 1 for unclassified positions, state board/superintendent operations, and grant and contract operations shall each be reduced by 2.5%.

Sec. 226. From the funds appropriated in part 1, the department shall coordinate with the other departments to streamline state services and resources, reduce duplication, and increase efficiency. This includes, but is not limited to, working with the department of treasury to coordinate with the financial independence team and overseeing deficit districts and working with the department of health and human services and department of licensing and regulatory affairs to coordinate with early childhood programs and overseeing child care providers.

Sec. 227. (1) The department shall provide data requested by a member of the legislature, his or her staff, or the house and senate fiscal agencies in a timely manner. If the department fails to provide reasonably requested data within 30 days after the request, the state money appropriated in part 1 for state board/superintendent operations shall be reduced by 1%.

(2) If the department fails to provide to the legislature reports and other data required by boilerplate or statute within 30 days after the date the information is due, the state money appropriated in part 1 for state board/superintendent operations shall be reduced by 1%.

Sec. 229. The department shall not enter into a contract funded under part 1 that exceeds \$1,000,000.00, submit federal accountability plans, or request amendments to federal accountability plans until after notification of the content to both the house and senate appropriations committees and the state budget director.

Sec. 230. From the funds appropriated in part 1, the department shall compile a report that identifies any new, or lack thereof, mandates required of nonpublic schools. In compiling the report, the department may consult with relevant statewide education associations in Michigan. The report compiled by the department shall indicate the type of mandate, including, but not limited to, student health, student or building safety, accountability, and educational requirements, and shall indicate whether a school has to report on the specified mandates. The report required under this section shall be completed by April 1, 2020 and transmitted to the state budget director, the house and senate appropriations subcommittees responsible for the department of education, and the senate and house fiscal agencies not later than April 15, 2020.

Sec. 231. From the funds appropriated in part 1, the department shall collect information from all school districts, intermediate school districts, and public school academies that have not adopted any policies that were specified by section 12b of the child protection law, 1975 PA 238, MCL 722.632b, during the fiscal year ending September 30, 2018, or that adopted new policies specified by section 12b of the child protection law, 1975 PA 238, MCL 722.632b, during the fiscal year ending September 30, 2019. The information collected shall be reported to the house and senate appropriations committees, the house and senate fiscal agencies, and the state budget office. The report shall include a list of each school district, intermediate school district, and public school academy that has adopted each policy specified by section 12b of the child protection law, 1975 PA 238, MCL 722.632b.

Sec. 232. From the funds appropriated in part 1, the department shall ensure that the most recently issued report of regional in-demand occupations issued by the department of technology, management, and budget is distributed in electronic or paper form to all high schools in each school district, intermediate school district, and public school academy.

Sec. 233. (1) From the funds appropriated in part 1, the department shall develop and implement a training program to provide resources and programming to pupils in grades 9 to 12 who are interested in a career in teaching and who are members of groups that are underrepresented in the teaching profession in this state.

(2) The department shall do all of the following with respect to the training program developed and implemented under subsection (1):

(a) Create a process for nomination and admission of pupils to the program.

(b) Advertise the program.

(c) Invite postsecondary institutions in this state that operate a teacher preparation program to participate in the training program.

(d) Connect pupils participating in the program to representatives of teacher preparation programs at postsecondary institutions in this state.

(e) At least once, conduct conferences for pupils participating in the program in locations that are geographically convenient for the majority of pupils attending each conference.

(f) Provide all available research and resources to pupils and postsecondary institutions participating in the training program on at least all of the following:

(i) Successful activities and programs for recruiting and retaining pupils who are members of groups that are underrepresented in the teaching profession for participation in postsecondary teacher preparation programs.

(ii) Teacher certification.

(iii) Employment as a teacher.

Sec. 235. From the funds appropriated in part 1, the department shall compile a report that includes an itemized list of allocations paid by the department to any association or consortium consisting of associations in the immediately preceding fiscal year. The report shall detail the recipient or recipients, the amount allocated, and the purpose for which the money was distributed. The report required under this section shall be completed and transmitted not later than December 1, 2019 to the state budget director, the house and senate fiscal agencies, the senate and house appropriations subcommittees on the department of education, and the senate and house standing committees on education.

Sec. 236. (1) Funds appropriated in part 1 for the department administrative reserve fund 1 shall not be expended unless a legislative transfer request is issued by the state budget office and the requirements of the

legislative transfer process are met under section 393 of the management and budget act, 1984 PA 431, MCL 18.1393.

(2) It is the intent of the legislature that the department meet all of the following requirements:

(a) The department demonstrates that the grants in the state school aid act of 1979, 1979 PA 94, MCL 388.1601 to 388.1897I, and federal grants that have been received by the department are distributed.

(b) The department demonstrates that a distribution schedule exists for those grants in the state school aid act of 1979, 1979 PA 94, MCL 388.1601 to 388.1897I, and those federal grants that have not yet been received and are anticipated before the end of the fiscal year.

(c) The department provides a report to the house and senate appropriation committees, the house and senate fiscal agencies, and the state budget office to illustrate how the requested funds would be utilized.

Sec. 237. (1) Funds appropriated in part 1 for the department administrative reserve fund 2 shall not be expended unless a legislative transfer request is issued by the state budget and the requirements of the legislative transfer process are met under section 393 of the management and budget act, 1984 PA 431, MCL 18.1393.

(2) It is the intent of the legislature that the department meet all of the following requirements:

(a) The department demonstrates that the grants in the state school aid act of 1979, 1979 PA 94, MCL 388.1601 to 388.1897I, and federal grants that have been received by the department are distributed.

(b) The department demonstrates that a distribution schedule exists for those grants in the state school aid act of 1979, 1979 PA 94, MCL 388.1601 to 388.1897I, and those federal grants that have not yet been received and are anticipated before the end of the fiscal year.

(c) The department provides a report to the house and senate appropriation committees, the house and senate fiscal agencies, and the state budget office to illustrate how the requested funds would be utilized.

(d) By March 31, 2020, the department publishes the information as required by section 1280g of the revised school code, 1976 PA 451, MCL 380.1280g.

Sec. 238. (1) Funds appropriated in part 1 for the department administrative reserve fund 3 shall not be expended unless a legislative transfer request is issued by the state budget office and the requirements of the legislative transfer process are met under section 393 of the management and budget act, 1984 PA 431, MCL 18.1393.

(2) It is the intent of the legislature that the department meet all of the following requirements:

(a) The department demonstrates that the grants in the state school aid act of 1979, 1979 PA 94, MCL 388.1601 to 388.1897I, and federal grants that have been received by the department are distributed.

(b) The department demonstrates that a distribution schedule exists for those grants in the state school aid act of 1979, 1979 PA 94, MCL 388.1601 to 388.1897I, and those federal grants that have not yet been received and are anticipated before the end of the fiscal year.

(c) The department provides a report to the house and senate appropriation committees, the house and senate fiscal agencies, and the state budget office to illustrate how the requested funds would be utilized.

(d) The department request transfers from administrative reserve fund 3 after the other department administrative reserve funds are exhausted.

Sec. 239. From the funds appropriated in part 1, the department shall produce a report of the impact on student outcomes of starting school before Labor Day. The report must indicate if starting school before Labor Day has a positive impact on student outcomes when compared to not starting school before Labor Day. The report must be completed and transmitted by the department not later than March 1, 2020 to the state budget director, the house and senate fiscal agencies, the senate and house appropriations subcommittees on the department of education, and the senate and house standing committees on education. As used in this section, "student outcomes" means data from test scores, third grade reading assessments, and other state assessments that measure students' academic progress.

#### **STATE BOARD OF EDUCATION/OFFICE OF THE SUPERINTENDENT**

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

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

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

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

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

#### **CENTRAL SUPPORT**

Sec. 325. Within 10 days of the receipt of a grant appropriated in the federal and private grants line item in part 1, the department shall notify the house and senate chairpersons of the appropriations subcommittees responsible for the department budget, the house and senate fiscal agencies, and the state budget director of the receipt of the grant, including the funding source, purpose, and amount of the grant.



**SPECIAL EDUCATION SERVICES**

Sec. 350. From the funds in part 1 for special education operations, the department shall use \$100,000.00 to design and distribute to all parents and legal guardians of a student with a disability information about federal and state mandates regarding the rights and protections of students with disabilities, including, but not limited to, individualized education programs to ensure that parents and legal guardians are fully informed about laws, rules, procedural safeguards, problem-solving options, and any other information the department determines is necessary so that parents and legal guardians may be able to provide meaningful input in collaboration with districts to develop and implement an individualized education program.

**MICHIGAN SCHOOLS FOR THE DEAF AND BLIND**

Sec. 401. The employees at the Michigan Schools for the Deaf and Blind who work on a school-year basis are considered annual employees for purposes of service credits, retirement, and insurance benefits.

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

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

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

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

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

Sec. 408. (1) The funds appropriated in part 1 for the low incidence outreach fund are appropriated from money collected by the Michigan Schools for the Deaf and Blind and the low incidence outreach program for providing qualified services and may be used for any expenses necessary to provide the qualified services. Any money that is unexpended at the end of the current fiscal year may be carried forward into the succeeding fiscal year.

(2) As used in this section, "qualified services" means document reproduction and services; conducting conferences, workshops, and training classes; and providing specialized equipment, facilities, and software.

Sec. 409. When conducting a due process hearing resulting from a parent's appeal of his or her child's individualized education program team's decision on the child's educational placement, a state administrative law judge shall consider designating the Michigan Schools for the Deaf and Blind as the least restrictive environment under federal law for the parent's child who is deaf, deafblind, or hard of hearing.

**EDUCATOR EXCELLENCE**

Sec. 501. From the funds appropriated in part 1 for educator excellence, the department shall maintain certificate revocation/felony conviction files of educational personnel.

Sec. 502. The department shall authorize teacher preparation institutions to provide an alternative program by which up to 1/4 of the required student internship or student teaching credits may be earned through substitute teaching. In order to count toward this requirement, the substitute teaching must occur in a single classroom setting for at least 15 consecutive days. The department shall require that teacher preparation institutions collaborate with school districts to ensure that the quality of instruction provided to student teachers is comparable to that required in a traditional student teaching program.

Sec. 503. From the funds appropriated in part 1, the department shall, upon request, consult with the Michigan Virtual Learning Research Institute and external stakeholders in connection with the department's implementation and administration of professional development training described in section 35a of the state school aid act of 1979, 1979 PA 94, MCL 388.1635a, including, but not limited to, the online training of educators of pupils in grades K to 3 described in that section.

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

Sec. 507. From the funds appropriated in part 1, the department shall adopt a teacher certification test that ensures that all newly certified elementary teachers have the skills to deliver evidence-based literacy instruction. The department may use teacher certification or teacher testing fee revenue to the extent allowable under law to implement this section, or may pass along increased testing fees to teachers as allowable and appropriate.

**SCHOOL SUPPORT SERVICES**

Sec. 601. From the funds appropriated in part 1, there is appropriated an amount not to exceed \$1,000,000.00 for implementation costs associated with programs for early childhood literacy funded under section 35a of the state school aid act of 1979, 1979 PA 94, MCL 388.1635a.

Sec. 602. From the funds appropriated in part 1 for adolescent and school health, there is appropriated \$320,000.00 to replace federal funding reductions from the HHS - Centers for Disease Control and Prevention to the department and section 39a(2)(a) of the state school aid act of 1979, 1979 PA 94, MCL 388.1639a.

**EDUCATIONAL SUPPORTS**

Sec. 701. (1) From the funds appropriated in part 1 for educational supports, the department shall produce a report detailing the progress made by districts with grades K to 12 receiving at-risk funding under section 31a of the state school aid act of 1979, 1979 PA 94, MCL 388.1631a, in implementing multitiered systems of supports in the prior school fiscal year for grades K to 12, and in providing reading intervention services described in section 1280f of the revised school code, 1976 PA 451, MCL 380.1280f, for pupils in grades K to 12.

(2) The report described in subsection (1) shall include, at a minimum:

(a) A description of the training, coaching, and technical assistance offered by the department to districts to support the implementation of effective multitiered systems of supports and reading intervention programs.

(b) A list of districts determined by the department to have successfully implemented multitiered systems of supports and reading intervention programs.

(c) A list of best practices that the department has identified that may be used by districts to implement multitiered systems of supports and reading intervention programs.

(d) Other information the department determines would be useful to understanding the status of districts' implementation of effective multitiered systems of supports and reading intervention programs.

(3) The department shall provide the report described in subsection (1) to the state budget director, the house and senate subcommittees that oversee the department of education and school aid budgets, and the house and senate fiscal agencies by September 30, 2020.

**LIBRARY OF MICHIGAN**

Sec. 801. (1) The funds appropriated in part 1 for library fees are appropriated from money collected by the Library of Michigan for providing qualified services and may be used for any expenses necessary to provide the qualified services. Any money that is unexpended at the end of the current fiscal year may be carried forward into the succeeding fiscal year.

(2) As used in this section, "qualified services" means document reproduction and services; conducting conferences, workshops, and training classes; and providing specialized equipment, facilities, and software.

Sec. 804. (1) The funds appropriated in part 1 for renaissance zone reimbursements shall be used to reimburse public libraries under section 12 of the Michigan renaissance zone act, 1996 PA 376, MCL 125.2692, for taxes levied in 2019. The allocations shall be made not later than 60 days after the department of treasury certifies to the department and to the state budget director that the department of treasury has received all necessary information to properly determine the amounts due to each eligible recipient.

(2) If the amount appropriated under this section is not sufficient to fully pay obligations under this section, payments shall be prorated on an equal basis among all eligible public libraries.

**MICHIGAN OFFICE OF GREAT START**

Sec. 1002. (1) From the funds appropriated in part 1 for child development and care public assistance, there is allocated \$15,000,000.00 for the following purposes:

(a) To increase the provider reimbursement rates for child care centers under the following guidelines:

(i) Increase the reimbursement rate for providers with an empty star, 1-star, or 2-star rating by \$0.30 per hour for each child ages 0-5.

(ii) Increase the reimbursement rate for providers with an empty star, 1-star, or 2-star rating by \$0.20 per hour for each child 5 years and older.

(iii) Increase the reimbursement rate for providers with a 3-star, 4-star, or 5-star rating by \$0.30 per hour for each child ages 0-5.

(iv) Increase the reimbursement rate for providers with a 3-star, 4-star, or 5-star rating by \$0.20 per hour for each child 5 years and older.

(b) To increase the provider reimbursement rates for group home providers under the following guidelines:

(i) Increase the reimbursement rate for providers with an empty star, 1-star, or 2-star rating by \$0.30 per hour for each child ages 0-5.

(ii) Increase the reimbursement rate for providers with an empty star, 1-star, or 2-star rating by \$0.20 per hour for each child 5 years and older.

(iii) Increase the reimbursement rate for providers with a 3-star, 4-star, or 5-star rating by \$0.30 per hour for each child ages 0-5.

(iv) Increase the reimbursement rate for providers with a 3-star, 4-star, or 5-star rating by \$0.20 per hour for each child 5 years and older.

(c) To increase the provider reimbursement rates for registered family homes under the following guidelines:

(i) Increase the reimbursement rate for providers with an empty star, 1-star, or 2-star rating by \$0.30 per hour for each child ages 0-5.

(ii) Increase the reimbursement rate for providers with an empty star, 1-star, or 2-star rating by \$0.20 per hour for each child 5 years and older.

(iii) Increase the reimbursement rate for providers with a 3-star, 4-star, or 5-star rating by \$0.30 per hour for each child ages 0-5.

(iv) Increase the reimbursement rate for providers with a 3-star, 4-star, or 5-star rating by \$0.20 per hour for each child 5 years and older.

(d) To increase the provider reimbursement rates for unlicensed providers under the following guidelines:

(i) Increase the reimbursement rate for unlicensed providers with a level 1 rating by \$0.15 per hour for each child.

(ii) Increase the reimbursement rate for unlicensed providers with a level 2 rating by \$0.05 per hour for each child.

(e) Rate increases funded under this subsection are effective January 1, 2020.

(2) The department shall ensure that the final provider reimbursement rates determined under this section are published on the department and Great Start to Quality webpages.

Sec. 1003. (1) The department shall provide the house and senate appropriations subcommittees on the department budget with an annual report on all funding appropriated to the Early Childhood Investment Corporation by this state during the previous fiscal year. The report is due by February 15 and must contain at least the following information:

(a) Total funding appropriated to the Early Childhood Investment Corporation by the state during the previous fiscal year.

(b) The amount of funding for each grant awarded.

(c) The grant recipients.

(d) The activities funded by each grant.

(e) An analysis of each grant recipient's success in addressing the development of a comprehensive system of early childhood services and supports.

(2) All department contracts for early childhood comprehensive systems planning shall be bid out through a statewide request-for-proposal process.

Sec. 1004. From the funds appropriated in part 1 for the T.E.A.C.H. Early Childhood Michigan Scholarship Program, the department shall ensure that \$5,000,000.00 is appropriated to the T.E.A.C.H. Early Childhood Michigan Scholarship Program. The program shall give preference to the following providers:

(a) Providers that currently have a great start to quality star rating or are in the process to receive a star rating.

(b) Providers that are seeking to increase their great start to quality star rating and are only restricted from receiving the increased rating because they lack employees with the proper education level.

Sec. 1007. (1) From the funds appropriated in part 1 for child development and care - external support, the department shall create progress reports that shall include, but are not limited to, the following:

(a) Both the on-site and off-site activities that are intended to improve child care provider quality and the number of times those activities are performed by the licensing consultants.

(b) How many on-site visits a single licensing consultant has made since the start of the current fiscal year.

(c) The types of on-site visits and the number of visits for each type that a single consultant has made since the start of the current fiscal year.

(d) The number of providers that have improved their quality rating since the start of the current fiscal year compared to the same time period in the preceding fiscal year, reported as the number of providers in each regional prosperity zone.

(e) The types of activities that are intended to improve licensing consultant performance and child care provider quality and the number of times those activities are performed by the managers and administrators.

(2) The progress reports shall be sent to the state budget director, the house and senate subcommittees that oversee the department of education, and the house and senate fiscal agencies by April 1, 2020 and September 30, 2020.

Sec. 1008. From the amount appropriated in part 1 for office of great start operations, the department shall work with the department of health and human services to coordinate services provided to families for home visits, reduce duplication of state services and spending, and increase efficiencies including the home visits funded under section 32p of the state school aid act of 1979, 1979 PA 94, MCL 388.1632p.

Sec. 1009. From the funds appropriated in part 1 for child development and care public assistance, the income entrance threshold for the child development and care program is set to 130% of the federal poverty guidelines.

Sec. 1010. Within 10 days of the receipt of changes to the federal child care and development program, the department shall notify the house and senate chairpersons of the appropriations subcommittees responsible for the department budget, the house and senate fiscal agencies, and the state budget director. The notification shall include, but is not limited to:

(a) Changes to the federal matching award amount, including the amount of state resources necessary to draw down the total matching award.

(b) Changes to the amount of child care and development block grant that is awarded to this state.

(c) Any significant changes to the federal requirements on the child development and care program, indicating any new requirements that would require the appropriation of additional dollars.

Sec. 1011. (1) From the funds appropriated in part 1 for child development and care public assistance, the department shall implement a biweekly block reimbursement rate schedule through the following block segments:

(a) The block segment for a biweekly block reimbursement rate schedule for child care centers, group homes, and registered family homes, for paid hours between 1 to 30 hours, shall be reimbursed at the hourly reimbursement rate.

(b) The block segment for a biweekly block reimbursement rate schedule for child care centers, group homes, and registered family homes, for paid hours between 31 to 60 hours, shall be reimbursed as 60 hours.

(c) The block segment for a biweekly block reimbursement rate schedule for child care centers, group homes, and registered family homes, for paid hours between 61 to 80 hours, shall be reimbursed as 80 hours.

(d) The block segment for a biweekly block reimbursement rate schedule for child care centers, group homes, and registered family homes, for paid hours between 81 to 90 hours, shall be reimbursed as 90 hours.

(e) The block segment for a biweekly block reimbursement rate schedule for unlicensed providers shall be reimbursed at their current hourly reimbursement rates.

(2) It is the intent of the legislature that the new biweekly block reimbursement system reimburses providers based on the block segment that is closest to the number of hours actually paid to the provider.

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

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

Aaron Miller  
Pamela Hornberger  
Conferees for the House

Wayne Schmidt  
Jim Stamas  
Conferees for the Senate

The question being on the adoption of the conference report,

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

**Roll Call No. 232**

**Yeas—22**

Barrett	LaSata	Nesbitt	Stamas
Bizon	Lauwers	Outman	Theis
Bumstead	Lucido	Runestad	VanderWall
Daley	MacDonald	Schmidt	Victory
Horn	MacGregor	Shirkey	Zorn
Johnson	McBroom		

**Nays—16**

Alexander	Bullock	Hollier	Moss
Ananich	Chang	Irwin	Polehanki
Bayer	Geiss	McCann	Santana
Brinks	Hertel	McMorrow	Wojno

**Excused—0**

**Not Voting—0**

In The Chair: President

Senator MacGregor moved that the bill be given immediate effect.  
The motion prevailed, 2/3 of the members serving voting therefor.

Senator MacGregor moved that the Senate proceed to consideration of the following bill:  
**House Bill No. 4241**  
The motion prevailed.

**House Bill No. 4241, entitled**

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

The House of Representatives has adopted the report of the Committee of Conference and ordered that the bill be given immediate effect.

The Conference Report was read as follows:

**FIRST CONFERENCE REPORT**

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

**House Bill No. 4241, entitled**

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

Recommends:

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

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

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

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

**PART 1**

**LINE-ITEM APPROPRIATIONS**

Sec. 101. There is appropriated for the department of natural resources for the fiscal year ending September 30, 2020, from the following funds:

**DEPARTMENT OF NATURAL RESOURCES**

**APPROPRIATION SUMMARY**

Full-time equated unclassified positions .....	6.0		
Full-time equated classified positions .....	2,334.1		
<b>GROSS APPROPRIATION .....</b>		<b>\$</b>	<b>439,717,700</b>
Interdepartmental grant revenues:			
Total interdepartmental grants and intradepartmental transfers .....			232,200
<b>ADJUSTED GROSS APPROPRIATION .....</b>		<b>\$</b>	<b>439,485,500</b>
Federal revenues:			
Total federal revenues .....			75,501,200
Special revenue funds:			
Total local revenues .....			0
Total private revenues .....			7,431,600
Total other state restricted revenues .....			309,567,700
State general fund/general purpose .....		<b>\$</b>	<b>46,985,000</b>

**FUND SOURCE SUMMARY**

Full-time equated unclassified positions .....

	For Fiscal Year Ending Sept. 30, 2020
Full-time equated classified positions.....	2,334.1
GROSS APPROPRIATION.....	\$ 439,717,700
Interdepartmental grant revenues:	
IDG, land acquisition services-to-work orders .....	232,200
Total interdepartmental grants and intradepartmental transfers .....	232,200
ADJUSTED GROSS APPROPRIATION.....	\$ 439,485,500
Federal revenues:	
Federal funds.....	72,434,800
Federal national forest timber fund.....	902,600
Michigan state waterways fund, federal .....	1,843,800
State park improvement, federal.....	320,000
Total federal revenues .....	75,501,200
Special revenue funds:	
Private funds .....	7,431,600
Total private revenues .....	7,431,600
Cervidae licensing and inspection fees .....	139,400
Commercial forest fund.....	27,200
Deer habitat reserve.....	2,163,000
Fire equipment fund .....	668,700
Fisheries settlement.....	629,200
Forest development fund .....	48,189,200
Forest land user charges .....	262,700
Forest recreation account.....	3,175,800
Game and fish protection fund .....	76,158,500
Invasive species fund .....	100
Land exchange facilitation fund .....	5,090,400
Local public recreation facilities fund .....	2,204,000
Mackinac Island State Park fund .....	1,624,400
Mackinac Island State Park operation fund .....	129,100
MacMullan Conference Center account .....	1,178,600
Marine safety fund .....	3,770,200
Michigan heritage publications fund .....	22,300
Michigan historical center operations fund.....	809,600
Michigan natural resources trust fund .....	1,345,700
Michigan state parks endowment fund .....	26,961,400
Michigan state waterways fund .....	30,351,300
Nongame wildlife fund.....	490,800
Off-road vehicle safety education fund .....	234,600
Off-road vehicle trail improvement fund.....	8,419,400
Park improvement fund.....	66,998,400
Park improvement fund - Belle Isle subaccount.....	1,000,200
Permanent snowmobile trail easement fund .....	700,000
Public use and replacement deed fees .....	28,600
Pure Michigan trails fund.....	200
Recreation improvement account .....	1,545,500
Recreation passport fees .....	9,873,500
Snowmobile registration fee revenue .....	1,200,800
Snowmobile trail improvement fund .....	9,966,300
Sportsmen against hunger fund .....	77,500
Turkey permit fees .....	1,130,600
Waterfowl fees .....	120,800
Wildlife management public education fund .....	1,600,000
Wildlife resource protection fund.....	1,179,300
Youth hunting and fishing education and outreach fund .....	100,400
Total other state restricted revenues .....	309,567,700
State general fund/general purpose.....	\$ 46,985,000

For Fiscal Year  
Ending Sept. 30,  
2020

**Sec. 102. DEPARTMENTAL ADMINISTRATION AND SUPPORT**

Full-time equated unclassified positions.....	6.0	
Full-time equated classified positions.....	121.1	
Unclassified salaries—6.0 FTE positions.....		\$ 824,200
Accounting service center .....		1,528,000
Executive direction—11.6 FTE positions.....		2,223,100
Finance and operations—105.5 FTE positions.....		17,014,000
Gifts and pass-through transactions.....		5,000,000
Legal services—4.0 FTE positions.....		657,500
Natural resources commission.....		77,100
Property management.....		4,032,300
<b>GROSS APPROPRIATION.....</b>		<b>\$ 31,356,200</b>
Appropriated from:		
Interdepartmental grant revenues:		
IDG, land acquisition services-to-work orders .....		232,200
Federal revenues:		
Federal funds.....		353,500
Special revenue funds:		
Private funds .....		5,000,000
Deer habitat reserve.....		160,500
Forest development fund.....		2,927,200
Forest land user charges .....		7,700
Forest recreation account.....		54,100
Game and fish protection fund .....		7,317,800
Land exchange facilitation fund .....		5,012,300
Local public recreation facilities fund .....		204,000
Marine safety fund .....		813,300
Michigan natural resources trust fund .....		1,323,400
Michigan state parks endowment fund.....		1,341,800
Michigan state waterways fund.....		799,700
Nongame wildlife fund.....		13,800
Off-road vehicle safety education fund .....		700
Off-road vehicle trail improvement fund.....		208,700
Park improvement fund.....		1,827,600
Public use and replacement deed fees .....		28,600
Recreation improvement account .....		84,900
Snowmobile registration fee revenue .....		50,100
Snowmobile trail improvement fund.....		127,400
Sportsmen against hunger fund .....		500
Turkey permit fees .....		79,800
Waterfowl fees .....		3,400
Wildlife resource protection fund.....		43,200
State general fund/general purpose.....		\$ 3,340,000

**Sec. 103. DEPARTMENT INITIATIVES**

Full-time equated classified positions.....	13.0	
Great Lakes restoration initiative .....		\$ 2,922,000
Invasive species prevention and control—13.0 FTE positions .....		5,056,900
<b>GROSS APPROPRIATION.....</b>		<b>\$ 7,978,900</b>
Appropriated from:		
Federal revenues:		
Federal funds.....		2,922,000
State general fund/general purpose.....		\$ 5,056,900

**Sec. 104. COMMUNICATION AND CUSTOMER SERVICES**

Full-time equated classified positions.....	137.3	
Marketing and outreach—80.8 FTE positions.....		\$ 14,166,300

	For Fiscal Year Ending Sept. 30, 2020
Michigan historical center—56.5 FTE positions .....	6,975,200
Michigan wildlife council campaign management .....	80,000
Michigan wildlife council media .....	936,000
Michigan wildlife council messaging and implementation .....	448,000
Michigan wildlife council research .....	<u>136,000</u>
GROSS APPROPRIATION.....	\$ 22,741,500
Appropriated from:	
Federal revenues:	
Federal funds.....	2,374,800
State park improvement, federal.....	320,000
Special revenue funds:	
Private funds .....	396,200
Forest development fund.....	136,000
Forest recreation account.....	16,900
Game and fish protection fund .....	8,466,800
Land exchange facilitation fund .....	47,500
Marine safety fund .....	36,100
Michigan heritage publications fund .....	22,300
Michigan historical center operations fund.....	809,600
Michigan state parks endowment fund .....	91,800
Michigan state waterways fund .....	152,700
Nongame wildlife fund.....	10,900
Off-road vehicle trail improvement fund.....	38,500
Park improvement fund .....	2,904,200
Recreation passport fees .....	53,200
Snowmobile registration fee revenue .....	19,500
Snowmobile trail improvement fund .....	45,600
Sportsmen against hunger fund .....	76,400
Wildlife management public education fund .....	1,600,000
Youth hunting and fishing education and outreach fund .....	98,400
State general fund/general purpose.....	\$ 5,024,100
<b>Sec. 105. WILDLIFE DIVISION</b>	
Full-time equated classified positions.....	230.5
Natural resources heritage—9.0 FTE positions .....	\$ 639,500
Wildlife management—221.5 FTE positions .....	<u>45,581,200</u>
GROSS APPROPRIATION.....	\$ 46,220,700
Appropriated from:	
Federal revenues:	
Federal funds.....	25,581,100
Special revenue funds:	
Private funds .....	315,700
Cervidae licensing and inspection fees .....	86,000
Deer habitat reserve.....	1,740,900
Forest development fund.....	277,600
Game and fish protection fund .....	12,186,800
Nongame wildlife fund.....	435,600
Turkey permit fees .....	1,017,000
Waterfowl fees .....	114,100
State general fund/general purpose.....	\$ 4,465,900
<b>Sec. 106. FISHERIES DIVISION</b>	
Full-time equated classified positions.....	223.5
Aquatic resource mitigation—2.0 FTE positions .....	\$ 629,300
Fish production—63.0 FTE positions.....	10,419,400
Fisheries resource management—158.5 FTE positions .....	<u>21,369,700</u>
GROSS APPROPRIATION.....	\$ 32,418,400



For Fiscal Year  
Ending Sept. 30,  
2020

Appropriated from:	
Federal revenues:	
Federal funds.....	11,514,300
Special revenue funds:	
Private funds .....	136,700
Fisheries settlement.....	629,200
Game and fish protection fund .....	19,612,100
Invasive species fund .....	100
State general fund/general purpose.....	\$ 526,000
<b>Sec. 107. LAW ENFORCEMENT</b>	
Full-time equated classified positions.....	293.0
General law enforcement—293.0 FTE positions.....	\$ 44,784,100
<b>GROSS APPROPRIATION.....</b>	<b>\$ 44,784,100</b>
Appropriated from:	
Federal revenues:	
Federal funds.....	6,648,100
Special revenue funds:	
Cervidae licensing and inspection fees .....	53,400
Forest development fund.....	45,400
Forest recreation account.....	72,800
Game and fish protection fund .....	20,013,500
Marine safety fund .....	1,349,900
Michigan state parks endowment fund .....	71,400
Michigan state waterways fund .....	21,700
Off-road vehicle safety education fund .....	156,300
Off-road vehicle trail improvement fund.....	2,007,800
Park improvement fund.....	72,800
Snowmobile registration fee revenue .....	723,400
Wildlife resource protection fund.....	1,094,000
State general fund/general purpose.....	\$ 12,453,600
<b>Sec. 108. PARKS AND RECREATION DIVISION</b>	
Full-time equated classified positions.....	967.2
Forest recreation and trails—61.7 FTE positions .....	\$ 7,131,100
MacMullan Conference Center—15.0 FTE positions .....	1,178,600
Recreational boating—174.9 FTE positions.....	20,471,600
State parks—715.6 FTE positions .....	75,892,400
State park improvement revenue bonds - debt service.....	1,197,500
<b>GROSS APPROPRIATION.....</b>	<b>\$ 105,871,200</b>
Appropriated from:	
Federal revenues:	
Federal funds.....	141,400
Michigan state waterways fund, federal .....	1,643,800
Special revenue funds:	
Private funds .....	428,100
Forest recreation account.....	2,990,000
MacMullan Conference Center account .....	1,178,600
Michigan state parks endowment fund .....	11,347,700
Michigan state waterways fund .....	18,830,800
Off-road vehicle safety education fund .....	7,200
Off-road vehicle trail improvement fund.....	1,485,800
Park improvement fund.....	60,807,800
Park improvement fund - Belle Isle subaccount.....	1,000,200
Pure Michigan trails fund.....	100
Recreation improvement account .....	504,600
Recreation passport fees .....	320,300
Snowmobile registration fee revenue .....	16,100
Snowmobile trail improvement fund.....	1,628,500
State general fund/general purpose.....	\$ 3,540,200

For Fiscal Year  
Ending Sept. 30,  
2020

**Sec. 109. MACKINAC ISLAND STATE PARK COMMISSION**

Full-time equated classified positions.....	17.0	
Historical facilities system—13.0 FTE positions .....		\$ 1,827,100
Mackinac Island State Park operations—4.0 FTE positions.....		<u>335,000</u>
GROSS APPROPRIATION.....		\$ 2,162,100
Appropriated from:		
Special revenue funds:		
Mackinac Island State Park fund .....		1,624,400
Mackinac Island State Park operation fund .....		129,100
State general fund/general purpose.....		\$ 408,600

**Sec. 110. FOREST RESOURCES DIVISION**

Full-time equated classified positions.....	331.5	
Adopt-a-forest program.....		\$ 25,000
Cooperative resource programs—11.0 FTE positions.....		1,580,300
Forest fire equipment .....		931,500
Forest management and timber market development—178.0 FTE positions.....		35,061,700
Forest management initiatives—8.5 FTE positions .....		881,400
IDG from forest development fund to department of agriculture and rural development .....		997,300
Minerals management—20.0 FTE positions .....		2,915,600
Wildfire protection—114.0 FTE positions .....		<u>14,320,200</u>
GROSS APPROPRIATION.....		\$ 56,713,000
Appropriated from:		
Federal revenues:		
Federal funds.....		3,405,800
Federal national forest timber fund.....		902,600
Special revenue funds:		
Private funds .....		1,054,900
Commercial forest fund.....		25,100
Fire equipment fund .....		668,700
Forest development fund .....		39,008,900
Forest land user charges .....		231,100
Game and fish protection fund .....		1,996,600
Michigan state parks endowment fund .....		2,741,300
Michigan state waterways fund .....		52,700
State general fund/general purpose.....		\$ 6,625,300

**Sec. 111. GRANTS**

Dam management grant program .....		\$ 350,000
Deer habitat improvement partnership initiative .....		300,000
Federal - clean vessel act grants .....		400,000
Federal - forest stewardship grants.....		2,000,000
Federal - land and water conservation fund payments.....		6,000,000
Federal - rural community fire protection.....		400,000
Federal - urban forestry grants .....		900,000
Fisheries habitat improvement grants.....		1,250,000
Grants to communities - federal oil, gas, and timber payments .....		3,450,000
Grants to counties - marine safety .....		3,074,700
National recreational trails .....		3,901,400
Nonmotorized trail development and maintenance grants .....		200,000
Off-road vehicle safety training grants .....		60,000
Off-road vehicle trail improvement grants .....		4,656,800
Recreation improvement fund grants.....		907,100
Recreation passport local grants.....		2,000,000
Snowmobile law enforcement grants.....		380,100
Snowmobile local grants program .....		8,090,400
Trail easements .....		700,000

	For Fiscal Year Ending Sept. 30, 2020
Wildlife habitat improvement grants .....	1,500,000
GROSS APPROPRIATION .....	\$ 40,520,500
Appropriated from:	
Federal revenues:	
Federal funds .....	18,618,800
Special revenue funds:	
Private funds .....	100,000
Deer habitat reserve .....	200,000
Game and fish protection fund .....	2,750,000
Local public recreation facilities fund .....	2,000,000
Marine safety fund .....	1,407,300
Off-road vehicle safety education fund .....	60,000
Off-road vehicle trail improvement fund .....	4,656,800
Permanent snowmobile trail easement fund .....	700,000
Recreation improvement account .....	907,100
Snowmobile registration fee revenue .....	380,100
Snowmobile trail improvement fund .....	8,090,400
State general fund/general purpose .....	\$ 650,000
<b>Sec. 112. INFORMATION TECHNOLOGY</b>	
Information technology services and projects .....	\$ 10,526,100
GROSS APPROPRIATION .....	\$ 10,526,100
Appropriated from:	
Special revenue funds:	
Commercial forest fund .....	2,100
Deer habitat reserve .....	61,600
Forest development fund .....	1,644,100
Forest land user charges .....	23,900
Forest recreation account .....	42,000
Game and fish protection fund .....	3,814,900
Land exchange facilitation fund .....	30,600
Marine safety fund .....	163,600
Michigan natural resources trust fund .....	22,300
Michigan state parks endowment fund .....	1,367,400
Michigan state waterways fund .....	493,700
Nongame wildlife fund .....	30,500
Off-road vehicle safety education fund .....	10,400
Off-road vehicle trail improvement fund .....	21,800
Park improvement fund .....	1,386,000
Pure Michigan trails fund .....	100
Recreation improvement account .....	48,900
Snowmobile registration fee revenue .....	11,600
Snowmobile trail improvement fund .....	74,400
Sportsmen against hunger fund .....	600
Turkey permit fees .....	33,800
Waterfowl fees .....	3,300
Wildlife resource protection fund .....	42,100
Youth hunting and fishing education and outreach .....	2,000
State general fund/general purpose .....	\$ 1,194,400
<b>Sec. 113. CAPITAL OUTLAY</b>	
<b>(1) RECREATIONAL LANDS AND INFRASTRUCTURE</b>	
Forest development infrastructure .....	\$ 4,150,000
State parks repair and maintenance .....	21,000,000
GROSS APPROPRIATION .....	\$ 25,150,000
Appropriated from:	
Special revenue funds:	
Forest development fund .....	4,150,000
Michigan state parks endowment fund .....	10,000,000

	For Fiscal Year Ending Sept. 30, 2020
Recreation passport fees.....	9,500,000
State general fund/general purpose.....	\$ 1,500,000
<b>(2) WATERWAYS BOATING PROGRAM</b>	
Local boating infrastructure maintenance and improvements.....	\$ 3,000,000
State boating infrastructure maintenance.....	<u>8,075,000</u>
<b>GROSS APPROPRIATION.....</b>	<b>\$ 11,075,000</b>
Appropriated from:	
Federal revenues:	
Federal funds.....	875,000
Michigan state waterways fund, federal .....	200,000
Special revenue funds:	
Michigan state waterways fund .....	10,000,000
State general fund/general purpose.....	\$ 0
<b>Sec. 114. ONE-TIME BASIS ONLY APPROPRIATIONS</b>	
Wildlife and fisheries health study .....	\$ 200,000
Wildlife management .....	<u>2,000,000</u>
<b>GROSS APPROPRIATION.....</b>	<b>\$ 2,200,000</b>
Appropriated from:	
State general fund/general purpose.....	\$ 2,200,000

PART 2  
PROVISIONS CONCERNING APPROPRIATIONS  
FOR FISCAL YEAR 2019-2020

**GENERAL SECTIONS**

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for the fiscal year ending September 30, 2020 is \$356,552,700.00 and state spending from state resources to be paid to local units of government for the fiscal year ending September 30, 2020 is \$8,122,200.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

**DEPARTMENT OF NATURAL RESOURCES**

Dam management grants.....	\$ 175,000
Fisheries habitat improvement grants.....	125,000
Grants to counties – marine safety .....	1,407,300
Nonmotorized trail development and maintenance grants .....	100,000
Off-road vehicle safety training grants .....	60,000
Off-road vehicle trail improvement grants .....	634,100
Recreation improvement fund grants.....	90,700
Recreation passport local grants .....	2,000,000
Snowmobile law enforcement grants.....	380,100
Wildlife habitat improvement grants .....	150,000
Local boating infrastructure maintenance and improvements.....	<u>3,000,000</u>
<b>TOTAL .....</b>	<b>\$ 8,122,200</b>

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

Sec. 203. As used in this part and part 1:

- (a) "Department" means the department of natural resources.
- (b) "Director" means the director of the department.
- (c) "FTE" means full-time equated.
- (d) "IDG" means interdepartmental grant.

Sec. 204. The departments and agencies receiving appropriations in part 1 shall use the internet to fulfill the reporting requirements of this part. This requirement may include transmission of reports via electronic mail to the recipients identified for each reporting requirement, or it may include placement of reports on an internet or intranet site.

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

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

Sec. 207. The departments and agencies receiving appropriations in part 1 shall prepare a report on out-of-state travel expenses not later than January 1 of each year. The travel report shall be a listing of all travel by classified and unclassified employees outside this state in the immediately preceding fiscal year that was funded in whole or in part with funds appropriated in the department’s budget. The report shall be submitted to the senate and house appropriations committees, the house and senate fiscal agencies, and the state budget director. The report shall include the following information:

- (a) The dates of each travel occurrence.
- (b) The total transportation and related costs of each travel occurrence, including the proportion funded with state general fund/general purpose revenues, the proportion funded with state restricted revenues, the proportion funded with federal revenues, and the proportion funded with other revenues.

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

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

Sec. 210. In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$5,000,000.00 for state restricted contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

Sec. 211. The department shall cooperate with the department of technology, management, and budget to maintain a searchable website accessible by the public at no cost that includes, but is not limited to, all of the following for each department or agency:

- (a) Fiscal year-to-date expenditures by category.
- (b) Fiscal year-to-date expenditures by appropriation unit.
- (c) Fiscal year-to-date payments to a selected vendor, including the vendor name, payment date, payment amount, and payment description.
- (d) The number of active department employees by job classification.
- (e) Job specifications and wage rates.

Sec. 212. Within 14 days after the release of the executive budget recommendation, the department shall cooperate with the state budget office to provide the senate and house appropriations chairs, the senate and house appropriations subcommittees chairs, and the senate and house fiscal agencies with an annual report on estimated state restricted fund balances, state restricted fund projected revenues, and state restricted fund expenditures for the fiscal years ending September 30, 2019 and September 30, 2020.

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

Sec. 214. Total authorized appropriations from all sources under part 1 for legacy costs for the fiscal year ending September 30, 2019 are estimated at \$45,804,600.00. From this amount, total agency appropriations for pension-related legacy costs are estimated at \$22,266,700.00. Total agency appropriations for retiree health care legacy costs are estimated at \$23,537,900.00.

Sec. 215. Appropriations of state restricted game and fish protection funds have been made in the following amounts to the following departments and agencies:

Legislative auditor general .....	\$ 32,000
Attorney general .....	640,700
Department of technology, management, and budget .....	491,400
Department of treasury .....	3,010,500

Sec. 216. Pursuant to section 43703(3) of the natural resources and environmental protection act, 1994 PA 451, MCL 324.43703, there is appropriated from the game and fish protection trust fund to the game and fish protection account of the Michigan conservation and recreation legacy fund, \$6,000,000.00 for the fiscal year ending September 30, 2020.

Sec. 220. The department shall not take disciplinary action against an employee for communicating with a member of the legislature or his or her staff.

Sec. 221. The department may contract with or provide grants to local units of government, institutions of higher education, or nonprofit organizations to support activities authorized by appropriations in part 1. As used in this section, contracts and grants include, but are not limited to, contracts and grants for research, wildlife and fisheries management, forest management, invasive species monitoring and control, and natural resource-related programs.

#### **DEPARTMENT INITIATIVES**

Sec. 251. From the amounts appropriated in part 1 for invasive species prevention and control, the department shall allocate not less than \$3,600,000.00 for grants for the prevention, detection, eradication, and control of invasive species.

#### **DEPARTMENT SUPPORT SERVICES**

Sec. 302. The department may charge land acquisition projects appropriated for the fiscal year ending September 30, 2020, and for prior fiscal years, a standard percentage fee to recover actual costs, and may use the revenue derived to support the land acquisition service charges provided for in part 1.

Sec. 303. As appropriated in part 1, the department may charge both application fees and transaction fees related to the exchange or sale of state-owned land or rights in land authorized by part 21 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.2101 to 324.2165. The fees shall be set by the director at a rate that allows the department to recover its costs for providing these services.

#### **COMMUNICATION AND CUSTOMER SERVICES**

Sec. 408. By October 21, the department shall submit to the senate and house appropriations subcommittees on natural resources a report on all land transactions approved by the natural resources commission in the fiscal year ending September 30, 2019. For each land transaction, the report shall include the size of the parcel, the county and municipality in which the parcel is located, the dollar amount of the transaction, the fund source affected by the transaction, and whether the transaction is by purchase, public auction, transfer, exchange, or conveyance.

#### **WILDLIFE DIVISION**

Sec. 504. From the funds appropriated in part 1, the department shall provide a report to the legislature on the use of registration fees collected from privately owned cervid operations. Appropriations in part 1 from cervidae licensing and inspection fees shall be used only for work directly related to the regulation of privately owned cervid operations in this state.

Sec. 506. The United States Department of Agriculture, Wildlife Services, is encouraged to harvest all deer during targeted removal required under the enhanced wildlife biosecurity program.

#### **FISHERIES DIVISION**

Sec. 601. (1) From the appropriation in part 1 for aquatic resource mitigation, not more than \$758,000.00 shall be allocated for grants to watershed councils, resource development councils, soil conservation districts, local governmental units, and other nonprofit organizations for stream habitat stabilization and soil erosion control.

(2) The fisheries division in the department shall develop priority and cost estimates for all projects recommended for grants under subsection (1).

Sec. 602. As a condition of expenditure of fisheries management appropriations under part 1, the department of natural resources shall not impede the certification process for water control structures on Michigan waterways. The department of natural resources shall fund from funds appropriated in part 1 all non-water-quality studies or requirements that the department requests of either of the following:

(a) The department of environmental quality as a condition for issuance of a certification under section 401 of the federal water pollution control act, 33 USC 1341.

(b) The Federal Energy Regulatory Commission as a condition of licensing under the federal power act, 16 USC 791a to 825r.

Sec. 603. The department shall produce an annual report detailing the performance of its fish hatcheries by March 31.

#### **FOREST RESOURCES DIVISION**

Sec. 802. From the funds appropriated in part 1, the department shall provide quarterly reports on the number of acres of state forestland marked or treated for timber harvest to the senate and house appropriations subcommittees on natural resources and the standing committees of the senate and house of representatives with primary responsibility for natural resources issues. The department shall complete and deliver these reports by 45 days after the end of the fiscal quarter.

Sec. 803. In addition to the money appropriated in part 1, the department may receive and expend money from federal sources to provide response to wildfires as required by a compact with the federal government. If additional expenditure authorization is required, the department shall notify the state budget office that expenditure under this section is required. The department shall notify the house and senate appropriations subcommittees on natural resources and the house and senate fiscal agencies by November 1 of the expenditures under this section during the fiscal year ending September 30, 2019.

Sec. 807. (1) In addition to the funds appropriated in part 1, there is appropriated from the disaster and emergency contingency fund up to \$800,000.00 to cover department costs related to any disaster as defined in section 2 of the emergency management act, 1976 PA 390, MCL 30.402.

(2) Funds appropriated under subsection (1) shall not be expended unless the state budget director recommends the expenditure and the department notifies the house and senate committees on appropriations. By December 1 each year, the department shall provide a report to the senate and house fiscal agencies and the state budget office on the use of the disaster and emergency contingency fund during the prior fiscal year.

(3) If Federal Emergency Management Agency (FEMA) reimbursement is approved for costs paid from the disaster and emergency contingency fund, the federal revenue shall be deposited into the disaster and emergency contingency fund.

(4) Unexpended and unencumbered funds remaining in the disaster and emergency contingency fund at the close of the fiscal year shall not lapse to the general fund and shall be carried forward and be available for expenditures in subsequent fiscal years.

#### **LAW ENFORCEMENT**

Sec. 901. The appropriation in part 1 for snowmobile law enforcement grants shall be used by the department to provide grants to county law enforcement agencies to enforce part 821 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.82101 to 324.82161, including rules promulgated under that part and ordinances enacted pursuant to that part. The department shall consider the number of enforcement hours and the number of miles of snowmobile trails in each county in allocating these grants. Any funds not distributed to counties revert back to the snowmobile registration fee subaccount created under section 82111 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.82111. Counties shall provide semiannual reports to the department on the use of grant money received under this section.

Sec. 902. The department shall provide a report on the marine safety grant program to the senate and house appropriations subcommittees on natural resources and the senate and house fiscal agencies by December 1. The report shall include the following information for the preceding year: the total amount of revenue received for watercraft registrations, the amount deposited into the marine safety fund, and the expenditures made from the marine safety fund, including the amounts expended for department administration, other state agencies, the law enforcement division, and grants to counties. The report shall also include the distribution methodology used by the department to distribute the marine safety grants and a list of the grants and the amounts awarded by county.

#### **GRANTS**

Sec. 1001. Federal pass-through funds to local institutions and governments that are received in amounts in addition to those included in part 1 for grants to communities - federal oil, gas, and timber payments and that do not require additional state matching funds are appropriated for the purposes intended. By November 30, the department shall report to the senate and house appropriations subcommittees on natural resources, the senate and house fiscal agencies, and the state budget director on all amounts appropriated under this section during the fiscal year ending September 30, 2019.

Sec. 1002. The department shall work with the waterways commission to develop a plan to incorporate grants for state-designated water trails as part of the current waterways account grant application program. Grant criteria shall be based in part on the qualifications and criteria already established in the department's water trail designation process.

#### **CAPITAL OUTLAY**

Sec. 1103. The appropriations in part 1 for capital outlay shall be carried forward at the end of the fiscal year consistent with section 248 of the management and budget act, 1984 PA 431, MCL 18.1248.

#### **ONE-TIME BASIS ONLY APPROPRIATIONS**

Sec. 1202. From the funds appropriated in part 1 for finance and operations, \$35,000.00 is designated to reimburse local units of government for qualifying costs related to lake level assessments. The department may reimburse these costs without being compelled to do so by a court of law.

Sec. 1203. The unexpended funds appropriated in part 1 for wildlife management (one-time) are designated as a work project appropriation, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditure for projects under this section until the projects have been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

- (a) The purpose of the project is to fund wildlife disease research.
- (b) The project will be accomplished by utilizing state employees or contracts with service providers, or both.
- (c) The total estimated cost of the project is \$2,000,000.00.
- (d) The tentative completion date is September 30, 2022.

Sec. 1206. (1) From the funds appropriated in part 1 for wildlife and fisheries health study, the department shall investigate the effect of PFAS contamination on Michigan's wildlife and fisheries populations.

(2) As used in this section, "PFAS" means perfluoroalkyl and polyfluoroalkyl substances.

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

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

Sue Allor  
Annette Glenn  
Conferees for the House

Jon Bumstead  
Jim Stamas  
Conferees for the Senate

The question being on the adoption of the conference report,

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

**Roll Call No. 233**

**Yeas—23**

Barrett	LaSata	Nesbitt	Stamas
Bizon	Lauwers	Outman	Theis
Bumstead	Lucido	Polehanki	VanderWall
Daley	MacDonald	Runestad	Victory
Horn	MacGregor	Schmidt	Zorn
Johnson	McBroom	Shirkey	

**Nays—15**

Alexander	Bullock	Hollier	Moss
Ananich	Chang	Irwin	Santana
Bayer	Geiss	McCann	Wojno
Brinks	Hertel	McMorrow	

**Excused—0**

**Not Voting—0**

In The Chair: President

Senator MacGregor moved that the bill be given immediate effect.

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

**Protests**

Senators Bayer, Hertel, Geiss, Ananich, Alexander, Bullock, Santana and Wojno, under their constitutional right of protest (Art. 4, Sec. 18), protested against the adoption of the first conference report on House Bill No. 4241.

Senator Bayer moved that the statement she made during the discussion of the conference report be printed as her reasons for voting "no."



Senator Bayer’s statement, in which Senators Hertel, Geiss, Ananich, Alexander, Bullock, Santana and Wojno concurred, is as follows:

Today I rise for my “no” vote explanation in opposition to the Department of Natural Resources budget. As we know, the DNR is devoted to the conservation, protection, management, use, and enjoyment of our state’s natural and cultural resources for current and future generations. What better way to serve this mission than the Michigan Conservation Corps, a program that employs at-risk youth from Detroit, Pontiac, Saginaw, and Flint on summer natural resources projects while they learn invaluable job skills. Sadly, this conference committee budget eliminated the placeholder for this program that was negotiated earlier in the process. Because of this, I must vote “no” on this bill. I appreciate the hard work that went into this budget, which is good, just not good enough. So I respectfully urge my colleagues to vote “no” on this budget.

**Senate Bill No. 138, entitled**

A bill to make appropriations for the legislature, the executive, the department of the attorney general, the department of state, the department of treasury, the department of technology, management, and budget, the department of civil rights, the department of talent and economic development, and certain other state purposes for the fiscal year ending September 30, 2020; to provide for the expenditure of the appropriations; to provide for the disposition of fees and other income received by the state agencies; and to declare the effect of this act.

(For Conference Report, see Senate Journal No. 89, p. 1073.)

The House of Representatives has adopted the report of the Committee of Conference and ordered that the bill be given immediate effect.

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

**Senate Bill No. 139, entitled**

A bill to make appropriations for the department of health and human services for the fiscal year ending September 30, 2020; and to provide for the expenditure of the appropriations.

(For Conference Report, see Senate Journal No. 89, p. 1148.)

The House of Representatives has adopted the report of the Committee of Conference and ordered that the bill be given immediate effect.

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

By unanimous consent the Senate returned to the order of

**Third Reading of Bills**

The following bill was read a third time:

**Senate Bill No. 530, entitled**

A bill to amend 1994 PA 451, entitled “Natural resources and environmental protection act,” by amending sections 5501 and 5522 (MCL 324.5501 and 324.5522), section 5501 as amended by 1998 PA 245 and section 5522 as amended by 2015 PA 60.

The question being on the passage of the bill,

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

**Roll Call No. 234**

**Yeas—38**

Alexander	Geiss	MacGregor	Santana
Ananich	Hertel	McBroom	Schmidt
Barrett	Hollier	McCann	Shirkey
Bayer	Horn	McMorrow	Stamas
Bizon	Irwin	Moss	Theis
Brinks	Johnson	Nesbitt	VanderWall
Bullock	LaSata	Outman	Victory
Bumstead	Lauwers	Polehanki	Wojno
Chang	Lucido	Runestad	Zorn
Daley	MacDonald		

**Nays—0**

**Excused—0**

**Not Voting—0**

In The Chair: President

Senator MacGregor moved that the bill be given immediate effect.  
The motion prevailed, 2/3 of the members serving voting therefor.  
The Senate agreed to the title of the bill.

The following bill was read a third time:

**Senate Bill No. 473, entitled**

A bill to amend 1976 PA 451, entitled “The revised school code,” by amending section 1211 (MCL 380.1211), as amended by 2012 PA 285.

The question being on the passage of the bill,

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

**Roll Call No. 235**

**Yeas—38**

Alexander	Geiss	MacGregor	Santana
Ananich	Hertel	McBroom	Schmidt
Barrett	Hollier	McCann	Shirkey
Bayer	Horn	McMorro	Stamas
Bizon	Irwin	Moss	Theis
Brinks	Johnson	Nesbitt	VanderWall
Bullock	LaSata	Outman	Victory
Bumstead	Lauwers	Polehanki	Wojno
Chang	Lucido	Runestad	Zorn
Daley	MacDonald		

**Nays—0**

**Excused—0**

**Not Voting—0**

In The Chair: President

Senator MacGregor moved that the bill be given immediate effect.  
The motion prevailed, 2/3 of the members serving voting therefor.  
The Senate agreed to the title of the bill.

The following bill was read a third time:

**Senate Bill No. 474, entitled**

A bill to amend 1996 PA 160, entitled “Postsecondary enrollment options act,” by amending section 4 (MCL 388.514), as amended by 2012 PA 134.

The question being on the passage of the bill,

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

**Roll Call No. 236**

**Yeas—38**

Alexander	Geiss	MacGregor	Santana
Ananich	Hertel	McBroom	Schmidt
Barrett	Hollier	McCann	Shirkey
Bayer	Horn	McMorrow	Stamas
Bizon	Irwin	Moss	Theis
Brinks	Johnson	Nesbitt	VanderWall
Bullock	LaSata	Outman	Victory
Bumstead	Lauwers	Polehanki	Wojno
Chang	Lucido	Runestad	Zorn
Daley	MacDonald		

**Nays—0**

**Excused—0**

**Not Voting—0**

In The Chair: President

Senator MacGregor moved that the bill be given immediate effect. The motion prevailed, 2/3 of the members serving voting therefor. The Senate agreed to the title of the bill.

The following bill was read a third time:

**Senate Bill No. 475, entitled**

A bill to amend 1984 PA 431, entitled “The management and budget act,” by amending section 367b (MCL 18.1367b), as amended by 2018 PA 613.

The question being on the passage of the bill,

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

**Roll Call No. 237**

**Yeas—38**

Alexander	Geiss	MacGregor	Santana
Ananich	Hertel	McBroom	Schmidt
Barrett	Hollier	McCann	Shirkey
Bayer	Horn	McMorrow	Stamas
Bizon	Irwin	Moss	Theis
Brinks	Johnson	Nesbitt	VanderWall
Bullock	LaSata	Outman	Victory
Bumstead	Lauwers	Polehanki	Wojno
Chang	Lucido	Runestad	Zorn
Daley	MacDonald		

**Nays—0**

**Excused—0**

**Not Voting—0**

In The Chair: President

Senator MacGregor moved that the bill be given immediate effect.  
The motion prevailed, 2/3 of the members serving voting therefor.  
The Senate agreed to the title of the bill.

The following bill was read a third time:

**Senate Bill No. 476, entitled**

A bill to amend 2000 PA 258, entitled “Career and technical preparation act,” by amending section 4 (MCL 388.1904), as amended by 2012 PA 133.

The question being on the passage of the bill,

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

**Roll Call No. 238**

**Yeas—38**

Alexander	Geiss	MacGregor	Santana
Ananich	Hertel	McBroom	Schmidt
Barrett	Hollier	McCann	Shirkey
Bayer	Horn	McMorrow	Stamas
Bizon	Irwin	Moss	Theis
Brinks	Johnson	Nesbitt	VanderWall
Bullock	LaSata	Outman	Victory
Bumstead	Lauwers	Polehanki	Wojno
Chang	Lucido	Runestad	Zorn
Daley	MacDonald		

**Nays—0**

**Excused—0**

**Not Voting—0**

In The Chair: President

Senator MacGregor moved that the bill be given immediate effect.  
The motion prevailed, 2/3 of the members serving voting therefor.  
The Senate agreed to the title of the bill.

**Recess**

Senator MacGregor moved that the Senate recess subject to the call of the Chair.  
The motion prevailed, the time being 2:16 p.m.

2:33 p.m.

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

By unanimous consent the Senate returned to the order of

**Conference Reports**

Senator MacGregor moved that the Senate proceed to consideration of the following bill:

**House Bill No. 4236**

The motion prevailed.

**House Bill No. 4236, entitled**

A bill to amend 1979 PA 94, entitled “The state school aid act of 1979,” by amending sections 236, 236a, 236b, 236c, 237, 241, 245, 245a, 251, 252, 256, 263, 264, 265, 265a, 265b, 265c, 265d, 267, 268, 269, 270, 274, 274c, 276, 277, 278, 279, 280, 281, 282, 283, and 289 (MCL 388.1836, 388.1836a, 388.1836b, 388.1836c, 388.1837, 388.1841, 388.1845, 388.1845a, 388.1851, 388.1852, 388.1856, 388.1863, 388.1864, 388.1865, 388.1865a, 388.1865b, 388.1865c, 388.1865d, 388.1867, 388.1868, 388.1869, 388.1870, 388.1874, 388.1874c, 388.1876, 388.1877, 388.1878, 388.1879, 388.1880, 388.1881, 388.1882, 388.1883, and 388.1889), sections 236, 236a, 236b, 236c, 241, 245, 251, 252, 256, 263, 264, 265a, 267, 268, 269, 270, 274, 274c, 276, 277, 278, 279, 280, 281, 282, and 289 as amended and sections 245a, 265b, 265c, and 265d as added by 2018 PA 265, section 237 as amended by 2012 PA 201, section 265 as amended by 2018 PA 586, and section 283 as amended by 2017 PA 108.

The House of Representatives has adopted the report of the Committee of Conference and ordered that the bill be given immediate effect.

The Conference Report was read as follows:

**FIRST CONFERENCE REPORT**

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

**House Bill No. 4236, entitled**

A bill to amend 1979 PA 94, entitled “The state school aid act of 1979,” by amending sections 236, 236a, 236b, 236c, 237, 241, 245, 245a, 251, 252, 256, 263, 264, 265, 265a, 265b, 265c, 265d, 267, 268, 269, 270, 274, 274c, 276, 277, 278, 279, 280, 281, 282, 283, and 289 (MCL 388.1836, 388.1836a, 388.1836b, 388.1836c, 388.1837, 388.1841, 388.1845, 388.1845a, 388.1851, 388.1852, 388.1856, 388.1863, 388.1864, 388.1865, 388.1865a, 388.1865b, 388.1865c, 388.1865d, 388.1867, 388.1868, 388.1869, 388.1870, 388.1874, 388.1874c, 388.1876, 388.1877, 388.1878, 388.1879, 388.1880, 388.1881, 388.1882, 388.1883, and 388.1889), sections 236, 236a, 236b, 236c, 241, 245, 251, 252, 256, 263, 264, 265a, 267, 268, 269, 270, 274, 274c, 276, 277, 278, 279, 280, 281, 282, and 289 as amended and sections 245a, 265b, 265c, and 265d as added by 2018 PA 265, section 237 as amended by 2012 PA 201, section 265 as amended by 2018 PA 586, and section 283 as amended by 2017 PA 108.

Recommends:

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

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

A bill to amend 1979 PA 94, entitled “The state school aid act of 1979,” by amending sections 236, 236a, 236b, 236c, 237, 241, 245, 245a, 251, 252, 256, 263, 263a, 264, 265, 265a, 265b, 265c, 265d, 267, 268, 269, 270, 274, 274c, 276, 277, 278, 279, 280, 281, 282, 283, and 289 (MCL 388.1836, 388.1836a, 388.1836b, 388.1836c, 388.1837, 388.1841, 388.1845, 388.1845a, 388.1851, 388.1852, 388.1856, 388.1863, 388.1863a, 388.1864, 388.1865, 388.1865a, 388.1865b, 388.1865c, 388.1865d, 388.1867, 388.1868, 388.1869, 388.1870, 388.1874, 388.1874c, 388.1876, 388.1877, 388.1878, 388.1879, 388.1880, 388.1881, 388.1882, 388.1883, and 388.1889), sections 236, 236a, 236b, 236c, 241, 245, 251, 252, 256, 263, 264, 265a, 267, 268, 269, 270, 274, 274c, 276, 277, 278, 279, 280, 281, 282, and 289 as amended and sections 245a, 265b, 265c, and 265d as added by 2018 PA 265, section 237 as amended by 2012 PA 201, sections 263a and 283 as amended by 2017 PA 108, and section 265 as amended by 2018 PA 586, and by adding section 275d.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

Sec. 236. (1) Subject to the conditions set forth in this article, the amounts listed in this section are appropriated for higher education for the fiscal year ending September 30, ~~2019~~, **2020**, from the funds indicated in this section. The following is a summary of the appropriations in this section:

(a) The gross appropriation is ~~\$1,669,732,600.00~~, **\$1,685,545,000.00**. After deducting total interdepartmental grants and intradepartmental transfers in the amount of \$0.00, the adjusted gross appropriation is ~~\$1,669,732,600.00~~, **\$1,685,545,000.00**.

(b) The sources of the adjusted gross appropriation described in subdivision (a) are as follows:

(i) Total federal revenues, ~~\$123,526,400.00~~ **\$128,026,400.00**.

(ii) Total local revenues, \$0.00.

(iii) Total private revenues, \$0.00.

(iv) Total other state restricted revenues, ~~\$500,188,300.00~~ **\$349,419,300.00**.

(v) State general fund/general purpose money, ~~\$1,046,047,900.00~~ **\$1,208,099,300.00**.

(2) Amounts appropriated for public universities are as follows:

(a) The appropriation for Central Michigan University is ~~\$87,415,000.00, \$85,654,400.00 for operations and \$1,760,600.00 for performance funding~~ **\$89,227,800.00, \$87,096,900.00 for operations, \$532,800.00 for performance funding, and \$1,598,100.00 for costs incurred under the North American Indian tuition waiver.**

(b) The appropriation for Eastern Michigan University is ~~\$76,979,300.00, \$75,169,900.00 for operations and \$1,809,400.00 for performance funding~~ **\$77,556,000.00, \$76,816,500.00 for operations, \$437,200.00 for performance funding, and \$302,300.00 for costs incurred under the North American Indian tuition waiver.**

(c) The appropriation for Ferris State University is ~~\$54,950,700.00, \$53,595,500.00 for operations and \$1,355,200.00 for performance funding~~ **\$56,032,800.00, \$54,732,400.00 for operations, \$293,100.00 for performance funding, and \$1,007,300.00 for costs incurred under the North American Indian tuition waiver.**

(d) The appropriation for Grand Valley State University is ~~\$72,056,600.00, \$70,100,100.00 for operations and \$1,956,500.00 for performance funding~~ **\$73,388,500.00, \$71,780,400.00 for operations, \$533,100.00 for performance funding, and \$1,075,000.00 for costs incurred under the North American Indian tuition waiver.**

(e) The appropriation for Lake Superior State University is ~~\$13,987,000.00, \$13,775,000.00 for operations and \$212,000.00 for performance funding~~ **\$14,361,000.00, \$13,349,300.00 for operations, \$57,700.00 for performance funding, and \$954,000.00 for costs incurred under the North American Indian tuition waiver.**

(f) The appropriation for Michigan State University is ~~\$350,703,300.00, \$281,239,100.00 for operations, \$5,035,100.00 for performance funding, \$34,591,400.00 for MSU AgBioResearch, and \$29,837,700.00 for MSU Extension~~ **\$353,872,800.00, \$285,805,100.00 for operations, \$1,526,600.00 for performance funding, \$1,467,700.00 for costs incurred under the North American Indian tuition waiver, \$34,937,300.00 for MSU AgBioResearch, and \$30,136,100.00 for MSU Extension.**

(g) The appropriation for Michigan Technological University is ~~\$49,949,600.00, \$49,052,200.00 for operations and \$897,400.00 for performance funding~~ **\$50,568,100.00, \$49,835,300.00 for operations, \$266,300.00 for performance funding, and \$466,500.00 for costs incurred under the North American Indian tuition waiver.**

(h) The appropriation for Northern Michigan University is ~~\$47,998,400.00, \$47,137,400.00 for operations and \$861,000.00 for performance funding~~ **\$48,909,100.00, \$47,576,200.00 for operations, \$232,900.00 for performance funding, and \$1,100,000.00 for costs incurred under the North American Indian tuition waiver.**

(i) The appropriation for Oakland University is ~~\$52,819,200.00, \$51,235,900.00 for operations and \$1,583,300.00 for performance funding~~ **\$53,432,500, \$52,719,900.00 for operations, \$427,500.00 for performance funding, and \$285,100.00 for costs incurred under the North American Indian tuition waiver.**

(j) The appropriation for Saginaw Valley State University is ~~\$30,528,000.00, \$29,766,100.00 for operations and \$761,900.00 for performance funding~~ **\$30,807,700.00, \$30,456,500.00 for operations, \$127,300.00 for performance funding, and \$223,900.00 for costs incurred under the North American Indian tuition waiver.**

(k) The appropriation for University of Michigan – Ann Arbor is ~~\$320,782,400.00, \$314,589,100.00 for operations and \$6,193,300.00 for performance funding~~ **\$322,773,600.00, \$320,255,800.00 for operations, \$1,714,300.00 for performance funding, and \$803,500.00 for costs incurred under the North American Indian tuition waiver.**

(l) The appropriation for University of Michigan – Dearborn is ~~\$26,071,800.00, \$25,421,900.00 for operations and \$649,900.00 for performance funding~~ **\$26,327,200.00, \$25,986,400.00 for operations, \$180,600.00 for performance funding, and \$160,200.00 for costs incurred under the North American Indian tuition waiver.**

(m) The appropriation for University of Michigan – Flint is ~~\$23,585,400.00, \$23,061,800.00 for operations and \$523,600.00 for performance funding~~ **\$23,893,200.00, \$23,493,800.00 for operations, \$122,400.00 for performance funding, and \$277,000.00 for costs incurred under the North American Indian tuition waiver.**

(n) The appropriation for Wayne State University is ~~\$202,363,200.00, \$199,169,800.00 for operations and \$3,193,400.00 for performance funding.~~ **\$203,413,900.00, \$202,112,700.00 for operations, \$884,000.00 for performance funding, and \$417,200.00 for costs incurred under the North American Indian tuition waiver.**

(o) The appropriation for Western Michigan University is ~~\$111,151,000.00, \$109,376,800.00 for operations and \$1,774,200.00 for performance funding.~~ **\$112,290,100.00, \$110,976,000.00 for operations, \$546,200.00 for performance funding, and \$767,900.00 for costs incurred under the North American Indian tuition waiver.**

(3) The amount appropriated in subsection (2) for public universities is **\$1,536,854,300.00**, appropriated from the following:

(a) State school aid fund, ~~\$494,286,300.00.~~ **\$343,168,300.00.**

(b) State general fund/general purpose money, ~~\$1,027,054,600.00.~~ **\$1,193,686,000.00.**

(4) The amount appropriated for Michigan public school employees' retirement system reimbursement is ~~\$5,133,000.00.~~ **\$5,017,000.00**, appropriated from the state school aid fund.

(5) The amount appropriated for state and regional programs is \$315,000.00, appropriated from general fund/general purpose money and allocated as follows:

(a) Higher education database modernization and conversion, \$200,000.00.

(b) Midwestern Higher Education Compact, \$115,000.00.

(6) The amount appropriated for the Martin Luther King, Jr. - Cesar Chavez - Rosa Parks program is \$2,691,500.00, appropriated from general fund/general purpose money and allocated as follows:

(a) Select student support services, \$1,956,100.00.

(b) Michigan college/university partnership program, \$586,800.00.

(c) Morris Hood, Jr. educator development program, \$148,600.00.

(7) Subject to subsection (8), the amount appropriated for grants and financial aid is ~~\$139,583,200.00.~~ **\$139,283,200.00**, allocated as follows:

(a) State competitive scholarships, \$32,361,700.00.

(b) Tuition grants, \$38,021,500.00.

(c) Tuition incentive program, \$64,300,000.00.

(d) Children of veterans and officer's survivor tuition grant programs, \$1,400,000.00.

(e) Project GEAR-UP, \$3,200,000.00.

~~(f) North American Indian tuition waiver, \$300,000.00.~~

(8) The money appropriated in subsection (7) for grants and financial aid is appropriated from the following:

(a) Federal revenues under the United States Department of Education, Office of Elementary and Secondary Education, GEAR-UP program, \$3,200,000.00.

(b) Federal revenues under the social security act, temporary assistance for needy families, ~~\$120,326,400.00.~~ **\$124,826,400.00.**

~~(c) Contributions to children of veterans tuition grant program, \$100,000.00.~~

~~(d) State general fund/general purpose money, \$15,956,800.00.~~ **\$11,256,800.00.**

(9) For fiscal year ~~2018-2019~~ **2019-2020** only, in addition to the allocation under subsection (4), from the appropriations described in subsection (1), there is allocated an amount not to exceed ~~\$669,000.00~~ **\$1,234,000.00** for payments to participating public universities, appropriated from the state school aid fund. A university that receives money under this subsection shall use that money solely for the purpose of offsetting the normal cost contribution rate. As used in this subsection, "participating public universities" means public universities that are a reporting unit of the Michigan public school employees' retirement system under the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1301 to 38.1437, and that pay contributions to the Michigan public school employees' retirement system for the state fiscal year.

**(10) The amount appropriated for pregnant and parenting student services is \$150,000.00, appropriated from state general fund/general purpose money, and subject to the conditions of the pregnant and parenting services act, 2004 PA 500, MCL 390.1591 to 390.1596.**

Sec. 236a. It is the intent of the legislature to provide appropriations for the fiscal year ending on September 30, ~~2020-2021~~ for the items listed in section 236. The fiscal year ~~2019-2020-2020-2021~~ appropriations are anticipated to be the same as those for fiscal year ~~2018-2019-~~ **2019-2020**, except that the amounts 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 ~~2019-2020~~ consensus revenue estimating conference. **For fiscal year 2020-2021, the amount appropriated for Michigan public school employees' retirement system reimbursement is projected to be \$7,264,000.00.**

Sec. 236b. In addition to the funds appropriated in section 236, there is appropriated for grants and financial aid in fiscal year ~~2018-2019-2019-2020~~ an amount not to exceed \$6,000,000.00 for federal contingency

funds. These funds are not available for expenditure until they have been transferred under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393, for another purpose under this article.

Sec. 236c. In addition to the funds appropriated for fiscal year ~~2018-2019~~ **2019-2020** in section 236, appropriations to the department of technology, management, and budget in the act providing general appropriations for fiscal year ~~2018-2019~~ **2019-2020** for state building authority rent, totaling an estimated ~~\$155,478,500.00~~, **\$144,995,300.00** provide funding for the state share of costs for previously constructed capital projects for state universities. These appropriations for state building authority rent represent additional state general fund support provided to public universities, and the following is an estimate of the amount of that support to each university:

- (a) Central Michigan University, ~~\$12,936,500.00~~ **\$12,141,800.00**.
- (b) Eastern Michigan University, ~~\$7,083,900.00~~ **\$7,673,600.00**.
- (c) Ferris State University, ~~\$8,275,000.00~~ **\$8,434,200.00**.
- (d) Grand Valley State University, ~~\$8,800,000.00~~ **\$6,752,400.00**.
- (e) Lake Superior State University, ~~\$2,285,800.00~~ **\$1,856,100.00**.
- (f) Michigan State University, ~~\$16,790,400.00~~ **\$15,514,900.00**.
- (g) Michigan Technological University, ~~\$6,782,000.00~~ **\$6,912,500.00**.
- (h) Northern Michigan University, ~~\$7,309,000.00~~ **\$7,449,600.00**.
- (i) Oakland University, ~~\$12,665,000.00~~ **\$12,908,600.00**.
- (j) Saginaw Valley State University, ~~\$10,984,000.00~~ **\$10,670,900.00**.
- (k) University of Michigan - Ann Arbor, ~~\$11,861,000.00~~ **\$9,795,900.00**.
- (l) University of Michigan - Dearborn, ~~\$10,918,000.00~~ **\$9,522,700.00**.
- (m) University of Michigan - Flint, ~~\$6,244,800.00~~ **\$4,128,900.00**.
- (n) Wayne State University, ~~\$16,480,200.00~~ **\$16,008,000.00**.
- (o) Western Michigan University, ~~\$16,062,900.00~~ **\$15,225,200.00**.

Sec. 237. All of the appropriations authorized under this article are subject to the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

Sec. 241. (1) Subject to sections 244 and 265a, the funds appropriated in section 236 to public universities shall be paid out of the state treasury and distributed by the state treasurer to the respective institutions in 11 equal monthly installments on the sixteenth of each month, or the next succeeding business day, beginning with October 16, ~~2018-2019~~. Except for Wayne State University, each institution shall accrue its July and August ~~2019-2020~~ payments to its institutional fiscal year ending June 30, ~~2019-2020~~.

(2) All public universities shall submit higher education institutional data inventory (HEIDI) data and associated financial and program information requested by and in a manner prescribed by the state budget director. For public universities with fiscal years ending June 30, ~~2018-2019~~, these data shall be submitted to the state budget director by October 15, ~~2018-2019~~. Public universities with a fiscal year ending September 30, ~~2018-2019~~ shall submit preliminary HEIDI data by November 15, ~~2018-2019~~ and final data by December 15, ~~2018-2019~~. If a public university fails to submit HEIDI data and associated financial aid program information in accordance with this reporting schedule, the state treasurer may withhold the monthly installments under subsection (1) to the public university until those data are submitted.

Sec. 245. (1) A public university shall maintain a public transparency website available through a link on its website homepage. The public university shall update this website within 30 days after the university's governing board adopts its annual operating budget for the next academic year, or after the governing board adopts a subsequent revision to that budget.

(2) The website required under subsection (1) shall include all of the following concerning the public university:

- (a) The annual operating budget and subsequent budget revisions.
- (b) A summary of current expenditures for the most recent fiscal year for which they are available, expressed as pie charts in the following 2 categories:
  - (i) A chart of personnel expenditures, broken into the following subcategories:
    - (A) Earnings and wages.
    - (B) Employee benefit costs, including, but not limited to, medical, dental, vision, life, disability, and long-term care benefits.
    - (C) Retirement benefit costs.
    - (D) All other personnel costs.
  - (ii) A chart of all current expenditures the public university reported as part of its higher education institutional data inventory data under section 241(2), broken into the same subcategories in which it reported those data.
- (c) Links to all of the following for the public university:
  - (i) The current collective bargaining agreement for each bargaining unit.



(ii) Each health care benefits plan, including, but not limited to, medical, dental, vision, disability, long-term care, or any other type of benefits that would constitute health care services, offered to any bargaining unit or employee of the public university.

(iii) Audits and financial reports for the most recent fiscal year for which they are available.

(d) A list of all positions funded partially or wholly through institutional general fund revenue that includes the position title and annual salary or wage amount for each position.

(e) General fund revenue and expenditure projections for the current fiscal year and the next fiscal year.

(f) A listing of all debt service obligations, detailed by project, anticipated fiscal year payment for each project, and total outstanding debt for the current fiscal year.

(g) The institution's policy regarding the transferability of core college courses between community colleges and the university.

(h) A listing of all community colleges that have entered into reverse transfer agreements with the university.

(3) On the website required under subsection (1), a public university shall provide a dashboard or report card demonstrating the university's performance in several "best practice" measures. The dashboard or report card shall include at least all of the following for the 3 most recent academic years for which the data are available:

(a) Enrollment.

(b) Student retention rate.

(c) Six-year graduation rates.

(d) Number of Pell grant recipients and graduating Pell grant recipients.

(e) Geographic origination of students, categorized as in-state, out-of-state, and international.

(f) Faculty to student ratios and total university employee to student ratios.

(g) Teaching load by faculty classification.

(h) Graduation outcome rates, including employment and continuing education.

(4) For statewide consistency and public visibility, public universities must use the icon badge provided by the department of technology, management, and budget consistent with the icon badge developed by the department of education for K-12 school districts. It must appear on the front of each public university's homepage. The size of the icon may be reduced to 150 x 150 pixels. The font size and style for this reporting must be consistent with other documents on each university's website.

(5) The state budget director shall determine whether a public university has complied with this section. The state budget director may withhold a public university's monthly installments described in section 241 until the public university complies with this section.

(6) By **the first business day of November** ~~45~~ of each year, a public university shall report the following information to the center and post the information on its website under the budget transparency icon badge:

(a) Opportunities for earning college credit through the following programs:

(i) State approved career and technical education or a tech prep articulated program of study.

(ii) Direct college credit or concurrent enrollment.

(iii) Dual enrollment.

(iv) An early college/middle college program.

(b) For each program described in subdivision (a) that the public university offers, all of the following information:

(i) The number of high school students participating in the program.

(ii) The number of school districts that participate in the program with the public university.

(iii) Whether a university professor, qualified local school district employee, or other individual teaches the course or courses in the program.

(iv) The total cost to the public university to operate the program.

(v) The cost per credit hour for the course or courses in the program.

(vi) The location where the course or courses in the program are held.

(vii) Instructional resources offered to the program instructors.

(viii) Resources offered to the student in the program.

(ix) Transportation services provided to students in the program.

**(7) A public university shall collect and report the number and percentage of all enrolled students who complete the Free Application for Federal Student Aid, broken out by undergraduate and graduate/professional classifications, to the center and post the information on its website under the budget transparency icon badge.**

Sec. 245a. (1) A public university shall develop, maintain, and update a "campus safety information and resources" link, prominently displayed on the homepage of its website, to a section of its website containing all of the information required under subsection (2).

(2) The “campus safety information and resources” section of a public university’s website shall include, but not be limited to, all of the following information:

- (a) Emergency contact numbers for police, fire, health, and other services.
- (b) Hours, locations, phone numbers, and electronic mail contacts for campus public safety offices and title IX offices.
- (c) A listing of safety and security services provided by the university, including transportation, escort services, building surveillance, anonymous tip lines, and other available security services.
- (d) A public university’s policies applicable to minors on university property.
- (e) A directory of resources available at the university or surrounding community for students or employees who are survivors of sexual assault or sexual abuse.
- (f) An electronic copy of “A Resource Handbook for Campus Sexual Assault Survivors, Friends and Family”, published in 2018 by the office of the governor in conjunction with the first lady of Michigan.
- (g) Campus security policies and crime statistics pursuant to the student right-to-know and campus security act, Public Law 101-542, 104 Stat 2381. Information shall include all material prepared pursuant to the public information reporting requirements under the crime awareness and campus security act of 1990, title II of the student right-to-know and campus security act, Public Law 101-542, 104 Stat 2381.

(3) A public university shall certify to the state budget director by ~~August 31, 2018~~ **October 1, 2019 and the last business day of each August thereafter** that it is in compliance with this section. The state budget director may withhold a public university’s monthly installments described in section 241 until the public university complies with this section.

Sec. 251. (1) Payments of the amounts included in section 236 for the state competitive scholarship program shall be distributed pursuant to 1964 PA 208, MCL 390.971 to 390.981.

(2) Pursuant to section 6 of 1964 PA 208, MCL 390.976, the department of treasury shall determine an actual maximum state competitive scholarship award per student, which shall be not less than \$1,000.00, that ensures that the aggregate payments for the state competitive scholarship program do not exceed the appropriation contained in section 236 for the state competitive scholarship program. If the department determines that insufficient funds are available to establish a maximum award amount equal to at least \$1,000.00, the department shall immediately report to the house and senate appropriations subcommittees on higher education, the house and senate fiscal agencies, and the state budget director regarding the estimated amount of additional funds necessary to establish a \$1,000.00 maximum award amount.

(3) The department of treasury shall implement a proportional competitive scholarship maximum award level for recipients enrolled less than full-time in a given semester or term.

(4) If a student who receives an award under this section has his or her tuition and fees paid under the Michigan educational trust program, pursuant to the Michigan education trust act, 1986 PA 316, MCL 390.1421 to 390.1442, and still has financial need, the funds awarded under this section may be used for educational expenses other than tuition and fees.

(5) If the department of treasury increases the maximum award per eligible student from that provided in the previous fiscal year, it shall not have the effect of reducing the number of eligible students receiving awards in relation to the total number of eligible applicants. Any increase in the maximum grant shall be proportional for all eligible students receiving awards.

(6) Veterans Administration benefits shall not be considered in determining eligibility for the award of scholarships under 1964 PA 208, MCL 390.971 to 390.981.

(7) Any unexpended and unencumbered funds remaining on September 30, ~~2019-2020~~ from the amounts appropriated in section 236 for the state competitive scholarship program for fiscal year ~~2018-2019~~ **2019-2020** do not lapse on September 30, ~~2019-2020~~, but continue to be available for the expenditure for state competitive scholarships ~~provided in the 2019-2020 fiscal year~~ under a work project account. ~~The use of these unexpended fiscal year 2018-2019 funds terminates at the end of the 2019-2020 fiscal year.~~

Sec. 252. (1) The amounts appropriated in section 236 for the state tuition grant program shall be distributed pursuant to 1966 PA 313, MCL 390.991 to 390.997a.

(2) Tuition grant awards shall be made to all eligible Michigan residents enrolled in undergraduate degree programs who are qualified and who apply ~~before~~ **by** March 1 of each year for the next academic year.

(3) Pursuant to section 5 of 1966 PA 313, MCL 390.995, and subject to subsections (7) and (8), the department of treasury shall determine an actual maximum tuition grant award per student, which shall be not less than ~~\$2,400.00~~ **\$3,000.00**, that ensures that the aggregate payments for the tuition grant program do not exceed the appropriation contained in section 236 for the state tuition grant program. If the department determines that insufficient funds are available to establish a maximum award amount equal to at least ~~\$2,400.00~~ **\$3,000.00**, the department shall immediately report to the house and senate appropriations subcommittees on higher education, the house and senate fiscal agencies, and the state budget director regarding the estimated amount of additional funds necessary to establish a ~~\$2,400.00~~ **\$3,000.00** maximum award amount. If the department determines that sufficient funds are available to establish a maximum award amount equal to at least ~~\$2,400.00~~ **\$3,000.00**, the department shall immediately report to the house and

senate appropriations subcommittees on higher education, the house and senate fiscal agencies, and the state budget director regarding the maximum award amount established and the projected amount of any projected year-end appropriation balance based on that maximum award amount. By February 18 of each fiscal year, the department shall analyze the status of award commitments, shall make any necessary adjustments, and shall confirm that those award commitments will not exceed the appropriation contained in section 236 for the tuition grant program. The determination and actions shall be reported to the state budget director and the house and senate fiscal agencies no later than the final day of February of each year. If award adjustments are necessary, the students shall be notified of the adjustment by March 4 of each year. **The department is prohibited from using funds described in this section and appropriated in section 236(7)(b) to offset costs in any other student financial aid program.**

(4) Any unexpended and unencumbered funds remaining on September 30, ~~2019-2020~~ from the amounts appropriated in section 236 for the tuition grant program for fiscal year ~~2018-2019~~ **2019-2020** do not lapse on September 30, ~~2019, 2020~~, but continue to be available for expenditure for tuition grants ~~provided in the 2019-2020 fiscal year~~ under a work project account.

(5) The department of treasury shall continue a proportional tuition grant maximum award level for recipients enrolled less than full-time in a given semester or term.

(6) If the department of treasury increases the maximum award per eligible student from that provided in the previous fiscal year, it shall not have the effect of reducing the number of eligible students receiving awards in relation to the total number of eligible applicants. Any increase in the maximum grant shall be proportional for all eligible students receiving awards for that fiscal year.

(7) Except as provided in subsection (4), the department of treasury shall not award more than ~~\$4,200,000.00~~ **\$5,000,000.00** in tuition grants to eligible students enrolled in the same independent nonprofit college or university in this state. Any decrease in the maximum grant shall be proportional for all eligible students enrolled in that college or university, as determined by the department. The limit described in this subsection does not apply to any other student financial aid program or in combination with any other student financial aid program.

(8) The department of treasury shall not award tuition grants to otherwise eligible students enrolled in an independent college or university that does not report, in a form and manner directed by and satisfactory to the department of treasury, by October 31 of each year, all of the following:

(a) The number of students in the most recently completed academic year who in any academic year received a state tuition grant at the reporting institution and successfully completed a program or graduated.

(b) The number of students in the most recently completed academic year who in any academic year received a state tuition grant at the reporting institution and took a remedial education class.

(c) The number of students in the most recently completed academic year who in any academic year received a Pell grant at the reporting institution and successfully completed a program or graduated.

(9) By February 1, ~~2019, of each year~~, each independent college and university participating in the tuition grant program shall report to the senate and house appropriations subcommittees on higher education, the senate and house fiscal agencies, and the state budget director on its efforts to develop and implement sexual assault response training for the institution's title IX coordinator, campus law enforcement personnel, campus public safety personnel, and any other campus personnel charged with responding to on-campus incidents, including information on sexual assault response training materials and the status of implementing sexual assault response training for institutional personnel.

Sec. 256. (1) The funds appropriated in section 236 for the tuition incentive program shall be distributed as provided in this section and pursuant to the administrative procedures for the tuition incentive program of the department of treasury.

(2) As used in this section:

(a) "Phase I" means the first part of the tuition incentive program defined as the academic period of 80 semester or 120 term credits, or less, leading to an associate degree or certificate. Students must be enrolled in a certificate or associate degree program and taking classes within the program of study for a certificate or associate degree. Tuition will not be covered for courses outside of a certificate or associate degree program.

(b) "Phase II" means the second part of the tuition incentive program which provides assistance in the third and fourth year of 4-year degree programs.

(c) "Department" means the department of treasury.

(d) "High school equivalency certificate" means that term as defined in section 4.

(3) An individual shall meet the following basic criteria and financial thresholds to be eligible for tuition incentive program benefits:

(a) To be eligible for phase I, an individual shall meet all of the following criteria:

(i) Apply for certification to the department any time after he or she begins the sixth grade but before August 31 of the school year in which he or she graduates from high school or before achieving a high school equivalency certificate.

(ii) Be less than 20 years of age at the time he or she graduates from high school with a diploma or certificate of completion or achieves a high school equivalency certificate or, for students attending a 5-year middle college approved by the Michigan department of education, be less than 21 years of age when he or she graduates from high school.

(iii) Be a United States citizen and a resident of this state according to institutional criteria.

(iv) Be at least a half-time student, earning less than 80 semester or 120 term credits at a participating educational institution within 4 years of high school graduation or achievement of a high school equivalency certificate. All program eligibility expires 6 years from high school graduation or achievement of a high school equivalency certificate.

(v) Meet the satisfactory academic progress policy of the educational institution he or she attends.

(b) To be eligible for phase II, an individual shall meet either of the following criteria in addition to the criteria in subdivision (a):

(i) Complete at least 56 transferable semester or 84 transferable term credits.

(ii) Obtain an associate degree or certificate at a participating institution.

(c) To be eligible for phase I or phase II, an individual ~~must not be incarcerated and~~ must be financially eligible as determined by the department. An individual is financially eligible for the tuition incentive program if he or she was eligible for Medicaid from this state for 24 months within the 36 consecutive months before application. The department shall accept certification of Medicaid eligibility only from the department of health and human services for the purposes of verifying if a person is Medicaid eligible for 24 months within the 36 consecutive months before application. Certification of eligibility may begin in the sixth grade. ~~As used in this subdivision, "incarcerated" does not include detention of a juvenile in a state-operated or privately-operated juvenile detention facility.~~

(4) For phase I, the department shall provide payment on behalf of a person eligible under subsection (3). The department shall only accept standard per-credit hour tuition billings and shall reject billings that are excessive or outside the guidelines for the type of educational institution.

(5) For phase I, all of the following apply:

(a) Payments for associate degree or certificate programs shall not be made for more than 80 semester or 120 term credits for any individual student at any participating institution.

(b) For persons enrolled at a Michigan community college, the department shall pay the current in-district tuition and mandatory fees. For persons residing in an area that is not included in any community college district, the out-of-district tuition rate may be authorized.

(c) For persons enrolled at a Michigan public university, the department shall pay lower division resident tuition and mandatory fees for the current year.

(d) For persons enrolled at a Michigan independent, nonprofit degree-granting college or university, or a Michigan federal tribally controlled community college, or Focus: HOPE, the department shall pay mandatory fees for the current year and a per-credit payment that does not exceed the average community college in-district per-credit tuition rate as reported on August 1, for the immediately preceding academic year.

(6) A person participating in phase II may be eligible for additional funds not to exceed \$500.00 per semester or \$400.00 per term up to a maximum of \$2,000.00 subject to the following conditions:

(a) Credits are earned in a 4-year program at a Michigan degree-granting 4-year college or university.

(b) The tuition reimbursement is for coursework completed within 30 months of completion of the phase I requirements.

(7) The department shall work closely with participating institutions to develop an application and eligibility determination process that will provide the highest level of participation and ensure that all requirements of the program are met.

(8) Applications for the tuition incentive program may be approved at any time after the student begins the sixth grade. If a determination of financial eligibility is made, that determination is valid as long as the student meets all other program requirements and conditions.

(9) Each institution shall ensure that all known available restricted grants for tuition and fees are used prior to billing the tuition incentive program for any portion of a student's tuition and fees.

(10) The department shall ensure that the tuition incentive program is well publicized and that eligible Medicaid clients are provided information on the program. The department shall provide the necessary funding and staff to fully operate the program.

(11) Any unexpended and unencumbered funds remaining on September 30, ~~2019-2020~~ ~~2018-2019-2019-2020~~ from the amounts appropriated in section 236 for the tuition incentive program for fiscal year ~~2018-2019-2019-2020~~ do not lapse on September 30, ~~2019-2020~~, but continue to be available for expenditure for tuition incentive program funds ~~provided in the 2019-2020 fiscal year under a work project account. The use of these unexpended fiscal year 2018-2019 funds terminates at the end of the 2019-2020 fiscal year.~~

(12) The department of treasury shall collaborate with the center to use the P-20 longitudinal data system to report the following information for each qualified postsecondary institution:

(a) The number of phase I students in the most recently completed academic year who in any academic year received a tuition incentive program award and who successfully completed a degree or certificate program. Cohort graduation rates for phase I students shall be calculated using the established success rate methodology developed by the center in collaboration with the postsecondary institutions.

(b) The number of students in the most recently completed academic year who in any academic year received a Pell grant at the reporting institution and who successfully completed a degree or certificate program. Cohort graduation rates for students who received Pell grants shall be calculated using the established success rate methodology developed by the center in collaboration with the postsecondary institutions.

(13) If a qualified postsecondary institution does not report the data necessary to comply with subsection (12) to the P-20 longitudinal data system, the institution shall report, in a form and manner satisfactory to the department of treasury and the center, all of the information needed to comply with subsection (12) by December 1, ~~2019-2020~~.

(14) Beginning in fiscal year ~~2019-2020~~, ~~2020-2021~~, if a qualified postsecondary institution does not report the data necessary to complete the reporting in subsection (12) to the P-20 longitudinal data system by October 15 for the prior academic year, the department of treasury shall not award phase I tuition incentive program funding to otherwise eligible students enrolled in that institution until the data are submitted.

Sec. 263. (1) Included in the appropriation in section 236 for fiscal year ~~2018-2019~~ ~~2019-2020~~ for MSU AgBioResearch is \$2,982,900.00 and included in the appropriation in section 236 for MSU Extension is \$2,645,200.00 for Project GREEN. Project GREEN is intended to address critical regulatory, food safety, economic, and environmental problems faced by this state's plant-based agriculture, forestry, and processing industries. "GREEN" is an acronym for Generating Research and Extension to Meet Environmental and Economic Needs.

(2) The department of agriculture and rural development and Michigan State University, in consultation with agricultural commodity groups and other interested parties, shall develop Project GREEN and its program priorities.

Sec. 263a. (1) Not later than September 30 of each year, Michigan State University shall submit a report on MSU AgBioResearch and MSU Extension to the house and senate appropriations subcommittees on agriculture and on higher education, the house and senate standing committees on agriculture, the house and senate fiscal agencies, and the state budget director for the preceding academic fiscal year.

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

(a) Total funds expended by MSU AgBioResearch and by MSU Extension identified by state, local, private, federal, and university fund sources.

(b) ~~The metric goals that were used to evaluate the impacts of programs operated by MSU Extension and MSU AgBioResearch. The following metric goals will be used to evaluate the impacts of those programs:~~

~~(i) Increasing the number of agriculture and food-related firms collaborating with and using services of research and extension faculty and staff by 3% per year.~~

~~(ii) Increasing the number of individuals utilizing MSU Extension's educational services by 5% per year.~~

~~(iii) Increasing external funds generated in support of research and extension, beyond state appropriations, by 10% over the amounts generated in the past 3 state fiscal years.~~

~~(iv) Increasing the sector's total economic impact to at least \$125,000,000,000.00.~~

~~(v) Increasing Michigan's agricultural exports to at least \$4,250,000,000.00.~~

~~(vi) Improving access by Michigan consumers to healthy foods by 20%.~~

~~(b) (c)-A review of major programs within both MSU AgBioResearch and MSU Extension with specific reference to accomplishments, impacts, and the metrics described in subdivision (b), including a specific accounting of Project GREEN expenditures and the impact of those expenditures. The program review for MSU AgBioResearch and MSU Extension should include the following:~~

~~(i) The number of agriculture and food-related firms collaborating with and using services of research and extension faculty and staff.~~

~~(ii) The number of individuals utilizing MSU Extension's educational services.~~

~~(iii) External funds generated in support of research and extension.~~

~~(iv) Efforts to improve access to healthy foods for Michigan consumers.~~

Sec. 264. Included in the appropriation in section 236 for fiscal year ~~2018-2019~~ ~~2019-2020~~ for Michigan State University is \$80,000.00 for the Michigan Future Farmers of America Association. This \$80,000.00 allocation shall not supplant any existing support that Michigan State University provides to the Michigan Future Farmers of America Association.

Sec. 265. (1) Payments under section 265a for performance funding for fiscal years ~~2018-2019, 2019-2020, and 2020-2021, and 2021-2022~~ shall only be made to a public university that certifies to the state budget director by ~~August 31, 2018~~ **October 1, 2019** that its board did not adopt an increase in tuition and fee rates for resident undergraduate students after September 1, ~~2017-2018~~ for the ~~2017-2018-2018-2019~~ academic year and that its board will not adopt an increase in tuition and fee rates for resident undergraduate students for the ~~2018-2019-2019-2020~~ academic year that is greater than ~~3.8%~~ **4.4%** or ~~\$490.00,~~ **\$587.00**, whichever is greater. As used in this subsection:

(a) "Fee" means any board-authorized fee that will be paid by more than 1/2 of all resident undergraduate students at least once during their enrollment at a public university, as described in the higher education institutional data inventory (HEIDI) user manual. A university increasing a fee that applies to a specific subset of students or courses shall provide sufficient information to prove that the increase applied to that subset will not cause the increase in the average amount of board-authorized total tuition and fees paid by resident undergraduate students in the ~~2018-2019-2019-2020~~ academic year to exceed the limit established in this subsection.

(b) "Tuition and fee rate" means the average of full-time rates paid by a majority of students in each undergraduate class, based on an unweighted average of the rates authorized by the university board and actually charged to students, deducting any uniformly rebated or refunded amounts, for the 2 semesters with the highest levels of full-time equated resident undergraduate enrollment during the academic year, as described in the higher education institutional data inventory (HEIDI) user manual.

(2) The state budget director shall implement uniform reporting requirements to ensure that a public university receiving a payment under section 265a for performance funding has satisfied the tuition restraint requirements of this section. The state budget director shall have the sole authority to determine if a public university has met the requirements of this section. Information reported by a public university to the state budget director under this subsection shall also be reported to the house and senate appropriations subcommittees on higher education and the house and senate fiscal agencies.

(3) Universities that exceed the tuition and fee rate cap described in subsection (1) shall not receive a planning or construction authorization for a state-funded capital outlay project in fiscal year ~~2019-2020, fiscal year years 2020-2021, or fiscal year 2021-2022, or 2022-2023.~~

(4) Notwithstanding any other provision of this act, the legislature may at any time adjust appropriations for a university that adopts an increase in tuition and fee rates for resident undergraduate students that exceeds the rate cap established in subsection (1).

Sec. 265a. (1) Appropriations to public universities in section 236 for fiscal years ~~2018-2019, 2019-2020, and 2020-2021, and 2021-2022~~ for performance funding shall be paid only to a public university that complies with section 265 and certifies to the state budget director, the house and senate appropriations subcommittees on higher education, and the house and senate fiscal agencies by ~~August 31, 2018~~ **October 1, 2019** that it complies with all of the following requirements:

(a) The university participates in reverse transfer agreements described in section 286 with at least 3 Michigan community colleges.

(b) The university does not and will not consider whether dual enrollment credits earned by an incoming student were utilized towards his or her high school graduation requirements when making a determination as to whether those credits may be used by the student toward completion of a university degree or certificate program.

(c) The university actively participates in and submits timely updates to the Michigan Transfer Network created as part of the Michigan Association of Collegiate Registrars and Admissions Officers transfer agreement.

(2) Any performance funding amounts under section 236 that are not paid to a public university because it did not comply with 1 or more requirements under subsection (1) are unappropriated and reappropriated for performance funding to those public universities that meet the requirements under subsection (1), distributed in proportion to their performance funding appropriation amounts under section 236.

(3) The state budget director shall report to the house and senate appropriations subcommittees on higher education and the house and senate fiscal agencies by ~~September 30, 2018,~~ **October 15, 2019**, regarding any performance funding amounts that are not paid to a public university because it did not comply with 1 or more requirements under subsection (1) and any reappropriation of funds under subsection (2).

(4) Performance funding amounts described in section 236 are distributed based on the following formula:

(a) Proportional to each university's share of total operations funding appropriated in fiscal year 2010-2011, 50%.

(b) Based on weighted undergraduate completions in critical skills areas, 11.1%.

(c) Based on research and development expenditures, for universities classified in Carnegie classifications as doctoral universities: moderate research activity, doctoral universities: higher research activity, or doctoral universities: highest research activity only, 5.6%.

(d) Based on 6-year graduation rate, total degree completions, and institutional support as a percentage of core expenditures, and the percentage of students receiving Pell grants, scored against national Carnegie classification peers and weighted by total undergraduate fiscal year equated students, 33.3%.

(5) For purposes of determining the score of a university under subsection (4)(d), each university is assigned 1 of the following scores:

(a) A university classified as in the top 20%, a score of 3.

(b) A university classified as above national median, a score of 2.

(c) A university classified as improving, a score of 2. It is the intent of the legislature that, beginning in the ~~2019-2020~~ **2020-2021** state fiscal year, a university classified as improving is assigned a score of 1.

(d) A university that is not included in subdivision (a), (b), or (c), a score of 0.

(6) As used in this section, "Carnegie classification" means the basic classification of the university according to the most recent version of the Carnegie classification of institutions of higher education, published by the Carnegie Foundation for the Advancement of Teaching.

(7) It is the intent of the legislature to allocate more funding based on **an updated set of** performance metrics in future years. **Updated metrics will be based on the outcome of joint hearings between the house and senate appropriations subcommittees on higher education and community colleges intended to be held in the fall of 2019.**

Sec. 265b. (1) Appropriations to public universities in section 236 for the fiscal year ending September 30, ~~2019-2020~~ for operations funding shall be reduced by 10% pursuant to the procedures described in subdivision (a) for a public university that fails to submit certification to the state budget director, the house and senate appropriations subcommittees on higher education, and the house and senate fiscal agencies by ~~August 31, 2018~~ **October 1, 2019** that the university complies with sections 274c and 274d and that it complies with all of the requirements described in subdivisions (b) to (i), as follows:

(a) If a university fails to submit certification, the state budget director shall withhold 10% of that university's annual operations funding until the university submits certification. If a university fails to submit certification by the end of the fiscal year, the 10% of its annual operations funding that is withheld shall lapse to the general fund.

(b) For title IX investigations of alleged sexual misconduct, the university prohibits the use of medical experts that have an actual or apparent conflict of interest.

(c) For title IX investigations of alleged sexual misconduct, the university prohibits the issuance of divergent reports to complainants, respondents, and administration and instead requires that identical reports be issued to them.

(d) Consistent with the university's obligations under 20 USC 1092(f), the university notifies each individual who reports having experienced sexual assault by a student, faculty member, or staff member of the university that the individual has the option to report the matter to law enforcement, to the university, to both, or to neither, as the individual may choose.

(e) The university provides both of the following:

(i) For all freshmen and incoming transfer students enrolled, an in-person sexual misconduct prevention presentation or course, which must include contact information for the title IX office of the university.

(ii) For all students not considered freshmen or incoming transfer students, an online or electronic sexual misconduct prevention presentation or course.

(f) The university prohibits seeking compensation from the recipient of any medical procedure, treatment, or care provided by a medical professional who has been convicted of a felony arising out of the medical procedure, treatment, or care.

(g) The university ~~has or plans to have had~~ a third party review its title IX compliance office and related policies and procedures by the end of the 2018-2019 academic year. A copy of the third-party review shall be transmitted to the state budget director, the house and senate appropriations subcommittees on higher education, and the house and senate fiscal agencies. After the third-party review has been conducted for the 2018-2019 academic year, the university shall have a third-party review once every three years and a copy of the third-party review shall be transmitted to the state budget director, the house and senate appropriations subcommittees on higher education, and the house and senate fiscal agencies.

(h) The university requires that the governing board and the president or chancellor of the university receive not less than quarterly reports from their title IX coordinator or title IX office. The report shall contain aggregated data of the number of sexual misconduct reports that the office received for the academic year, the types of reports received, including reports received against employees, and a summary of the general outcomes of the reports and investigations. A member of the governing board may request to review a title IX investigation report involving a complaint against an employee, and the university shall provide the report in a manner it considers appropriate. The university shall protect the complainant's anonymity, and the report shall not contain specific identifying information.

(i) If allegations against an employee are made in more than 1 title IX complaint that resulted in the university finding that no misconduct occurred, the university requires that the title IX officer promptly notify the president or chancellor and a member of the university's governing board in writing and take all appropriate steps to ensure that the matter is being investigated thoroughly, including hiring an outside investigator for future cases involving that employee. A third-party title IX investigation under this subdivision does not prohibit the university from simultaneously conducting its own title IX investigation through its own title IX coordinator.

(2) Each public university that receives an appropriation in section 236 shall also certify that its president or chancellor and a member of its governing board has reviewed all title IX reports involving the alleged sexual misconduct of an employee of the university, and shall send the certification to the house and senate appropriations subcommittees on higher education, the house and senate fiscal agencies, and the state budget director by ~~August 31, 2018.~~ **October 1, 2019.**

(3) For purposes of this section, "sexual misconduct" includes, but is not limited to, any of the following:

- (a) Intimate partner violence.
- (b) Nonconsensual sexual conduct.
- (c) Sexual assault.
- (d) Sexual exploitation.
- (e) Sexual harassment.
- (f) Stalking.

Sec. 265c. By February 1, ~~2019-2020~~ and **February 1 of every even-numbered year thereafter**, the Michigan Community College Association, the Michigan Association of State Universities, and the Michigan Independent Colleges and Universities, on behalf of their member colleges and universities, shall submit to the senate and house appropriations subcommittees on higher education, the senate and house appropriations subcommittees on community colleges, the senate and house fiscal agencies, and the state budget director a comprehensive report detailing the number of academic program partnerships between public community colleges, public universities, and private colleges and universities, including, but not limited to, the following information:

(a) The names of the baccalaureate degree programs of study offered by public and private universities on community college campuses.

(b) The names of the articulation agreements for baccalaureate degree programs of study between public community colleges, public universities, and private colleges and universities.

(c) The number of students enrolled and number of degrees awarded through articulation agreements, and the number of courses offered, number of students enrolled, and number of degrees awarded through on-campus programs named in subdivision (a) from July 1, ~~2017-2018~~ through June 30, ~~2018-2019~~.

Sec. 265d. ~~The legislature encourages each~~ **Each** public university that receives an appropriation in section 236 **is encouraged** to enter into a memorandum of understanding with at least 1 local law enforcement agency with jurisdiction on or around campus for the communication and coordination of responses to incidents of sexual assault.

Sec. 267. All public universities shall submit the amount of tuition and fees actually charged to a full-time resident undergraduate student for academic year ~~2018-2019-2019-2020~~ as part of their higher education institutional data inventory (HEIDI) data by **October 1, 2019, and by August 31 of each year thereafter**. A public university shall report any revisions for any semester of the reported academic year ~~2018-2019~~ **2019-2020** tuition and fee charges to HEIDI within 15 days of being adopted.

Sec. 268. (1) For the fiscal year ending September 30, ~~2019-2020~~, it is the intent of the legislature that funds be allocated for unfunded North American Indian tuition waiver costs incurred by public universities under 1976 PA 174, MCL 390.1251 to 390.1253, from the general fund.

~~(2) Appropriations in section 236(7)(f) for North American Indian tuition waivers shall be paid to universities under section 2a of 1976 PA 174, MCL 390.1252a. Allocations shall be adjusted for amounts included in university operations appropriations. If funds are insufficient to support the entire cost of waivers, amounts shall be prorated proportionate to each institution's shortfall as a percentage of its fiscal year 2018-2019 state appropriation for operations.~~

~~(2) (3)~~ By February 15 of each year, the department of civil rights shall annually submit to the state budget director, the house and senate appropriations subcommittees on higher education, and the house and senate fiscal agencies a report on North American Indian tuition waivers for the preceding academic year that includes, but is not limited to, all of the following information:

(a) The number of waiver applications received and the number of waiver applications approved.

(b) For each university submitting information under subsection ~~(4), (3)~~, all of the following:

(i) The number of graduate and undergraduate North American Indian students enrolled each term for the previous academic year.



(ii) The number of North American Indian waivers granted each term, including to continuing education students, and the monetary value of the waivers for the previous academic year.

(iii) The number of graduate and undergraduate students attending under a North American Indian tuition waiver who withdrew from the university each term during the previous academic year. For purposes of this subparagraph, a withdrawal occurs when a student who has been awarded the waiver withdraws from the institution at any point during the term, regardless of enrollment in subsequent terms.

(iv) The number of graduate and undergraduate students attending under a North American Indian tuition waiver who successfully complete a degree or certificate program, separated by degree or certificate level, and the graduation rate for graduate and undergraduate students attending under a North American Indian tuition waiver who complete a degree or certificate within 150% of the normal time to complete, separated by the level of the degree or certificate.

(3) ~~(4)~~-A public university that receives funds under section 236 shall provide to the department of civil rights any information necessary for preparing the report detailed in subsection ~~(3)~~, **(2)**, using guidelines and procedures developed by the department of civil rights.

~~(4)~~ ~~(5)~~-The department of civil rights may consolidate the report required under this section with the report required under section 223, but a consolidated report must separately identify data for universities and data for community colleges.

Sec. 269. For fiscal year ~~2018-2019~~, **2019-2020**, from the amount appropriated in section 236 to Central Michigan University for operations, \$29,700.00 shall be paid to Saginaw Chippewa Tribal College for the costs of waiving tuition for North American Indians under 1976 PA 174, MCL 390.1251 to 390.1253.

Sec. 270. For fiscal year ~~2018-2019~~, **2019-2020**, from the amount appropriated in section 236 to Lake Superior State University for operations, \$100,000.00 shall be paid to Bay Mills Community College for the costs of waiving tuition for North American Indians under 1976 PA 174, MCL 390.1251 to 390.1253.

Sec. 274. It is the intent of the legislature that public and private organizations that conduct human embryonic stem cell derivation subject to section 27 of article I of the state constitution of 1963 will provide information to the director of the department of health and human services by December 1, ~~2018-2019~~ that includes all of the following:

(a) Documentation that the organization conducting human embryonic stem cell derivation is conducting its activities in compliance with the requirements of section 27 of article I of the state constitution of 1963 and all relevant National Institutes of Health guidelines pertaining to embryonic stem cell derivation.

(b) A list of all human embryonic stem cell lines submitted by the organization to the National Institutes of Health for inclusion in the Human Embryonic Stem Cell Registry before and during fiscal year ~~2017-2018~~, **2018-2019**, and the status of each submission as approved, pending approval, or review completed but not yet accepted.

(c) Number of human embryonic stem cell lines derived and not submitted for inclusion in the Human Embryonic Stem Cell Registry, before and during fiscal year ~~2017-2018~~, **2018-2019**.

Sec. 274c. By February 1, ~~2019~~, **of each year**, each university receiving funds under section 236 shall report to the senate and house appropriations subcommittees on higher education, the senate and house fiscal agencies, and the state budget director on its efforts to develop and implement sexual assault response training for the university's title IX coordinator, campus law enforcement personnel, campus public safety personnel, and any other campus personnel charged with responding to on-campus incidents, including information on sexual assault response training materials and the status of implementing sexual assault response training for campus personnel.

**Sec. 275d. The legislature urges each university that receives an appropriation in section 236 to not take disciplinary action against an employee for communicating with a member of the legislature or a legislator's staff.**

Sec. 276. (1) Included in the appropriation for fiscal year ~~2018-2019~~ **2019-2020** for each public university in section 236 is funding for the Martin Luther King, Jr. - Cesar Chavez - Rosa Parks future faculty program that is intended to increase the pool of academically or economically disadvantaged candidates pursuing faculty teaching careers in postsecondary education. Preference may not be given to applicants on the basis of race, color, ethnicity, gender, or national origin. Institutions should encourage applications from applicants who would otherwise not adequately be represented in the graduate student and faculty populations. Each public university shall apply the percentage change applicable to every public university in the calculation of appropriations in section 236 to the amount of funds allocated to the future faculty program.

(2) The program shall be administered by each public university in a manner prescribed by the workforce development agency. The workforce development agency shall use a good faith effort standard to evaluate whether a fellowship is in default.

Sec. 277. (1) Included in the appropriation for fiscal year ~~2018-2019~~ **2019-2020** for each public university in section 236 is funding for the Martin Luther King, Jr. - Cesar Chavez - Rosa Parks college day program that is intended to introduce academically or economically disadvantaged schoolchildren to the potential of a college education. Preference may not be given to participants on the basis of race, color, ethnicity, gender,

or national origin. Public universities should encourage participation from those who would otherwise not adequately be represented in the student population.

(2) Individual program plans of each public university shall include a budget of equal contributions from this program, the participating public university, the participating school district, and the participating independent degree-granting college. College day funds shall not be expended to cover indirect costs. Not more than 20% of the university match shall be attributable to indirect costs. Each public university shall apply the percentage change applicable to every public university in the calculation of appropriations in section 236 to the amount of funds allocated to the college day program.

(3) The program described in this section shall be administered by each public university in a manner prescribed by the workforce development agency.

Sec. 278. (1) Included in section 236 for fiscal year ~~2018-2019~~ **2019-2020** is funding for the Martin Luther King, Jr. - Cesar Chavez - Rosa Parks select student support services program for developing academically or economically disadvantaged student retention programs for 4-year public and independent educational institutions in this state. Preference may not be given to participants on the basis of race, color, ethnicity, gender, or national origin. Institutions should encourage participation from those who would otherwise not adequately be represented in the student population.

(2) An award made under this program to any 1 institution shall not be greater than \$150,000.00, and the amount awarded shall be matched on a 70% state, 30% college or university basis.

(3) The program described in this section shall be administered by the workforce development agency.

Sec. 279. (1) Included in section 236 for fiscal year ~~2018-2019~~ **2019-2020** is funding for the Martin Luther King, Jr. - Cesar Chavez - Rosa Parks college/university partnership program between 4-year public and independent colleges and universities and public community colleges, which is intended to increase the number of academically or economically disadvantaged students who transfer from community colleges into baccalaureate programs. Preference may not be given to participants on the basis of race, color, ethnicity, gender, or national origin. Institutions should encourage participation from those who would otherwise not adequately be represented in the transfer student population.

(2) The grants shall be made under the program described in this section to Michigan public and independent colleges and universities. An award to any 1 institution shall not be greater than \$150,000.00, and the amount awarded shall be matched on a 70% state, 30% college or university basis.

(3) The program described in this section shall be administered by the workforce development agency.

Sec. 280. (1) Included in the appropriation for fiscal year ~~2018-2019~~ **2019-2020** for each public university in section 236 is funding for the Martin Luther King, Jr. - Cesar Chavez - Rosa Parks visiting professors program which is intended to increase the number of instructors in the classroom to provide role models for academically or economically disadvantaged students. Preference may not be given to participants on the basis of race, color, ethnicity, gender, or national origin. Public universities should encourage participation from those who would otherwise not adequately be represented in the student population.

(2) The program described in this section shall be administered by the workforce development agency.

Sec. 281. (1) Included in the appropriation for fiscal year ~~2018-2019~~ **2019-2020** in section 236 is funding under the Martin Luther King, Jr. - Cesar Chavez - Rosa Parks initiative for the Morris Hood, Jr. educator development program which is intended to increase the number of academically or economically disadvantaged students who enroll in and complete K-12 teacher education programs at the baccalaureate level. Preference may not be given to participants on the basis of race, color, ethnicity, gender, or national origin. Institutions should encourage participation from those who would otherwise not adequately be represented in the teacher education student population.

(2) The program described in this section shall be administered by each state-approved teacher education institution in a manner prescribed by the workforce development agency.

(3) Approved teacher education institutions may and are encouraged to use student support services funding in coordination with the Morris Hood, Jr. funding to achieve the goals of the program described in this section.

Sec. 282. Each institution receiving funds for fiscal year ~~2018-2019~~ **2019-2020** under section 278, 279, or 281 shall provide to the workforce development agency by April 15, ~~2019-2020~~ the unobligated and unexpended funds as of March 31, ~~2019-2020~~ and a plan to expend the remaining funds by the end of the fiscal year. Notwithstanding the award limitations in sections 278 and 279, the amount of funding reported as not being expended will be reallocated to the institutions that intend to expend all funding received under section 278, 279, or 281.

Sec. 283. (1) Using the data provided to the center as required by section 244 of this act, the center shall use the P-20 longitudinal data system to inform interested Michigan high schools and the public regarding the aggregate academic status of its students. The center shall work with the universities and the Michigan Association of State Universities and in cooperation with the Michigan Association of Secondary School Principals.

(2) Michigan high schools shall systematically inform the public universities about the use of information received under this section in a manner prescribed by the Michigan Association of Secondary School Principals in cooperation with the Michigan Association of State Universities.

Sec. 289. (1) ~~Not less than~~ **At least once** every 4 years, the auditor general shall audit higher education institutional data inventory (HEIDI) data submitted by all public universities under section 241 and may perform audits of selected public universities if determined necessary. The audits shall be based upon the definitions, requirements, and uniform reporting categories established by the state budget director in consultation with the HEIDI advisory committee. The auditor general shall submit a report of findings to the house and senate appropriations committees and the state budget director no later than July 1 of each year an audit takes place.

(2) Student credit hours reports shall not include the following:

(a) Student credit hours generated through instructional activity by faculty or staff in classrooms located outside Michigan, with the exception of instructional activity related to study-abroad programs or field programs.

~~(b) Student credit hours generated through distance learning instruction for students not eligible for the public university's in-state main-campus resident tuition rate. However, in instances where a student is enrolled in distance education and non-distance education credit hours in a given term and the student's non-distance education enrollment is at a campus or site located within Michigan, student credit hours per the student's eligibility for in-state or out-of-state tuition rates may be reported.~~

~~(b) (e)-~~ Student credit hours generated through credit by examination.

~~(d) Student credit hours generated through inmate prison programs regardless of teaching location.~~

~~(c) (e)-~~ Student credit hours generated in new degree programs created on or after January 1, 1975 and before January 1, 2013, that were not specifically authorized for funding by the legislature, except spin-off programs converted from existing core programs, and student credit hours generated in any new degree programs created after January 1, 2013, that are specifically excluded from reporting by the legislature under this section.

~~(3) "Distance learning instruction" as used in subsection (2) means instruction that occurs solely in other than a traditional classroom setting where the student and instructor are in the same physical location and for which a student receives course credits and is charged tuition and fees. Examples of distance learning instruction are instruction delivered solely through the internet, cable television, teleconference, or mail.~~

Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending from state sources for higher education for fiscal year 2019-2020 under article III of the state school aid act of 1979, 1979 PA 94, MCL 388.1836 to 388.1891, is estimated at \$1,557,518,600.00 and the amount of that state spending from state sources to be paid to local units of government for fiscal year 2019-2020 is estimated at \$0.00.

Enacting section 2. This amendatory act takes effect October 1, 2019.

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

A bill to amend 1979 PA 94, entitled "An act to make appropriations to aid in the support of the public schools, the intermediate school districts, community colleges, and public universities of the state; to make appropriations for certain other purposes relating to education; to provide for the disbursement of the appropriations; to authorize the issuance of certain bonds and provide for the security of those bonds; to prescribe the powers and duties of certain state departments, the state board of education, and certain other boards and officials; to create certain funds and provide for their expenditure; to prescribe penalties; and to repeal acts and parts of acts." by amending sections 236, 236a, 236b, 236c, 237, 241, 245, 245a, 251, 252, 256, 263, 263a, 264, 265, 265a, 265b, 265c, 265d, 267, 268, 269, 270, 274, 274c, 276, 277, 278, 279, 280, 281, 282, 283, and 289 (MCL 388.1836, 388.1836a, 388.1836b, 388.1836c, 388.1837, 388.1841, 388.1845, 388.1845a, 388.1851, 388.1852, 388.1856, 388.1863, 388.1863a, 388.1864, 388.1865, 388.1865a, 388.1865b, 388.1865c, 388.1865d, 388.1867, 388.1868, 388.1869, 388.1870, 388.1874, 388.1874c, 388.1876, 388.1877, 388.1878, 388.1879, 388.1880, 388.1881, 388.1882, 388.1883, and 388.1889), sections 236, 236a, 236b, 236c, 241, 245, 251, 252, 256, 263, 264, 265a, 267, 268, 269, 270, 274, 274c, 276, 277, 278, 279, 280, 281, 282, and 289 as amended and sections 245a, 265b, 265c, and 265d as added by 2018 PA 265, section 237 as amended by 2012 PA 201, sections 263a and 283 as amended by 2017 PA 108, and section 265 as amended by 2018 PA 586, and by adding section 275d.

Scott VanSingel  
Ann M. Bollin  
Conferees for the House

Kim LaSata  
Jim Stamas  
Conferees for the Senate

The question being on the adoption of the conference report,

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

**Roll Call No. 239**

**Yeas—20**

Bizon	LaSata	McBroom	Stamas
Bumstead	Lauwers	Nesbitt	Theis
Daley	Lucido	Outman	VanderWall
Horn	MacDonald	Schmidt	Victory
Johnson	MacGregor	Shirkey	Zorn

**Nays—18**

Alexander	Bullock	Irwin	Polehanki
Ananich	Chang	McCann	Runestad
Barrett	Geiss	McMorrow	Santana
Bayer	Hertel	Moss	Wojno
Brinks	Hollier		

**Excused—0**

**Not Voting—0**

In The Chair: President

Senator MacGregor moved that the bill be given immediate effect. The motion prevailed, 2/3 of the members serving voting therefor.

**Protests**

Senators Irwin, Bayer, Hertel, Geiss, Ananich, Santana, McMorrow, Wojno, Hollier, Moss, Polehanki, McCann, Bullock and Alexander, under their constitutional right of protest (Art. 4, Sec. 18), protested against the adoption of the first conference report on House Bill No. 4236.

Senator Irwin moved that the statement he made during the discussion of the conference report be printed as his reasons for voting “no.”

The motion prevailed.

Senator Irwin’s statement, in which Senators Bayer, Hertel, Geiss, Ananich, Santana, McMorrow, Wojno, Hollier, Moss, Polehanki, McCann, Bullock and Alexander concurred, is as follows:

I oppose this bill today because our institutions of higher learning are falling farther and farther behind. Each year this Legislature provides paltry, tiny increases for higher education that fall far short of inflation, putting the squeeze on every one of our 15 public colleges and universities here in the state of Michigan. In an environment where inflation and costs are rising for higher education institutions at 2.8 percent, to offer these institutions a 0.9 percent increase is a mistake for our state. It’s going to put the squeeze on these institutions further, and what that means is that tuition is going to continue to go up. I don’t know if all my colleagues have realized, but we have a student loan crisis in this country. Higher education has been pushed farther and farther outside the reach of smart, capable young people who don’t happen to come from wealthy families. This is a problem for our state. We cannot continue to check ourselves out of the competition for innovation and good jobs. We should be fighting, competing, and striving for our state to land good employers and to be the place where new ideas drive the future economy.

I want to acknowledge the good work that many of my colleagues have done on this, particularly I want to acknowledge the good work that some of my colleagues have done on trying to realign the funding for the Indian tuition waiver. That has been addressed in this budget and I think it’s important to acknowledge that some of our institutions that have been hurt by this Legislature’s unwillingness to meet our commitment to the tribes are no longer going to be hurt relative to other institutions.

I'm still going to vote "no" on this bill because of two main problems. One, the sufficiency of resources. 0.9 percent is not enough for these institutions, and this is supposed to be a good economy. I think we all know the business cycle goes up and goes down, and this is a moment when other states and nations are taking advantage of a decent economy to invest in education. We're failing to do that here with this budget. Also, I want to point out that Michigan continues to be a lagger in need-based financial aid. Michigan is in the bottom quartile. We are one of the worst states to be a needy, but smart student who wants to go to college. I think we need to change that. For those two reasons, I will be voting "no" on this budget and I hope that in future years, we can start to address this longstanding neglect of higher education. I want to point out that there is still one institution, one university here, Wayne State University, that's getting less money than they were getting in 2010. We're not talking about inflation-adjusted dollars; we're talking about nominal dollars. We can't expect Michigan to compete for the good jobs of the future if we continue to check out of the competition for innovation in higher education.

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

The motion prevailed.

Senator LaSata's statement is as follows:

As I mentioned before, I believe students benefit from a lifelong learning model and it's critical that we support a funding structure that reflects our state's commitment to learning. The higher education budget before you includes a modest increase for operations—again, not what we would prefer in an ideal situation. But it is a realistic budget and gives priority to scholarships which directly help students to lessen the burden of ever-increasing tuition costs.

This budget restores the Governor's plan to cut the tuition incentive program; increases the amount of Michigan tuition grants to \$3,000 per student; and fully funds the Indian tuition waiver program, a priority of colleagues on both sides of the aisle. Areas of agreement with Governor Whitmer—this budget boosts funding for public universities. Affordability is critical. We are keeping tuition restraint incentives, investing over \$32 million in the Michigan Competitive Scholarship and \$38 million in Michigan tuition grants. This budget invests over \$93 million to reduce retirement obligations for our universities and community colleges.

Ladies and gentlemen, this budget supports the mission of our universities to produce successful graduates and serve as resources to this state. And it contributes to the entire fiscal year 2020 budget that is balanced, without tax increases, is fiscally responsible, and is on time.

Senator MacGregor moved that the Senate proceed to consideration of the following bill:

**House Bill No. 4231**

The motion prevailed.

**House Bill No. 4231, entitled**

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

The House of Representatives has adopted the report of the Committee of Conference and ordered that the bill be given immediate effect.

The Conference Report was read as follows:

FIRST CONFERENCE REPORT

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

**House Bill No. 4231, entitled**

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

Recommends:

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

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

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

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**  
**PART 1**

**LINE-ITEM APPROPRIATIONS**

Sec. 101. There is appropriated for the department of corrections for the fiscal year ending September 30, 2020, from the following funds:

**DEPARTMENT OF CORRECTIONS**  
**APPROPRIATION SUMMARY**

Average population .....	38,429	
Full-time equated unclassified positions.....	16.0	
Full-time equated classified positions .....	13,778.3	
<b>GROSS APPROPRIATION.....</b>		<b>\$ 2,026,123,400</b>
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers .....		0
<b>ADJUSTED GROSS APPROPRIATION.....</b>		<b>\$ 2,026,123,400</b>
Federal revenues:		
Total federal revenues .....		5,323,700
Special revenue funds:		
Total local revenues .....		11,687,200
Total private revenues .....		0
Total other state restricted revenues .....		65,112,500
<b>State general fund/general purpose.....</b>		<b>\$ 1,944,000,000</b>

**Sec. 102. DEPARTMENTAL ADMINISTRATION AND SUPPORT**

Full-time equated unclassified positions.....	16.0	
Full-time equated classified positions.....	322.0	
Unclassified salaries—16.0 FTE positions.....		\$ 1,760,700
Administrative hearings officers .....		3,136,800
Budget and operations administration—241.0 FTE positions .....		31,886,300
Compensatory buyout and union leave bank .....		100
County jail reimbursement program.....		14,814,600
Equipment and special maintenance.....		1,559,700
Executive direction—20.0 FTE positions.....		4,299,400
Judicial data warehouse user fees .....		50,600
New custody staff training .....		9,491,100
Prison industries operations—61.0 FTE positions.....		9,989,100
Property management.....		2,455,100
Prosecutorial and detainer expenses .....		4,801,000
Sheriffs’ coordinating and training office.....		100,000
Worker’s compensation.....		<u>10,052,900</u>
<b>GROSS APPROPRIATION.....</b>		<b>\$ 94,397,400</b>

Appropriated from:

Federal revenues:		
DOJ, prison rape elimination act grant .....		674,700
Special revenue funds:		
Correctional industries revolving fund .....		9,989,100
Correctional industries revolving fund 110 .....		721,600
Jail reimbursement program fund.....		5,900,000
Local corrections officer training fund .....		100,000
Program and special equipment fund .....		100
<b>State general fund/general purpose.....</b>		<b>\$ 77,011,900</b>

**Sec. 103. OFFENDER SUCCESS ADMINISTRATION**

Full-time equated classified positions.....	344.4	
Community corrections comprehensive plans and services.....		\$ 11,658,000
Drunk driver jail reduction and community treatment program .....		1,440,100
Education/skilled trades/career readiness programs—266.4 FTE positions.....		38,331,600
Enhanced food technology program—12.0 FTE positions .....		2,000,000
Goodwill flip the script.....		1,500,000
Offender success community partners.....		14,500,000
Offender success federal grants.....		751,000
Offender success programming .....		11,772,800

	For Fiscal Year Ending Sept. 30, 2020
Offender success services—66.0 FTE positions.....	29,561,400
Public safety initiative.....	4,000,000
Residential probation diversions .....	<u>17,825,500</u>
GROSS APPROPRIATION.....	\$ 133,340,400
Appropriated from:	
Federal revenues:	
DOJ, prisoner reintegration .....	751,000
Federal education funding .....	1,540,800
Special revenue funds:	
Program and special equipment fund .....	34,213,200
State general fund/general purpose.....	\$ 96,835,400
<b>Sec. 104. FIELD OPERATIONS ADMINISTRATION</b>	
Full-time equated classified positions.....	2,181.5
Criminal justice reinvestment.....	\$ 5,498,400
Detroit Detention Center—69.1 FTE positions .....	11,412,200
Detroit Reentry Center—237.9 FTE positions .....	30,561,100
Field operations—1,843.5 FTE positions .....	217,647,700
Parole board operations—31.0 FTE positions .....	3,793,300
Parole/probation services .....	940,000
Residential alternative to prison program .....	<u>1,500,000</u>
GROSS APPROPRIATION.....	\$ 271,352,700
Appropriated from:	
Special revenue funds:	
Local - community tether program reimbursement .....	275,000
Local revenues .....	11,412,200
Parole and probation oversight fees.....	4,000,000
Parole and probation oversight fees set-aside.....	940,000
Reentry center offender reimbursements .....	10,000
Tether program participant contributions .....	2,630,500
State general fund/general purpose.....	\$ 252,085,000
<b>Sec. 105. CORRECTIONAL FACILITIES ADMINISTRATION</b>	
Full-time equated classified positions.....	663.0
Central records—35.0 FTE positions .....	\$ 4,646,800
Correctional facilities administration—31.0 FTE positions.....	5,991,400
Housing inmates in federal institutions .....	511,000
Inmate housing fund.....	100
Inmate legal services.....	290,900
Leased beds and alternatives to leased beds .....	100
Prison food service—352.0 FTE positions .....	71,131,100
Prison store operations—34.0 FTE positions .....	3,331,400
Public works programs.....	1,000,000
Transportation—211.0 FTE positions .....	<u>29,938,400</u>
GROSS APPROPRIATION.....	\$ 116,841,200
Appropriated from:	
Federal revenues:	
DOJ-BOP, federal prisoner reimbursement .....	411,000
SSA-SSI, incentive payment .....	272,000
Special revenue funds:	
Correctional industries revolving fund 110 .....	583,900
Public works user fees.....	1,000,000
Resident stores .....	3,331,400
State general fund/general purpose.....	\$ 111,242,900
<b>Sec. 106. HEALTH CARE</b>	
Full-time equated classified positions.....	1,473.3
Clinical complexes—1,035.3 FTE positions .....	\$ 146,369,900
Health care administration—20.0 FTE positions.....	3,815,200
Healthy Michigan plan administration—12.0 FTE positions .....	982,700

	For Fiscal Year Ending Sept. 30, 2020
Hepatitis C treatment.....	13,700,700
Interdepartmental grant to health and human services, eligibility specialists .....	121,500
Mental health and substance abuse treatment services—406.0 FTE positions .....	50,924,800
Prisoner health care services .....	89,224,000
Vaccination program .....	<u>691,200</u>
GROSS APPROPRIATION.....	\$ 305,830,000
Appropriated from:	
Federal revenues:	
DOJ, Office of Justice programs, RSAT .....	250,200
Federal revenues and reimbursements.....	389,200
Special revenue funds:	
Prisoner health care copayments .....	257,200
State general fund/general purpose.....	\$ 304,933,400
<b>Sec. 107. CORRECTIONAL FACILITIES</b>	
Average population .....	38,429
Full-time equated classified positions.....	8,794.1
Alger Correctional Facility - Munising—259.0 FTE positions.....	\$ 31,510,900
Baraga Correctional Facility - Baraga—295.8 FTE positions .....	36,622,100
Bellamy Creek Correctional Facility - Ionia—391.2 FTE positions.....	45,578,500
Carson City Correctional Facility - Carson City—423.4 FTE positions.....	50,103,600
Central Michigan Correctional Facility - St. Louis—388.6 FTE positions.....	47,665,900
Charles E. Egeler Correctional Facility - Jackson—386.6 FTE positions.....	47,136,400
Chippewa Correctional Facility - Kincheloe—443.6 FTE positions.....	52,687,300
Cooper Street Correctional Facility - Jackson—262.1 FTE positions .....	30,716,700
Earnest C. Brooks Correctional Facility - Muskegon—248.2 FTE positions .....	31,058,100
G. Robert Cotton Correctional Facility - Jackson—393.0 FTE positions.....	46,141,700
Gus Harrison Correctional Facility - Adrian—443.6 FTE positions.....	51,430,500
Ionia Correctional Facility - Ionia—287.3 FTE positions .....	35,236,300
Kinross Correctional Facility - Kincheloe—258.6 FTE positions .....	33,574,700
Lakeland Correctional Facility - Coldwater—275.4 FTE positions.....	33,883,000
Macomb Correctional Facility - New Haven—292.8 FTE positions .....	35,755,800
Marquette Branch Prison - Marquette—319.7 FTE positions.....	39,115,100
Michigan Reformatory - Ionia—317.8 FTE positions.....	36,388,100
Muskegon Correctional Facility - Muskegon—206.0 FTE positions .....	26,478,300
Newberry Correctional Facility - Newberry—198.1 FTE positions .....	24,989,900
Oaks Correctional Facility - Eastlake—289.4 FTE positions .....	35,358,300
Parnall Correctional Facility - Jackson—264.1 FTE positions .....	29,818,600
Richard A. Handlon Correctional Facility - Ionia—252.7 FTE positions.....	31,116,300
Saginaw Correctional Facility - Freeland—276.9 FTE positions .....	34,390,100
Special Alternative Incarceration Program - Cassidy Lake—120.0 FTE positions.....	14,325,300
St. Louis Correctional Facility - St. Louis—303.6 FTE positions .....	38,496,600
Thumb Correctional Facility - Lapeer—283.6 FTE positions .....	34,269,200
Womens Huron Valley Correctional Complex - Ypsilanti—504.1 FTE positions .....	61,141,400
Woodland Correctional Facility - Whitmore Lake—277.9 FTE positions .....	33,516,900
Northern region administration and support—43.0 FTE positions .....	4,406,900
Southern region administration and support—88.0 FTE positions .....	<u>20,640,500</u>
GROSS APPROPRIATION.....	\$ 1,073,553,000
Appropriated from:	
Federal revenues:	
DOJ, state criminal assistance program.....	1,034,800
Special revenue funds:	
State restricted fees, revenues, and reimbursements.....	102,100
State general fund/general purpose.....	\$ 1,072,416,100
<b>Sec. 108. INFORMATION TECHNOLOGY</b>	
Information technology services and projects .....	\$ 30,808,700
GROSS APPROPRIATION.....	\$ 30,808,700



For Fiscal Year  
Ending Sept. 30,  
2020

Appropriated from:  
Special revenue funds:

Correctional industries revolving fund 110 .....	179,900
Parole and probation oversight fees set-aside .....	706,200
Program and special equipment fund .....	447,300
State general fund/general purpose.....	\$ 29,475,300

PART 2  
PROVISIONS CONCERNING APPROPRIATIONS  
FOR FISCAL YEAR 2019-2020

**GENERAL SECTIONS**

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state sources under part 1 for fiscal year 2019-2020 is \$2,009,112,500.00 and state spending from state sources to be paid to local units of government for fiscal year 2019-2020 is \$122,635,700.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

**DEPARTMENT OF CORRECTIONS**

County jail reimbursement program.....	\$ 14,814,600
Community corrections comprehensive plans and services.....	11,658,000
Drunk driver jail reduction and community treatment program .....	1,440,100
Field operations.....	66,596,400
Leased beds and alternatives to leased beds .....	100
Public safety initiative.....	4,000,000
Prosecutorial and detainer expenses .....	4,801,000
Residential alternative to prison program.....	1,500,000
Residential probation diversions .....	17,825,500
<b>TOTAL.....</b>	<b>\$ 122,635,700</b>

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

Sec. 203. As used in this part and part 1:

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

(b) "Cost per prisoner" means the sum total of the funds appropriated under part 1 for the following, divided by the projected prisoner population in fiscal year 2019-2020:

- (i) New custody staff training.
- (ii) Education/skilled trades/career readiness programs.
- (iii) Offender success programming.
- (iv) Central records.
- (v) Correctional facilities administration.
- (vi) Inmate legal services.
- (vii) Prison food service.
- (viii) Prison store operations.
- (ix) Transportation.
- (x) Clinical complexes.
- (xi) Hepatitis C treatment.
- (xii) Mental health and substance abuse treatment services.
- (xiii) Prisoner health care services.
- (xiv) Vaccination program.
- (xv) Correctional facilities.
- (xvi) Northern and southern region administration and support.

(c) "Department" or "MDOC" means the Michigan department of corrections.

(d) "DOJ" means the United States Department of Justice.

(e) "DOJ-BOP" means the DOJ Bureau of Prisons.

(f) "EPIC program" means the department's effective process improvement and communications program.

(g) "Evidence-based" means a decision-making process that integrates the best available research, clinician expertise, and client characteristics.

(h) "Federally qualified health center" means that term as defined in section 1396d(l)(2)(B) of the social security act, 42 USC 1396d.

(i) "FTE" means full-time equated.

(j) “Goal” means the intended or projected result of a comprehensive corrections plan or community corrections program to reduce repeat offending, criminogenic and high-risk behaviors, prison commitment rates, the length of stay in a jail, or to improve the utilization of a jail.

(k) “Jail” means a facility operated by a local unit of government for the physical detention and correction of persons charged with or convicted of criminal offenses.

(l) “MDHHS” means the Michigan department of health and human services.

(m) “Medicaid benefit” means a benefit paid or payable under a program for medical assistance under the social welfare act, 1939 PA 280, MCL 400.1 to 400.119b.

(n) “Objective risk and needs assessment” means an evaluation of an offender’s criminal history; the offender’s noncriminal history; and any other factors relevant to the risk the offender would present to the public safety, including, but not limited to, having demonstrated a pattern of violent behavior, and a criminal record that indicates a pattern of violent offenses.

(o) “OCC” means the office of community corrections.

(p) “Offender eligibility criteria” means particular criminal violations, state felony sentencing guidelines descriptors, and offender characteristics developed by advisory boards and approved by local units of government that identify the offenders suitable for community corrections programs funded through the office of community corrections.

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

(r) “Offender target populations” means felons or misdemeanants who would likely be sentenced to imprisonment in a state correctional facility or jail, who would not likely increase the risk to the public safety based on an objective risk and needs assessment that indicates that the offender can be safely treated and supervised in the community.

(s) “Offender who would likely be sentenced to imprisonment” means either of the following:

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

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

(t) “Programmatic success” means that the department program or initiative has ensured that the offender has accomplished all of the following:

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

(ii) Obtained housing.

(iii) Obtained a state identification card.

(u) “Recidivism” means that term as defined in section 1 of 2017 PA 5, MCL 798.31.

(v) “RSAT” means residential substance abuse treatment.

(w) “Serious emotional disturbance” means that term as defined in section 100d(2) of the mental health code, 1974 PA 258, MCL 330.1100d.

(x) “Serious mental illness” means that term as defined in section 100d(3) of the mental health code, 1974 PA 258, MCL 330.1100d.

(y) “SSA” means the United States Social Security Administration.

(z) “SSA-SSI” means SSA supplemental security income.

Sec. 204. The department shall use the internet to fulfill the reporting requirements of this part. This requirement may include transmission of reports via electronic mail to the recipients identified for each reporting requirement or it may include placement of reports on an internet or intranet site.

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

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

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

in the department's budget. The report shall be submitted to the senate and house appropriations committees, the senate and house fiscal agencies, and the state budget office. The report shall include the following information:

(a) The dates of each travel occurrence.

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

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

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

Sec. 210. In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$2,500,000.00 for federal contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

Sec. 211. The department shall cooperate with the department of technology, management, and budget to maintain a searchable website accessible by the public at no cost that includes, but is not limited to, all of the following for the department:

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

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

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

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

(e) Job specifications and wage rates.

Sec. 212. Within 14 days after the release of the executive budget recommendation, the department shall cooperate with the state budget office to provide the chairpersons of the senate and house appropriations committees, the chairpersons of the senate and house appropriations subcommittees on corrections, and the senate and house fiscal agencies with an annual report on estimated state restricted fund balances, state restricted fund projected revenues, and state restricted fund expenditures for the prior 2 fiscal years.

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

Sec. 214. Total authorized appropriations from all sources under part 1 for legacy costs for the fiscal year ending September 30, 2020 are estimated at \$295,107,000.00. From this amount, total department appropriations for pension-related legacy costs are estimated at \$143,458,300.00. Total department appropriations for retiree health care legacy costs are estimated at \$151,648,700.00.

Sec. 216. (1) On a quarterly basis, the department shall report on the number of full-time equated positions in pay status by civil service classification, including the number of full-time equated positions in pay status by civil service classification for each correctional facility, to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, the legislative corrections ombudsman, and the state budget office. This report must include the following:

(a) A detailed accounting of all vacant positions that exist within the department.

(b) A detailed accounting of all correction officer positions at each correctional facility, including positions that are filled and vacant positions, by facility.

(c) A detailed accounting of all vacant positions that are health care-related.

(d) A detailed accounting of vacant positions that are being held open for temporarily nonactive employees.

(2) As used in this section, "vacant position" means any position that has not been filled at any time during the past 12 calendar months.

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

(2) Revenues appropriated and collected for program and special equipment funds shall be considered state restricted revenue. Funding shall be used for prisoner programming, special equipment, and security projects. Unexpended funds remaining at the close of the fiscal year shall not lapse to the general fund but shall be carried forward and be available for appropriation in subsequent fiscal years.

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

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

(b) A list of planned projects and purchases to be financed with program and special equipment funds during the current fiscal year, the amounts to be expended on each project or purchase, and the name of each vendor from which the products or services will be purchased.

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

Sec. 220. The department may charge fees and collect revenues in excess of appropriations in part 1 not to exceed the cost of offender services and programming, employee meals, parolee loans, academic/vocational services, custody escorts, compassionate visits, union steward activities, and public works programs and services provided to local units of government or private nonprofit organizations. The revenues and fees collected are appropriated for all expenses associated with these services and activities.

Sec. 225. Appropriations in part 1 shall not be expended until all existing work project authorization available for the same purposes is exhausted.

Sec. 226. (1) From the unexpended and unencumbered funds appropriated in 2014 PA 252, 2015 PA 84, 2016 PA 268, 2017 PA 107, 2018 PA 207, and 2018 PA 618 for MDOC physical plant projects utilizing operating funds, pilot online career high school education program, new custody officer training, offender success/local reentry/local reentry services, education/vocational village enhancements, Ojibway Correctional Facility closure costs and site maintenance, staff transition costs, Hepatitis C treatment program, Pugsley Correctional Facility closure costs and site maintenance, and swift and sure sanctions program – Michigan rehabilitation services, the following appropriations shall be made:

(a) \$7,393,400.00 for training new custody staff.

(b) \$4,567,100.00 for replacing electronic tethers.

(c) \$1,000,000.00 to continue the substance abuse parole certain sanction program.

(d) \$950,000.00 for providing post-traumatic stress disorder training and wellness support for department employees.

(e) \$750,000.00 for demolition of the former Deerfield Correctional Facility.

(f) \$500,000.00 for replacing corrections officer training binders with electronic equipment.

(g) \$200,000.00 for requalifying corrections officers in handgun training.

(2) The funds appropriated under subsection (1) are considered work project appropriations for the fiscal year ending September 30, 2020. Any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditure in succeeding years. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purposes of the projects are as follows:

(i) To train additional corrections officers to address higher than normal attrition and decrease the department's overtime costs.

(ii) To replace 6,619 electronic tethers.

(iii) To continue the substance abuse parole certain sanction program.

(iv) To provide enhanced post-traumatic stress disorder outreach, employee wellness programming, and mental health programming for all department employees.

(v) To demolish the former Deerfield Correctional Facility.

(vi) To replace corrections officer training binders with electronic equipment.

(vii) To requalify corrections officers choosing to be requalified in handgun training.

(b) The projects will be accomplished by state employees or by contracts.

(c) The total estimated cost of the projects is \$15,360,500.00.

(d) The tentative completion date is September 30, 2024.

Sec. 227. (1) From the repurposed work project appropriation of \$1,000,000.00 for the substance abuse parole certain sanction program, funding shall be distributed to an American Correctional Association accredited rehabilitation organization operating in any of the following counties: Berrien, Calhoun, Genesee, Kalamazoo, Kent, Macomb, Muskegon, Oakland, Saginaw, and Wayne for operations and administration of the program. The program may be utilized as a condition of parole for technical parole violators to ensure public safety and justice through a program based on evidence-based tactics and programs.

(2) The program or programs selected shall report by March 30 to the department, the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, the legislative corrections

ombudsman, and the state budget office. The report shall include program performance measurements, the number of individuals who participate in the program, the number of individuals who return to prison after participating, and outcomes of participants who complete the program.

Sec. 228. From the repurposed work project appropriation of \$750,000.00 for demolition of the former Deerfield Correctional Facility, the department shall work with the department of technology, management, and budget on awarding a contract to the most responsive and responsible best value bidder for demolition of the facility. The \$750,000.00 shall be transferred by the department of corrections to the department of technology, management, and budget through the interdepartmental grant and transfer process and be used for demolition of the facility.

Sec. 239. It is the intent of the legislature that the department establish and maintain a management-to-staff ratio of not more than 1 supervisor for each 8 employees at the department's central office in Lansing and at both the northern and southern region administration offices.

Sec. 247. In cooperation with the state court administrative office, the department shall assist with the data compilation for the swift and sure sanctions program.

Sec. 248. At the May 2020 consensus revenue estimating conference, the senate and house fiscal agencies and the state budget director, or state treasurer, shall establish a projected prisoner population for fiscal year 2020-2021, and a projected number of available beds based on the population projection.

#### **DEPARTMENTAL ADMINISTRATION AND SUPPORT**

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

Sec. 302. From the funds appropriated in part 1, the department shall submit a report by March 1 on the department's staff retention strategies to the senate and house appropriations subcommittees on corrections, the senate and house committees on oversight, the senate and house fiscal agencies, the legislative corrections ombudsman, and the state budget office. The report must include, but not be limited to, the following:

(a) The department's strategies on how to improve employee engagement, how to improve employee wellness, and how to offer additional training and professional development for employees, including metrics the department is using to measure success of employee wellness programming.

(b) Mechanisms by which the department receives employee feedback in areas under subdivision (a) and how the department considers suggestions made by employees.

(c) Steps the department has taken, and future plans and goals the department has for retention and improving employee wellness.

Sec. 303. From the funds appropriated in part 1, the department shall submit a report by March 1 on the number of employee departures to the senate and house appropriations subcommittees on corrections, the senate and house committees on oversight, the senate and house fiscal agencies, the legislative corrections ombudsman, and the state budget office. The report must include the number of corrections officers that departed from employment at a state correctional facility in the immediately preceding fiscal year and the number of years they worked for the department.

Sec. 304. The department shall maintain a staff savings initiative program in conjunction with the EPIC program for employees to submit suggestions for efficiencies for the department. The department shall consider each suggestion in a timely manner. By March 1, the department shall report to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, the legislative corrections ombudsman, and the state budget office on process improvements that were implemented based on suggestions that were recommended for implementation from the staff savings initiative and EPIC programs.

Sec. 305. From the funds appropriated in part 1 for prosecutorial and detainee expenses, the department shall reimburse counties for housing and custody of parole violators and offenders being returned by the department from community placement who are available for return to institutional status and for prisoners who volunteer for placement in a county jail.

Sec. 306. Funds included in part 1 for the sheriffs' coordinating and training office are appropriated for and may be expended to defray costs of continuing education, certification, recertification, decertification, and training of local corrections officers, the personnel and administrative costs of the sheriffs' coordinating and training office, the local corrections officers advisory board, and the sheriffs' coordinating and training council under the local corrections officers training act, 2003 PA 125, MCL 791.531 to 791.546.

Sec. 307. The department shall issue a biannual report for all vendor contracts to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, the legislative corrections ombudsman, and the state budget office. The report shall cover service contracts with a value of \$500,000.00 or more and include all of the following:

(a) The original start date and the current expiration date of each contract.

(b) The number, if any, of contract compliance monitoring site visits completed by the department for each vendor.

(c) The number and amount of fines, if any, for service-level agreement noncompliance for each vendor broken down by area of noncompliance.

Sec. 308. The department shall provide for the training of all custody staff in effective and safe ways of handling prisoners with mental illness and referring prisoners to mental health treatment programs. Mental health awareness training shall be incorporated into the training of new custody staff.

Sec. 309. The department shall issue a report for all correctional facilities to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, the legislative corrections ombudsman, and the state budget office by January 1 setting forth the following information for each facility: its name, street address, and date of construction; its current maintenance costs; any maintenance planned; its current utility costs; its expected future capital improvement costs; the current unspent balance of any authorized capital outlay projects, including the original authorized amount; and its expected future useful life. For facilities closed prior to November 1, 2018, the report shall include a list of costs associated with maintenance and upkeep of closed facilities, by facility, and estimated costs of demolition of closed facilities.

Sec. 310. (1) By February 1, the department shall provide a report to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, the legislative corrections ombudsman, and the state budget office which details the strategic plan of the department. The report shall contain strategies to decrease the overall recidivism rate, measurable plans to increase the rehabilitative function of correctional facilities, metrics to track and ensure prisoner readiness to reenter society, and constructive actions for providing prisoners with life skills development.

(2) The intent of this report is to express that the mission of the department is to provide an action plan before reentry to society that ensures prisoners' readiness for meeting parole requirements and ensures a reduction in the total number of released inmates who reenter the criminal justice system.

Sec. 311. By December 1, the department shall provide a report on the Michigan state industries program to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, the legislative corrections ombudsman, and the state budget office. The report shall include, but not be limited to, the locations of the programs, the total number of participants at each location, a description of job duties and typical inmate schedules, the products that are produced, and how the program provides marketable skills that lead to employable outcomes after release from a department facility.

Sec. 312. (1) From the funds appropriated in part 1 for budget and operations administration, \$50,000.00 shall be used for post-traumatic stress disorder outreach and employee wellness programming. The department shall work with the Michigan corrections organization and others, including a multidisciplinary team of department employees representing every job category and administration, to determine strategies for treating mental health issues and implementing mental health programming for all department staff, with a focus on staff working in correctional facilities on a daily basis.

(2) The appropriation of \$50,000.00 in part 1 shall be used in addition to the repurposed work project appropriation of \$950,000.00 contained in section 226 of this part.

(3) By September 30, the department shall submit a report detailing strategies and goals determined, programs established, the level of employee involvement in the creation of programs, the prevalence of post-traumatic stress disorder and other psychological issues among corrections officers that are exacerbated by the corrections environment and exposure to highly stressful situations, and details on expenditures. The department shall submit the report to the senate and house appropriations subcommittees on corrections, the senate and house committees on oversight, the senate and house fiscal agencies, the legislative corrections ombudsman, and the state budget office.

Sec. 313. (1) From the funds appropriated in part 1, the department shall submit quarterly reports on new employee schools to the senate and house appropriations subcommittees on corrections, the senate and house committees on oversight, the senate and house fiscal agencies, the legislative corrections ombudsman, and the state budget office. The reports must include the following information for the immediately preceding fiscal quarter, and as much of the information as possible for the current and next fiscal year.

(a) The number of new employee schools that took place and the location of each.

(b) The number of recruits that started in each employee school.

(c) The number of recruits that graduated from each employee school and continued employment with the department.

(2) The report must outline the department's strategy to achieve a 5% or lower target corrections officer vacancy rate.

Sec. 314. From the funds appropriated in part 1, the department shall submit a monthly report on the number of overtime hours worked by all custody staff, by facility. The report shall include for each facility, the number of mandatory overtime hours worked, the number of voluntary overtime hours worked, the

reasons for overtime hours worked, and the average number of overtime hours worked by active employees. The report shall be submitted to the senate and house appropriations subcommittees on corrections, the senate and house committees on oversight, the senate and house fiscal agencies, the legislative corrections ombudsman, and the state budget office.

Sec. 315. It is the intent of the legislature that, once staffing vacancy rates improve to a sufficient level, the department will allow corrections officers the option to work 12-hour shifts.

Sec. 316. (1) From the funds appropriated in part 1 for new custody staff training, \$200,000.00 shall be allocated for handgun requalification for corrections officers wanting to be requalified.

(2) The appropriation of \$200,000.00 in part 1 shall be used in addition to the repurposed work project appropriation of \$200,000.00 contained in section 226 of this part.

Sec. 317. (1) From the funds appropriated in part 1, the department shall conduct a study, in cooperation with the department of technology, management, and budget, to find a suitable location for a training academy. At a minimum, 4 locations must be selected for the study, and 2 locations must be the former Riverside Correctional Facility and the former Ojibway Correctional Facility. The new training academy must have classrooms, administrative offices, a gymnasium, a cafeteria, lodging facilities, an outdoor training area, and a firearm range.

(2) The results of the study, including projected costs for each location, must be reported to the senate and house of representatives appropriations subcommittees on corrections, the senate and house fiscal agencies, the legislative corrections ombudsman, and the state budget office by April 1.

#### **OFFENDER SUCCESS ADMINISTRATION**

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

Sec. 402. By March 1, the department shall provide a report on offender success expenditures and allocations to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, the legislative corrections ombudsman, and the state budget office. At a minimum, the report shall include information on both of the following:

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

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

Sec. 403. The department shall partner with nonprofit faith-based, business and professional, civic, and community organizations for the purpose of providing offender success services. Offender success services include, but are not limited to, counseling, providing information on housing and job placement, and money management assistance.

Sec. 404. From the funds appropriated in part 1 for offender success services, the department, when reasonably possible, shall ensure that inmates have potential employer matches in the communities to which they will return prior to each inmate's initial parole hearing.

Sec. 405. By March 1, the department shall report to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, the legislative corrections ombudsman, and the state budget office on substance abuse testing and treatment program objectives, outcome measures, and results, including program impact on offender success and programmatic success.

Sec. 407. By June 30, the department shall place the statistical report from the immediately preceding calendar year on an internet site. The statistical report shall include, but not be limited to, the information as provided in the 2004 statistical report.

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

Sec. 409. (1) The department shall engage with the department of labor and economic opportunity and local entities to design services and shall use appropriations provided in part 1 for offender success and vocational education programs. The department shall ensure that the collaboration provides relevant professional development opportunities to prisoners to ensure that the programs are high quality, demand driven, locally receptive, and responsive to the needs of communities where the prisoners are expected to reside after their release from correctional facilities. The programs shall begin upon the intake of the prisoner into a department facility.

(2) The department shall continue to offer workforce development programming through the entire duration of the prisoner's incarceration to encourage employment upon release.

(3) By March 1, the department shall provide a report to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, the legislative corrections ombudsman, and the state budget office detailing the results of the workforce development program.

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

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

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

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

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

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

(f) Contribute to offender success.

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

(3) Funds awarded for residential services in part 1 shall provide for a per diem reimbursement of not more than \$52.50.

Sec. 411. The comprehensive corrections plans shall also include, where appropriate, descriptive information on the full range of sanctions and services that are available and utilized within the local jurisdiction and an explanation of how jail beds, residential services, the special alternative incarceration program, probation detention centers, the electronic monitoring program for probationers, and treatment and rehabilitative services will be utilized to support the objectives and priorities of the comprehensive corrections plans and the purposes and priorities of section 8(4) of the community corrections act, 1988 PA 511, MCL 791.408, that contribute to the success of offenders. The plans shall also include, where appropriate, provisions that detail how the local communities plan to respond to sentencing guidelines found in chapter XVII of the code of criminal procedure, 1927 PA 175, MCL 777.1 to 777.69, and use the county jail reimbursement program under section 414 of this part. The state community corrections board shall encourage local community corrections advisory boards to include in their comprehensive corrections plans strategies to collaborate with local alcohol and drug treatment agencies of the MDHHS for the provision of alcohol and drug screening, assessment, case management planning, and delivery of treatment to alcohol- and drug-involved offenders.

Sec. 412. (1) The department shall submit to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, the legislative corrections ombudsman, and the state budget office the following information for each county and counties consolidated for comprehensive corrections plans:

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

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

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

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

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

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

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

Sec. 413. (1) From the funds appropriated in part 1 for public safety initiative, the county sheriff of the county receiving the funding under part 1 shall report a detailed listing of expenditures made for the prior



three fiscal years. The report must be submitted by February 1 to the senate and house of representatives appropriations subcommittees on corrections, the senate and house fiscal agencies, the legislative corrections ombudsman, and the state budget office and must include the purpose for which the expenditures were made, the amounts of expenditures by purpose, specific services that were provided, and number of individuals served.

(2) If requested by the senate and house of representatives appropriations subcommittees on corrections, the county sheriff of the county receiving the funding under part 1 shall appear before the subcommittees to discuss the expenditure report required under subsection (1). The subcommittees will work with the county sheriff to determine when the meeting will occur.

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

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

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

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

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

(3) State reimbursement under this section shall be \$65.00 per diem per diverted offender for offenders with a presumptive prison guideline score, \$55.00 per diem per diverted offender for offenders with a straddle cell guideline for a group 1 crime, and \$40.00 per diem per diverted offender for offenders with a straddle cell guideline for a group 2 crime. Reimbursements shall be paid for sentences up to a 1-year total.

(4) As used in this section:

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

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

(c) "In the custody of the sheriff" means that the convicted felon has been sentenced to the county jail and is either housed in a county jail, is in custody but is being housed at a hospital or medical facility for a medical or mental health purpose, or has been released from jail and is being monitored through the use of the sheriff's electronic monitoring system.

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

(6) Any county that receives funding under this section for the purpose of housing in jails certain felons who otherwise would have been sentenced to prison shall, as a condition of receiving the funding, report by September 30 an annual average jail capacity and annual average jail occupancy for the immediately preceding fiscal year.

(7) Any county that enacts or enforces any law, ordinance, policy, or rule that limits or prohibits a peace officer or local official, officer, or employee from communicating or cooperating with appropriate federal officials concerning the immigration status of an individual in this state is not eligible to receive reimbursement from funds appropriated in part 1 to house in jails certain felons who otherwise would have been sentenced to prison.

(8) Not later than February 1, the department shall report to the senate and house appropriations subcommittees on corrections all of the following information:

(a) The number of inmates sentenced to the custody of the sheriff and eligible for the county jail reimbursement program.

- (b) The total amount paid to counties under the county jail reimbursement program.
- (c) The total number of days inmates were in the custody of the sheriff and eligible for the county jail reimbursement program.
- (d) The number of inmates sentenced to the custody of the sheriff under each of the 3 categories: presumptive prison, group 1 crime, and group 2 crime in subsection (3).
- (e) The total amount paid to counties under each of the 3 categories: presumptive prison, group 1 crime, and group 2 crime in subsection (3).
- (f) The total number of days inmates were in the custody of the sheriff under each of the 3 categories: presumptive prison, group 1 crime, and group 2 crime in subsection (3).
- (g) The estimated cost of housing inmates sentenced to the custody of the sheriff and eligible for the county jail reimbursement program as inmates of a state prison.

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

Sec. 417. (1) By March 1, the department shall report to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, the legislative corrections ombudsman, and the state budget office on both of the following programs from the previous fiscal year:

- (a) The drunk driver jail reduction and community treatment program.
  - (b) Any new initiatives to control prison population growth funded or proposed to be funded under part 1.
- (2) For each program listed under subsection (1), the report shall include information on each of the following:
- (a) Program objectives and outcome measures, including, but not limited to, the number of offenders who successfully completed the program, and the number of offenders who successfully remained in the community during the 3 years following termination from the program.

- (b) Expenditures by location.

- (c) The impact on jail utilization.

- (d) The impact on prison admissions.

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

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

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

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

Sec. 419. (1) The department shall provide weekly electronic mail reports to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, the legislative corrections ombudsman, and the state budget office on prisoner populations by security levels by facility, prison facility capacities, and parolee and probationer populations.

(2) The department shall provide monthly electronic mail reports to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, the legislative corrections ombudsman, and the state budget office. The reports shall include information on end-of-month prisoner populations in county jails, the net operating capacity according to the most recent certification report, identified by date, the number of beds in currently closed housing units by facility, and end-of-month data, year-to-date data, and comparisons to the prior year for the following:

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

- (b) Parole populations.

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

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

- (e) Prisoners classified as past their earliest release date.

- (f) Parole board activity, including the numbers and percentages of parole grants and parole denials.

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

(h) Prison intake and returns, including probation violators, new court commitments, violators with new sentences, escaper new sentences, total prison intake, returns from court with additional sentences, community placement returns, technical parole violator returns, and total returns to prison and camp.

Sec. 422. On a quarterly basis, the department shall issue a report to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, the legislative corrections ombudsman, and the state budget office, for the previous 4 quarters detailing the outcomes of prisoners who have been reviewed for parole. The report shall include all of the following:

(a) How many prisoners in each quarter were reviewed.

(b) How many prisoners were granted parole.

(c) How many prisoners were denied parole.

(d) How many parole decisions were deferred.

(e) The distribution of the total number of prisoners reviewed during that quarter grouped by whether the prisoner had been interviewed for the first, second, third, fourth, fifth, sixth, or more than sixth time.

(f) The number of paroles granted, denied, or deferred for each of the parole guideline scores of low, average, and high.

(g) The reason for denying or deferring parole.

Sec. 423. From the funds appropriated in part 1 for offender success administration, the department shall collaborate with the Michigan Restaurant Association for job placement for individuals on probation and parole.

Sec. 425. (1) From the funds appropriated in part 1 for offender success programming, \$1,000,000.00 shall be used by the department to establish medication-assisted treatment offender success pilot programs to provide prerelease treatment and postrelease referral for opioid-addicted and alcohol-addicted offenders who voluntarily participate in the medication-assisted treatment offender success pilot programs. The department shall collaborate with residential and nonresidential substance abuse treatment providers and with community-based clinics to provide postrelease treatment. The programs shall employ a multifaceted approach to treatment, including a long-acting nonaddictive medication approved by the Food and Drug Administration for the treatment of opioid and alcohol dependence, counseling, and postrelease referral to community-based providers.

(2) The manufacturer of a long-acting nonaddictive medication approved by the Food and Drug Administration for opioid and alcohol dependence shall provide the department with samples of the medication, at no cost to the department, during the duration of the medication-assisted treatment offender success pilot programs. Offenders shall receive 1 injection prior to being released from custody and shall be connected with an aftercare plan and assistance with obtaining insurance to cover subsequent injections.

(3) Participants of the programs shall be required to attend substance abuse treatment programming as directed by their agent, including coordination of both direct or indirect services through federally qualified health centers in Wayne, Washtenaw, Genesee, Berrien, Van Buren, and Allegan Counties, but not limited to only those counties, shall be subject to routine drug and alcohol testing, shall not be allowed to consume drugs or alcohol, and shall possess a strong will to overcome addiction.

(4) The department shall submit a report by September 30 to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, the legislative corrections ombudsman, and the state budget office on the number of offenders who received injections upon release, the number of offenders who received injections and tested positive for drugs or alcohol, the number of offenders who received injections in the community for a duration of at least 3 months, and the number of offenders who received injections and were subsequently returned to prison.

Sec. 426. From the funds appropriated in part 1, the department shall ensure that any inmate with a diagnosed mental illness is referred to a local mental health care provider that is able and willing to treat the inmate upon parole or discharge. The department shall ensure that the provider is informed of the inmate's current treatment plan including any medications that are currently prescribed to the inmate.

Sec. 437. (1) Funds appropriated in part 1 for Goodwill Flip the Script shall be distributed to a Michigan-chartered 501(c)(3) nonprofit corporation operating in a county with greater than 1,500,000 people for administration and expansion of a program that serves a population of individuals aged 16 to 39. The program shall target those who are entering the criminal justice system for the first or second time and shall assist those individuals through the following program types:

(a) Alternative sentencing programs in partnership with a local district or circuit court.

(b) Educational recovery for special adult populations with high rates of illiteracy.

(c) Career development and continuing education for women.

(2) The program selected shall report by March 30 to the department, the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, the legislative corrections ombudsman, and the state budget office. The report shall include program performance measurements, the number of individuals diverted from incarceration, the number of individuals served, and outcomes of participants who complete the program.

#### **FIELD OPERATIONS ADMINISTRATION**

Sec. 602. It is the intent of the legislature that the department not extend any contracts for electronic monitoring devices. When the current contract ends, a complete review of all providers and technology must be conducted to determine the efficacy.

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

(2) Program participant contributions and local program reimbursement for the curfew monitoring program appropriated in part 1 are related to program expenditures and may be used to offset expenditures for this purpose.

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

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

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

Sec. 604. (1) The funds appropriated in part 1 for criminal justice reinvestment shall be used only to fund data collection and evidence-based programs designed to reduce recidivism among probationers and parolees.

(2) Of the funds appropriated in part 1 for criminal justice reinvestment, at least \$600,000.00 shall be allocated to an organization that has received a United States Department of Labor training to work 2-adult reentry grant to provide county jail inmates with programming and services to prepare them to get and keep jobs. Examples of eligible programs and services are, but are not limited to: adult education, tutoring, manufacturing skills training, participation in a simulated work environment, mentoring, cognitive therapy groups, life skills classes, substance abuse recovery groups, fatherhood programs, classes in understanding the legal system, family literacy, health and wellness, finance management, employer presentations, and classes on job retention. Programming and support services should begin before release and continue after release from the county jail. To be eligible for funding, an organization must show at least 2 years' worth of data that demonstrate program success.

Sec. 611. The department shall prepare by March 1 individual reports for the residential reentry program, the electronic monitoring program, and the special alternative to incarceration program. The reports shall be submitted to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, the legislative corrections ombudsman, and the state budget office. Each program's report shall include information on all of the following:

(a) Monthly new participants by type of offender. Residential reentry program participants shall be categorized by reason for placement. For technical rule violators, the report shall sort offenders by length of time since release from prison, by the most recent violation, and by the number of violations occurring since release from prison.

(b) Monthly participant unsuccessful terminations, including cause.

(c) Number of successful terminations.

(d) End month population by facility/program.

(e) Average length of placement.

(f) Return to prison statistics.

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

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

(i) Comparison with prior year statistics.

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

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

(2) By April 1, the department shall provide a report to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, the legislative corrections ombudsman, and the state budget office on the number of all parolees returned to prison and probationers sentenced to prison for either a technical violation or new sentence during the preceding fiscal year. The report shall include the following information for probationers, for parolees after their first parole, and for parolees who have been paroled more than once:

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

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

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

(d) The number of offenders who participated in the reentry program versus the number of those who did not.

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

Sec. 613. When the department is determining where to place a parolee with chronic technical violations, the department shall give priority to placing a parolee in an intensive detention program that offers specific programming to address the behavioral needs of the parolee, and that works on a plan with the parolee to ensure that once the parolee is released he or she can remain in the community and successfully complete his or her parole.

Sec. 615. (1) The department shall submit a report detailing the number of prisoners who have received life imprisonment sentences with the possibility of parole and who are currently eligible for parole to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, the legislative corrections ombudsman, and the state budget office by April 30.

(2) The report shall include the following information on parolable lifers who have served more than 25 years: prisoner name, MDOC identification number, prefix, offense for which life term is being served, county of conviction, age at time offense was committed, current age, race, gender, true security classification, dates of parole board file reviews, dates of parole board interviews, parole guideline scores, and reason for decision not to release.

Sec. 617. From the funds appropriated in part 1 for the residential alternative to prison program, the department shall provide vocational, educational, and cognitive programming in a secure environment to enhance existing alternative sentencing options, increase employment readiness and successful placement rates, and reduce new criminal behavior for the west Michigan probation violator population. The department shall measure and set the following metric goals:

(a) 85% of participants successfully complete the program.

(b) Of the participants that complete the program, 75% will earn a nationally recognized credential for career and vocational programs.

(c) Of the participants that complete the program, 100% will earn a certificate of completion for cognitive programming.

(d) The prison commitment rate for probation violators will be reduced by 5% within the impacted geographical area after the first year of program operation.

### **HEALTH CARE**

Sec. 802. As a condition of expenditure of the funds appropriated in part 1, the department shall provide the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, the legislative corrections ombudsman, and the state budget office with quarterly reports on physical and mental

health care detailing quarterly and fiscal year-to-date expenditures itemized by vendor, allocations, status of payments from contractors to vendors, and projected year-end expenditures from accounts for prisoner health care, mental health care, pharmaceutical services, and durable medical equipment. These reports shall include a breakdown of all payments to the integrated care provider itemized by physical health care, mental health care, and pharmacy expenditures.

Sec. 803. (1) The department shall assure that all prisoners, upon any health care treatment, are given the opportunity to sign a release of information form designating a family member or other individual to whom the department shall release records information regarding a prisoner. A release of information form signed by a prisoner shall remain in effect for 1 year, and the prisoner may elect to withdraw or amend the release form at any time.

(2) The department shall assure that any such signed release forms follow a prisoner upon transfer to another department facility or to the supervision of a parole officer.

(3) The form shall be placed online, on a public website managed by the department.

Sec. 804. The department shall report quarterly to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, the legislative corrections ombudsman, and the state budget office on prisoner health care utilization. The report shall include the number of inpatient hospital days, outpatient visits, emergency room visits, and prisoners receiving off-site inpatient medical care in the previous quarter, by facility.

Sec. 807. The funds appropriated in part 1 for Hepatitis C treatment shall be used only to purchase specialty medication for Hepatitis C treatment in the prison population. In addition to the above appropriation, any rebates received from the medications used shall be used only to purchase specialty medication for Hepatitis C treatment. On a quarterly basis, the department shall issue a report to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, the legislative corrections ombudsman, and the state budget office, showing for the previous 4 quarters the total amount spent on specialty medication for the treatment of Hepatitis C, the number of prisoners that were treated, the amount of any rebates that were received from the purchase of specialty medication, and what outstanding rebates are expected to be received.

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

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

Sec. 816. By April 1, the department shall provide the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, the legislative corrections ombudsman, and the state budget office with a report on pharmaceutical expenditures and prescribing practices. In particular, the report shall provide the following information:

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

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

### **CORRECTIONAL FACILITIES ADMINISTRATION**

Sec. 901. From the funds appropriated in part 1 for the enhanced food technology program, the department shall expand the existing food technology education program to at least 700 inmates annually. A participant in the food technology program shall complete 408 hours of on-the-job training in a prison kitchen as a part of the program.

Sec. 903. From the funds appropriated in part 1 for prison food service, the department shall report biannually to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, the legislative corrections ombudsman, and the state budget office on the following:

(a) Average per-meal cost for prisoner food service. Per-meal cost shall include all costs directly related to the provision of food for the prisoner population, and shall include, but not be limited to, actual food costs, total compensation for all food service workers, including benefits and legacy costs, and inspection and compliance costs for food service.

(b) Food service-related contracts, including goods or services to be provided and the vendor.

(c) Major sanitation violations.

Sec. 904. The department shall calculate the cost per prisoner/per day for each security custody level. This calculation shall include all actual direct and indirect costs for the previous fiscal year, including, but not limited to, the value of services provided to the department by other state agencies and the allocation of statewide legacy costs. To calculate the cost per prisoner/per day, the department shall divide these direct and indirect costs by the average daily population for each custody level. For multilevel facilities, the indirect costs that cannot be accurately allocated to each custody level can be included in the calculation on a per-prisoner basis for each facility. A report summarizing these calculations and the direct and indirect costs included in them shall be submitted to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, the legislative corrections ombudsman, and the state budget office not later than December 15.

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

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

- (a) The number of instructors and the number of instructor vacancies, by program and facility.
- (b) The number of prisoners enrolled in each program, the number of prisoners completing each program, the number of prisoners who do not complete each program and are not subsequently reenrolled, and the reason for not completing the program, the number of prisoners transferred to another facility while enrolled in a program and not subsequently reenrolled, the number of prisoners enrolled who are repeating the program, and the number of prisoners on waiting lists for each program, all itemized by facility.
- (c) The steps the department has undertaken to improve programs, track records, accommodate transfers and prisoners with health care needs, and reduce waiting lists.
- (d) The number of prisoners paroled without a high school diploma and the number of prisoners paroled without a high school equivalency.
- (e) An explanation of the value and purpose of each program, for example, to improve employability, reduce recidivism, reduce prisoner idleness, or some combination of these and other factors.
- (f) An identification of program outcomes for each academic and vocational program.
- (g) The number of prisoners not paroled at their earliest release date due to lack of a high school equivalency, and the reason those prisoners have not obtained a high school equivalency.

Sec. 910. The department shall allow the Michigan Braille transcribing fund program to operate at its current location. The donation of the building by the Michigan Braille transcribing fund at the G. Robert Cotton Correctional Facility in Jackson is acknowledged and appreciated. The department shall continue to encourage the Michigan Braille transcribing fund program to produce high-quality materials for use by the visually impaired.

Sec. 911. By March 1, the department shall report to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, the legislative corrections ombudsman, and the state budget office the number of critical incidents occurring each month by type and the number and severity of assaults, escape attempts, suicides, and attempted suicides occurring each month at each facility during the immediately preceding calendar year.

Sec. 912. The department shall report monthly to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, the legislative corrections ombudsman, and the state budget office on the ratio of correctional officers to prisoners for each correctional institution, the ratio of shift command staff to line custody staff, and the ratio of noncustody institutional staff to prisoners for each correctional institution.

Sec. 913. (1) From the funds appropriated in part 1, the department shall focus on providing required programming to prisoners who are past their earliest release date because of not having received the required programming. Programming includes, but is not limited to, violence prevention programming, assaultive offender programming, sexual offender programming, substance abuse treatment programming, thinking for a change programming, and any other programming that is required as a condition of parole.

(2) It is the intent of the legislature that any prisoner required to complete a violence prevention program, sexual offender program, or other program as a condition of parole shall be placed on a waiting list for the appropriate programming upon entrance to prison and transferred to a facility where that program is available in order to accomplish timely completion of that program prior to the expiration of his or her minimum sentence and eligibility for parole. Nothing in this section should be deemed to make parole denial appealable in court.

(3) The department shall submit a quarterly report to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, the legislative corrections ombudsman, and the state budget office detailing enrollment in sex offender programming, assaultive offender programming, violent offender programming, and thinking for a change programming. At a minimum, the report shall include the following:

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

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

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

Sec. 920. If a female prisoner consents to a visitor being present, the department shall allow that 1 person to be present during the prisoner's labor and delivery. The person allowed to accompany the prisoner must be an immediate family member, legal guardian, spouse, or domestic partner. The department is authorized to deny access to a visitor if the department has a safety concern with that visitor's access. The department is authorized to conduct a criminal background check on a visitor.

Sec. 924. The department shall evaluate all prisoners at intake for substance abuse disorders, serious developmental disorders, serious mental illness, and other mental health disorders. Prisoners with serious mental illness or serious developmental disorders shall not be removed from the general population as a punitive response to behavior caused by their serious mental illness or serious developmental disorder. Due to persistent high violence risk or severe disruptive behavior that is unresponsive to treatment, prisoners with serious mental illness or serious developmental disorders may be placed in secure residential housing programs that will facilitate access to institutional programming and ongoing mental health services. A prisoner with serious mental illness or serious developmental disorder who is confined in these specialized housing programs shall be evaluated or monitored by a medical professional at a frequency of not less than every 12 hours.

Sec. 925. By March 1, the department shall report to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, the legislative corrections ombudsman, and the state budget office on the annual number of prisoners in administrative segregation between October 1, 2018 and September 30, 2019, and the annual number of prisoners in administrative segregation between October 1, 2018 and September 30, 2019 who at any time during the current or prior prison term were diagnosed with serious mental illness or have a developmental disorder and the number of days each of the prisoners with serious mental illness or a developmental disorder have been confined to administrative segregation.

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

(a) Ensure that any inmate care and control staff in contact with prisoners less than 18 years of age are adequately trained with regard to the developmental and mental health needs of prisoners less than 18 years of age. By April 1, the department shall report to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, the legislative corrections ombudsman, and the state budget office on the training curriculum used and the number and types of staff receiving annual training under that curriculum.

(b) Provide appropriate placement for prisoners less than 18 years of age who have serious mental illness, serious emotional disturbance, or a serious developmental disorder and need to be housed separately from the general population. Prisoners less than 18 years of age who have serious mental illness, serious emotional disturbance, or a serious developmental disorder shall not be removed from an existing placement as a punitive response to behavior caused by their serious mental illness, serious emotional disturbance, or a serious developmental disorder. Due to persistent high violence risk or severe disruptive behavior that is unresponsive to treatment, prisoners less than 18 years of age with serious emotional disturbance, serious mental illness, or serious developmental disorders may be placed in secure residential housing programs that will facilitate access to institutional programming and ongoing mental health services. A prisoner less than 18 years of age with serious mental illness, serious emotional disturbance, or a serious developmental disorder who is confined in these specialized housing programs shall be evaluated or monitored by a medical professional at a frequency of not less than every 12 hours.

(c) Implement a specialized offender success program that recognizes the needs of prisoners less than 18 years old for supervised offender success.

Sec. 930. The department shall submit a quarterly report to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, the legislative corrections ombudsman, and the state budget office on the number of youth in prison. The report shall include, but not be limited to, the following information:

(a) The total number of inmates under age 18 who are not on Holmes youthful trainee act status.

(b) The total number of inmates under age 18 who are on Holmes youthful trainee act status.



(c) The total number of inmates aged 18 to 23 who are on Holmes youthful trainee act status.

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

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

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

Sec. 943. The department shall submit a report by May 1 to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, the legislative corrections ombudsman, and the state budget office on the actual and projected savings achieved by closing correctional facilities. Savings amounts shall be itemized by facility. Information required by this section shall start with the closure of the Pugsley Correctional Facility, which closed in September of 2016.

Sec. 944. When the department is planning to close a correctional facility, the department shall fully consider the potential economic impact of the prison closure on the community where the facility is located. The department, when weighing all factors related to the closure of a facility, shall also consider the impact on the local community where the facility to be closed is located.

**MISCELLANEOUS**

Sec. 1009. The department shall make an information packet for the families of incoming prisoners available on the department’s website. The information packet shall be updated by February 1. The packet shall provide information on topics including, but not limited to: how to put money into prisoner accounts, how to make phone calls or create Jpay electronic mail accounts, how to visit in person, proper procedures for filing complaints or grievances, the rights of prisoners to physical and mental health care, how to utilize the offender tracking information system (OTIS), truth-in-sentencing and how it applies to minimum sentences, the parole process, and guidance on the importance of the role of families in the reentry process. The department is encouraged to partner with external advocacy groups and actual families of prisoners in the packet-writing process to ensure that the information is useful and complete.

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

Sec. 1013. From the funds appropriated in part 1, priority may be given to funding reentry or rehabilitation programs that have been demonstrated to reduce prison violence and recidivism, including faith-based initiatives.

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

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

Thomas A. Albert  
Bradley Slagh  
Conferees for the House

Tom Barrett  
Jim Stamas  
Conferees for the Senate

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

**Roll Call No. 240**

**Yeas—22**

Barrett	LaSata	Nesbitt	Stamas
Bizon	Lauwers	Outman	Theis

Bumstead	Lucido	Runestad	VanderWall
Daley	MacDonald	Schmidt	Victory
Horn	MacGregor	Shirkey	Zorn
Johnson	McBroom		

### Nays—16

Alexander	Bullock	Hollier	Moss
Ananich	Chang	Irwin	Polehanki
Bayer	Geiss	McCann	Santana
Brinks	Hertel	McMorrow	Wojno

### Excused—0

### Not Voting—0

In The Chair: President

Senator MacGregor moved that the bill be given immediate effect.  
The motion prevailed, 2/3 of the members serving voting therefor.

### Protests

Senators Hertel, Bullock, Geiss, Moss, Wojno, Santana, Alexander and McMorrow, under their constitutional right of protest (Art. 4, Sec. 18), protested against the adoption of the first conference report on House Bill No. 4231.

Senator Hertel moved that the statement he made during the discussion of the conference report be printed as his reasons for voting “no.”

The motion prevailed.

Senator Hertel’s statement, in which Senators Bullock, Geiss, Moss, Wojno, Santana, Alexander and McMorrow concurred is as follows:

Colleagues, I rise to give my “no” vote explanation to the Department of Corrections budget.

In this body we claim to value public safety and we claim to be fiscally responsible. This budget does not reflect those values. This corrections budget puts our communities at risk and plays politics with our county jails. It throws all the good work we’ve been doing on criminal justice reform out the window.

We all know what the problem is and we know what it’s going to take to reverse the current trends. We have passed bills in this body to make the long-term necessary changes and we have spoken platitudes about criminal justice reform. But then when the department needs to implement those plans, we as a body are directing them to implement this budget, which pulls the rug out from beneath them. This budget, that reduces General Fund spending by 47 million dollars, not because of what the Department of Corrections has done, or failed to do, or what they need, but because some legislators are wanting to make permanent cuts to effective public safety programs simply so they can claim they raised temporary road funding.

Let’s talk about impossible choices. For anyone who has spoken to MDOC staff, you know their top concern is the number of vacancies in facilities, which results in mandated overtime and burnout. The MDOC sought \$10.5 million to address this issue in the coming fiscal year. But the conference report only provides two-thirds of that funding. And even that funding—the two-thirds—is not real. Rather, the conference report directs the department to spend funds appropriated in previous years that the department was utilizing for projects and improvements at their facilities. Imagine that choice. You can hire staff or you can make the investments in your facilities that are needed to protect staff and the public. Who in this chamber is willing to look a corrections officer in the face and tell them what choice they would make? More safety so they have less overtime or less safety in the actual infrastructure of their own buildings?

MDOC needs to replace the GPS tethers that monitor thousands of offenders in our community. But rather than provide actual funding, the conference report again only goes as far as allowing MDOC to spend funds that were previously appropriated for other projects. Should we be asking the department, and the citizens of Michigan, to make this impossible choice? Would you rather have prisons that operate safely or tethers that operate at all, because the Legislature doesn't see fit to provide you with both.

Many of you have visited the MDOC's operations the last few years as they have become a national leader in vocational training and employment for offenders. You've heard from employers in your district who have spoken about the value of having a corrections system that prepares people for work and return on investment for the state from this approach. And yet, the budget before us seeks to damage those programs before killing them outright next year. Phony fund shifts can't hide the fact that this budget will result in a historic cut in prisoner education, job training, and some of those effective programs from preventing future crime.

Why are we forcing ourselves to make the choice between having effective programs that save us money versus the long-term, short-term thinking of cutting these programs to have just a little more to put towards roads for one year. I'm sure we will hear that the impact of this budget is minimal, that funds are being shifted here, and that these various accounting gimmicks will have little concerns. But ask yourself this: do cuts to community corrections and other successful diversion programs sound like no cause for concern? Does the reduction in funding for substance abuse treatment in the middle of an opioid crisis make sense? Or would reductions in reimbursements to local units of government be no big deal to the local law enforcement in your own counties? Does elimination of the vocational villages over the next two years sound like Michigan is moving forward or backwards? And finally, should we be willing to settle for anything other than a real solution to the need for adequate staffing at our correctional facilities?

We find ourselves having to answer these questions about this budget for no reason beyond the inability of some to propose a real long-term solution to Michigan's infrastructure needs. As work continues on this issue, join me in defeating this budget, which places impossible choice in front of the citizens of Michigan that they should not have to make. Our citizens deserve a corrections system that keeps them safe, actively works towards rehabilitation, and is focused on saving taxpayers money through the long-term success of the department. This budget fails to accomplish any of those important goals, and I ask my colleagues to vote "no."

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

The motion prevailed.

Senator Barrett's statement is as follows:

This is a fiscally-responsible, prudent, and well-thought-out budget for the Department of Corrections, something I have a great bit of commitment to. I don't know from everyone in this chamber, but I might be the only one who's actually spent time in a corrections environment doing the day-to-day work and securing the facilities of our nation's interests in Guantanamo Bay, Cuba. It's not easy work and it's not very fun but it's necessary. It certainly bears a resemblance to what our corrections officers put up with each and every day here in our state. I did that job for a year and I couldn't wait to come back home. A lot of our corrections officers do this for a whole career and they really deserve our utmost respect.

In this budget today before us, we've added additional funding for custody staff training and we've also made an investment in improving the quality of training they receive. We've also included funding for the necessary tether program because the tethers currently being used will not be functional in just a few months. We have \$1.5 million included for the Goodwill Flip the Script program, which I know is a priority for many members in this body. We also have added funding for the treatment of hepatitis C. To my colleague who spoke before me, yes, we have appropriated dollars that haven't been spent by the department. They have tens of millions of dollars that have not been spent and we are diverting some of that funding to priorities for this budget year. I stand behind that decision as being fiscally responsible. In addition, as a nod of compassion to those who are incarcerated, this budget allows pregnant women who are incarcerated to have a prescreened and cleared guest join them for the delivery of their child, something that is an important movement in this direction as well.

This budget is responsible, will keep our communities safe, and adheres to the priorities we have in this Legislature, and I ask my colleagues for a "yes" vote.

#### **Senate Bill No. 134, entitled**

A bill to amend 1979 PA 94, entitled "The state school aid act of 1979," by amending sections 201, 201a, 206, 207a, 207b, 207c, 209, 209a, 210b, 210f, 225, 229a, and 230 (MCL 388.1801, 388.1801a, 388.1806, 388.1807a, 388.1807b, 388.1807c, 388.1809, 388.1809a, 388.1810b, 388.1810f, 388.1825, 388.1829a, and

388.1830), sections 201, 201a, 206, 207a, 207b, 207c, 209, 210b, 225, 229a, and 230 as amended and sections 209a and 210f as added by 2018 PA 265.

(For Conference Report, see Senate Journal No. 89, p. 1229.)

The House of Representatives has adopted the report of the Committee of Conference and ordered that the bill be given immediate effect.

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

### **Recess**

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

The motion prevailed, the time being 2:54 p.m.

3:06 p.m.

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

#### **Senate Bill No. 141, entitled**

A bill to make appropriations for the department of insurance and financial services for the fiscal year ending September 30, 2020; and to provide for the expenditure of the appropriations.

(For Conference Report, see Senate Journal No. 89, p. 1254.)

The House of Representatives has adopted the report of the Committee of Conference and ordered that the bill be given immediate effect.

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

#### **Senate Bill No. 137, entitled**

A bill to make appropriations for the department of environment, Great Lakes, and energy for the fiscal year ending September 30, 2020; and to provide for the expenditure of the appropriations.

(For Conference Report, see Senate Journal No. 89, p. 1239.)

The House of Representatives has adopted the report of the Committee of Conference and ordered that the bill be given immediate effect.

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

#### **Senate Bill No. 144, entitled**

A bill to make appropriations for the department of military and veterans affairs for the fiscal year ending September 30, 2020; and to provide for the expenditure of the appropriations.

(For Conference Report, see Senate Journal No. 89, p. 1259.)

The House of Representatives has adopted the report of the Committee of Conference and ordered that the bill be given immediate effect.

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

#### **Senate Bill No. 147, entitled**

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

(For Conference Report, see Senate Journal No. 89, p. 1272.)

The House of Representatives has adopted the report of the Committee of Conference and ordered that the bill be given immediate effect.

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

#### **Senate Bill No. 149, entitled**

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

(For Conference Report, see Senate Journal No. 89, p. 1284.)

The House of Representatives has adopted the report of the Committee of Conference and ordered that the bill be given immediate effect.

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

### Recess

Senator MacGregor moved that the Senate recess subject to the call of the Chair.  
The motion prevailed, the time being 3:08 p.m.

3:17 p.m.

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

### Announcements of Printing and Enrollment

The Secretary announced that the following House bills were received in the Senate and filed on Thursday, September 19:

**House Bill Nos. 4128 4209 4371 4710**

The Secretary announced that the following bills, joint resolution, and resolutions were printed and filed on Thursday, September 19 and are available on the Michigan Legislature website:

**Senate Bill No. 533**

**Senate Resolution Nos. 77 78**

**House Bill Nos. 4995 4996 4997 4998 4999 5000 5001 5002 5003 5004 5005**

**House Joint Resolution N**

### Committee Reports

#### COMMITTEE ATTENDANCE REPORT

The Conference Committee on Education (HB 4232) submitted the following:  
Meeting held on Thursday, September 19, 2019, at 2:00 p.m., Room 352, House Appropriations Room,  
3rd Floor, Capitol Building  
Present: Senators Schmidt, Stamas and Bayer

#### COMMITTEE ATTENDANCE REPORT

The Conference Committee on Agriculture and Rural Development (HB 4229) submitted the following:  
Meeting held on Thursday, September 19, 2019, at 2:15 p.m., Room 352, House Appropriations Room,  
3rd Floor, Capitol Building  
Present: Senators Victory, Stamas and McCann

#### COMMITTEE ATTENDANCE REPORT

The Conference Committee on Judiciary (HB 4238) submitted the following:  
Meeting held on Thursday, September 19, 2019, at 2:30 p.m., Room 352, House Appropriations Room,  
3rd Floor, Capitol Building  
Present: Senators Barrett, Stamas and Hollier

#### COMMITTEE ATTENDANCE REPORT

The Conference Committee on Military and Veterans Affairs (SB 144) submitted the following:  
Meeting held on Thursday, September 19, 2019, at 2:45 p.m., Room 352, House Appropriations Room,  
3rd Floor, Capitol Building  
Present: Senators Barrett (C), Stamas and Hollier

## COMMITTEE ATTENDANCE REPORT

The Conference Committee on Corrections (HB 4231) submitted the following:

Meeting held on Thursday, September 19, 2019, at 3:00 p.m., Room 352, House Appropriations Room, 3rd Floor, Capitol Building

Present: Senators Barrett, Stamas and Hollier

## COMMITTEE ATTENDANCE REPORT

The Conference Committee on Licensing and Regulatory Affairs (HB 4239) submitted the following:

Meeting held on Thursday, September 19, 2019, at 3:15 p.m., Harry T. Gast Appropriations Room, 3rd Floor, Capitol Building

Present: Senators Nesbitt, Stamas and Santana

## COMMITTEE ATTENDANCE REPORT

The Conference Committee on Insurance and Financial Services (SB 141) submitted the following:

Meeting held on Thursday, September 19, 2019, at 3:30 p.m., Harry T. Gast Appropriations Room, 3rd Floor, Capitol Building

Present: Senators Nesbitt (C), Stamas and Santana

## COMMITTEE ATTENDANCE REPORT

The Conference Committee on General Government (SB 138) submitted the following:

Meeting held on Thursday, September 19, 2019, at 3:45 p.m., Harry T. Gast Appropriations Room, 3rd Floor, Capitol Building

Present: Senators Stamas (C), Victory and Irwin

## COMMITTEE ATTENDANCE REPORT

The Conference Committee on Health and Human Services (SB 139) submitted the following:

Meeting held on Thursday, September 19, 2019, at 4:00 p.m., Harry T. Gast Appropriations Room, 3rd Floor, Capitol Building

Present: Senators MacGregor (C), Stamas and Hertel

**Scheduled Meetings**

**Advice and Consent** - Thursday, September 26, 12:00 noon, Room 1300, Binsfeld Office Building (517) 373-5312

**Criminal Justice Policy Commission** - Thursday, September 26, 4:00 p.m., Legislative Council Conference Room, 3rd Floor, Boji Tower (517) 373-0212

Senator MacGregor moved that the Senate adjourn.

The motion prevailed, the time being 3:18 p.m.

The President pro tempore, Senator Nesbitt, declared the Senate adjourned until Wednesday, September 25, 2019, at 10:00 a.m.

MARGARET O'BRIEN  
Secretary of the Senate