# No. 75 STATE OF MICHIGAN

# Journal of the Senate

# 95th Legislature REGULAR SESSION OF 2010

Senate Chamber, Lansing, Wednesday, September 15, 2010.

10:00 a.m.

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

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

Allen—present

Anderson—present

Barcia—present

Basham—present

Birkholz—present

Bishop—present

Brater—present

Brown—present

Cassis—present

Cherry—present

Clark-Coleman—present

Clarke—present

Cropsey—present

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Garcia—excused
George—present
Gilbert—present
Gleason—present
Hardiman—present
Hunter—present
Jacobs—present
Jansen—present
Jelinek—present
Kahn—present
Kuipers—present
McManus—present
Nofs—present

Olshove—present
Pappageorge—present
Patterson—present
Prusi—present
Richardville—present
Sanborn—present
Scott—present
Stamas—present
Switalski—present
Thomas—present
Van Woerkom—present
Whitmer—present

Senator Michael L. Nofs of the 19th District offered the following invocation:

Dear Heavenly Father, we ask that You lend us a guiding hand so that we make the best decisions today so that we have a better tomorrow. Lord, we ask that You watch over all of us, legislators and law enforcers, and guide our judgments so that they coincide with Your will. Keep us even-tempered, and keep us focused on the path that is best for all of us.

Lord, as we approach another election cycle, guide the hearts and minds of all those who seek and hold office. Help us to serve our great state and one another in a manner in which You have taught us. Lord, as we come together for the fall, let it also be the coming of a brighter future.

We ask this in Your name. Amen.

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

#### **Motions and Communications**

Senators George, Barcia, Sanborn and Clarke entered the Senate Chamber.

Senator Cropsey moved that Senator Garcia be excused from today's session. The motion prevailed.

Senator Cropsey moved that consideration of the motion to discharge the Committee on Government Operations from further consideration of the following resolution be postponed for today:

#### Senate Resolution No. 172

The motion prevailed.

Senator Cropsey moved that the Committee on Health Policy be discharged from further consideration of the following bill:

#### House Bill No. 5920, entitled

A bill to amend 1927 PA 175, entitled "The code of criminal procedure," by amending section 13m of chapter XVII (MCL 777.13m), as amended by 2006 PA 259.

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

#### Recess

Senator Cropsey moved that the Senate recess subject to the call of the Chair. The motion prevailed, the time being 10:06 a.m.

11:00 a.m.

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

The Secretary announced that the following House bills were received in the Senate and filed on Tuesday, September 14: **House Bill Nos.** 5307 5599

By unanimous consent the Senate proceeded to the order of

# **Conference Reports**

#### House Bill No. 5885, entitled

A bill to make appropriations for the department of military and veterans affairs for the fiscal year ending September 30, 2011; to provide for the expenditure of the appropriations; to provide for certain powers and duties of the department of military and veterans affairs, other state agencies, and local units of government related to the appropriations; and to provide for the preparation of certain reports related to the appropriations.

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

#### FIRST CONFERENCE REPORT

The Committee of Conference on the matters of difference between the two Houses concerning **House Bill No. 5885, entitled** 

A bill to make appropriations for the department of military and veterans affairs for the fiscal year ending September 30, 2011; to provide for the expenditure of the appropriations; to provide for certain powers and duties of the department of military and veterans affairs, other state agencies, and local units of government related to the appropriations; and to provide for the preparation of certain reports related to the appropriations.

Recommends:

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

A bill to make appropriations for the department of military and veterans affairs for the fiscal year ending September 30, 2011; to provide for the expenditure of the appropriations; to provide for certain powers and duties of the department of military and veterans affairs, other state agencies, and local units of government related to the appropriations; and to provide for the preparation of certain reports related to the appropriations.

# THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

#### PART 1

#### LINE-ITEM APPROPRIATIONS

Sec. 101. Subject to the conditions set forth in this act, the amounts listed in this part are appropriated for the department of military and veterans affairs for the fiscal year ending September 30, 2011, from the funds indicated in this part. The following is a summary of the appropriations in this part:

#### DEPARTMENT OF MILITARY AND VETERANS AFFAIRS

APPROPRIATION SUMMARY

ALL KOLKIALION SOMMAKI	
Full-time equated unclassified positions	
Full-time equated classified positions	
GROSS APPROPRIATION	\$ 150,042,900
Interdepartmental grant revenues:	
Total interdepartmental grants and intradepartmental transfers	1,152,900
ADJUSTED GROSS APPROPRIATION	\$ 148,890,000
Federal revenues:	
Total federal revenues	82,203,800
Special revenue funds:	
Total local revenues	645,400
Total private revenues	1,382,700
Total other state restricted revenues	28,233,400
State general fund/general purpose	\$ 36,424,700
Sec. 102. HEADQUARTERS AND ARMORIES	
Full-time equated unclassified positions	
Full-time equated classified positions	
Headquarters and armories—85.0 FTE positions	\$ 11,231,600
Unclassified military personnel	665,000
Military appeals tribunal	900
Michigan emergency volunteers	5,000
State active duty	100,100
Challenge program—25.0 FTE positions	4,091,000
Homeland security	1,000,000
Military family relief fund	600,000
GROSS APPROPRIATION	\$ 17,693,600
Appropriated from:	
IDG, challenge grant	152,900
IDG, community health	100,000
IDG, state police	900,000
Federal revenues:	
DOD-DOA-NGB	6,519,800

		For Fiscal Year Ending Sept. 30, 2011
Special revenue funds:		
Local - school aid fund	\$	645,400
Rental fees		346,400
Mackinac Bridge authority		70,000
Private donations		842,700
Military family relief fund		600,000
State general fund/general purpose	\$	7,516,400
Sec. 103. MILITARY TRAINING SITES AND SUPPORT FACILITIES		
Full-time equated classified positions	¢	25 250 500
Military training sites and support facilities—181.0 FTE positions	\$	25,358,500
Military training sites and support facilities test projects	\$	100,000
	Ф	25,458,500
Appropriated from: Federal revenues:		
DOD-DOA-NGB		23,988,400
Special revenue funds:		23,700,400
Test project fees		100,000
State general fund/general purpose	\$	1,370,100
Sec. 104. DEPARTMENTWIDE APPROPRIATIONS	Ψ	1,0,70,100
Departmentwide accounts	\$	1,860,800
Special maintenance - state	·	651,200
Special maintenance - federal		5,300,000
Military retirement		3,584,100
Counter narcotic operations		50,000
Starbase grant		2,322,000
GROSS APPROPRIATION	\$	13,768,100
Appropriated from:		
Federal revenues:		
DOD-DOA-NGB		9,288,100
Federal counternarcotic revenues		50,000
State general fund/general purpose	\$	4,430,000
Sec. 105. VETERANS ADVICE, ADVOCACY, AND ASSISTANCE	Φ.	2.020.600
Veterans advice, advocacy, and assistance grants	\$ -	3,029,600
GROSS APPROPRIATION	\$	3,029,600
Appropriated from:	¢.	2.020.600
State general fund/general purpose	\$	3,029,600
Full-time equated classified positions	\$	50 801 300
Board of managers	Ф	50,891,300 665,000
GROSS APPROPRIATION	\$ -	51,556,300
Appropriated from:	Ψ	31,330,300
Federal revenues:		
DVA-VHA		17,609,600
HHS, Medicaid		164,300
HHS, Medicare		2,561,500
Special revenue funds:		, ,
Private - veterans' home post and posthumous funds		415,000
Income and assessments		15,689,300
Military family relief fund		250,000
Lease revenue		12,200
State general fund/general purpose	\$	14,854,400
Sec. 107. D.J. JACOBETTI VETERANS' HOME		
Full-time equated classified positions		
D.J. Jacobetti veterans' home—158.0 FTE positions	\$	16,521,400

		For Fiscal Year Ending Sept. 30, 2011
Board of managers	\$_	275,000
GROSS APPROPRIATION	\$	16,796,400
Appropriated from:		
Federal revenues:		
DVA-VHA		5,924,400
HHS, Medicare		589,200
HHS, Medicaid		10,800
Special revenue funds:		
Private - veterans' home post and posthumous funds		125,000
Military family relief fund		150,000
Income and assessments		5,128,600
State general fund/general purpose	\$	4,868,400
Sec. 108. VETERANS' AFFAIRS DIRECTORATE		
Full-time equated classified positions		
Veterans' affairs directorate administration—2.0 FTE positions	\$	198,400
Veterans' trust fund administration—6.0 FTE positions		1,279,000
Veterans' trust fund grants	_	3,746,500
GROSS APPROPRIATION	\$	5,223,900
Appropriated from:		
Special revenue funds:		
Michigan veterans' trust fund		5,025,500
State general fund/general purpose	\$	198,400
Sec. 109. INFORMATION TECHNOLOGY		
Information technology services and projects	\$_	1,016,500
GROSS APPROPRIATION	\$	1,016,500
Appropriated from:		
Federal revenues:		
DOD-DOA-NGB		130,400
DVA-VHA		356,800
HHS, Medicare		10,500
Special revenue funds:		
Income and assessments	Φ.	361,400
State general fund/general purpose	\$	157,400
Sec. 110. CAPITAL OUTLAY	Φ	15,000,000
Special maintenance, remodeling and additions	\$	15,000,000
Land acquisitions and appraisals	φ –	500,000
GROSS APPROPRIATION	\$	15,500,000
Federal revenues:		4 7 000 000
DOD-DOA-NGB		15,000,000
Special revenue funds:		
Michigan national guard construction fund		500,000
State general fund/general purpose	\$	0
PART 2		
PROVISIONS CONCERNING APPROPRIATIONS		
GENERAL SECTIONS		
Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spendi under part 1 for fiscal year 2010-2011 is \$64,658,100.00 and state spending from state resources to		

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Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for fiscal year 2010-2011 is \$64,658,100.00 and state spending from state resources to be paid to local units of government for fiscal year 2010-2011 is \$120,000.00. The itemized statement below identifies appropriations from which spending to local units of government will occur: DEPARTMENT OF MILITARY AND VETERANS AFFAIRS

MILITARY TRAINING SITES AND SUPPORT FACILITIES	
Payments in lieu of taxes	\$ 70,000
MICHIGAN VETERANS' TRUST FUND	
County counselor education and training expenses	\$ 50,000
TOTAL	\$ 120,000

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

Sec. 203. As used in this act:

- (a) "Department" means the department of military and veterans affairs.
- (b) "Director" means the director of the department of military and veterans affairs.
- (c) "DOD" means the United States department of defense.
- (d) "DOD-DOA-NGB" means the DOD department of the army, national guard bureau.
- (e) "DVA" means the United States department of veterans affairs.
- (f) "DVA-VHA" means the DVA veterans health administration.
- (g) "FTE" means full-time equated.
- (h) "HHS" means the United States department of health and human services.
- (i) "IDG" means interdepartmental grant.
- (j) "Large veterans service organization" means a VSO that can certify that its membership exceeds 30,000 individuals.
- (k) "Medium veterans service organization" means a VSO that can certify that its membership is between 2,500 and 30,000 individuals.
- (1) "Small veterans service organization" means a VSO that can certify that its membership is between 1,000 and 2,499 individuals.
  - (m) "VSO" means veterans service organization.
- Sec. 204. The department of civil service shall bill the departments and agencies at the end of the first fiscal quarter for the 1% charge authorized by section 5 of article XI of the state constitution of 1963. Payments shall be made for the total amount of the billing by the end of the second fiscal quarter.
- Sec. 205. (1) A hiring freeze is imposed on the state classified civil service. State departments and agencies are prohibited from hiring any new full-time state classified civil service employees and prohibited from filling any vacant state classified civil service positions. This hiring freeze does not apply to internal transfers of classified employees from 1 position to another within a department.
- (2) The state budget director may grant exceptions to this hiring freeze when the state budget director believes that the hiring freeze will result in rendering a state department or agency unable to deliver basic services, causes loss of revenue to the state, would result in the inability of the state to receive federal funds, or would necessitate additional expenditures that exceed any savings from maintaining a vacancy. The state budget director shall report quarterly to the chairpersons of the senate and house of representatives standing committees on appropriations the number of exceptions to the hiring freeze approved during the previous quarter and the reasons to justify the exception.
- Sec. 208. Unless otherwise specified, the department shall use the Internet to fulfill the reporting requirements of this act. This requirement may include transmission of reports via electronic mail to the recipients identified for each reporting requirement or it may include placement of reports on an Internet or Intranet site.
- Sec. 209. Funds appropriated in part 1 shall not be used for the purchase of foreign goods or services, or both, if competitively priced and of comparable quality American goods or services, or both, are available. Preference should be given to goods or services, or both, manufactured or provided by Michigan businesses, if they are competitively priced and of comparable quality. In addition, preference should be given to goods or services, or both, that are manufactured or provided by Michigan businesses owned and operated by veterans, if they are competitively priced and of comparable quality.
- Sec. 210. The director of each department receiving appropriations in part 1 shall take all reasonable steps to ensure businesses in deprived and depressed communities compete for and perform contracts to provide services or supplies, or both. 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. 211. The departments and agencies receiving appropriations in part 1 shall receive and retain copies of all reports funded from appropriations in part 1. The department shall follow all federal guidelines and state laws regarding short-term and long-term retention of records.
- Sec. 213. The department shall consult with the house and senate appropriations subcommittees on military and veterans affairs regarding the projected closing or consolidation of any national guard armories.
- Sec. 214. It is the intent of the legislature that, should the necessary legislation be enacted and funding become available, funds be appropriated for state military cemeteries in Crawford and Dickinson Counties.
- Sec. 221. From the funds appropriated in part 1 for information technology, departments and agencies shall pay user fees to the department of technology, management, and budget for technology-related services and projects. These user fees shall be subject to provisions of an interagency agreement between the departments and agencies and the department of technology, management, and budget.
- Sec. 223. Amounts appropriated in part 1 for information technology may be designated as work projects and carried forward to support technology projects under the direction of the department of technology, management, and budget.

Funds designated in this manner are not available for expenditure until approved as work projects under section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a.

- Sec. 225. (1) Due to the current budgetary problems in this state, out-of-state travel for the fiscal year ending September 30, 2011 shall be limited to situations in which 1 or more of the following conditions apply:
  - (a) The travel is required by legal mandate or court order or for law enforcement purposes.
- (b) The travel is necessary to protect the health or safety of Michigan citizens or visitors or to assist other states in similar circumstances.
- (c) The travel is necessary to produce budgetary savings or to increase state revenues, including protecting existing federal funds or securing additional federal funds.
  - (d) The travel is necessary to comply with federal requirements.
  - (e) The travel is necessary to secure specialized training for staff that is not available within this state.
  - (f) The travel is financed entirely by federal or nonstate funds.
- (2) If out-of-state travel is necessary but does not meet 1 or more of the conditions in subsection (1), the state budget director may grant an exception to allow the travel. Any exceptions granted by the state budget director shall be reported on a monthly basis to the senate and house of representatives standing committees on appropriations.
- (3) Not later than January 1 of each year, each department shall prepare a travel report listing all travel by classified and unclassified employees outside this state in the immediately preceding fiscal year that was funded in whole or in part with funds appropriated in the department's budget. The report shall be submitted to the chairs and members of the senate and house of representatives standing committees on appropriations, the senate and house fiscal agencies, and the state budget director. The report shall include the following information:
- (a) The name of each person receiving reimbursement for travel outside this state or whose travel costs were paid by
  - (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. 226. The department shall not take disciplinary action against an employee for communicating with a member of the legislature or his or her staff.
- Sec. 227. Sixty days prior to the public announcement of the intention to sell any department property, the department shall submit notification of that intent to the appropriate senate and house appropriations subcommittees and the senate and house fiscal agencies.
- Sec. 228. 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. 232. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$10,000,000.00 for federal contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this act under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.
- (2) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$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 this act under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.
- (3) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$100,000.00 for local contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this act under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.
- (4) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$100,000.00 for private contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this act under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.
- Sec. 233. Not later than September 30, 2011, the department shall prepare and transmit a report that provides for estimates of the total general fund/general purpose appropriation lapses at the close of the fiscal year. This report shall summarize the projected year-end general fund/general purpose appropriation lapses by major departmental program or program areas. The report shall be transmitted to the office of the state budget, the chairpersons of the senate and house appropriations committees, and the senate and house fiscal agencies.
- Sec. 234. Any fiscal year 2010-2011 unused general fund/general purpose funds identified by the department as lapsed funds shall be transferred to the appropriation for special maintenance state in part 1 and shall be used for the repair and maintenance of state-owned armories.
- Sec. 235. The department shall seek partnerships with United States armed forces reserve units for the colocation of activities, including sharing in the acquisition and costs for facilities.

## **HEADQUARTERS AND ARMORIES**

Sec. 301. The department may charge reasonable rental and equipment usage fees for renting an armory or using the distance learning network. The fee shall include the cost of overtime compensation, insurance coverage, and any maintenance required.

Sec. 302. (1) The funds appropriated in this act for private donations to the challenge program shall be considered state restricted revenue, and unexpended funds remaining at the close of the fiscal year shall not lapse to the general fund but shall be carried forward to the subsequent fiscal year.

- (2) The department may charge a parent or guardian of a participant in the challenge program a fee for participating in the program if the participant is a member of a family with an income that exceeds 200% of the federal poverty guidelines as published by the United States department of health and human services. The amount charged the parent or guardian shall not exceed the per-student state share cost of administering the program. The parent or guardian shall be notified of any charge to be assessed under this subsection prior to enrollment of the child in the program.
- (3) The department shall take steps to recruit candidates to the challenge program from economically disadvantaged areas, including those with low-income and high-unemployment backgrounds.

Sec. 304. The department will partner with the department of human services to identify youth who may be eligible for the challenge program from those youth served by department of human services programs. These eligible youth shall be given priority for enrollment in the program.

# VETERANS ADVICE, ADVOCACY, AND ASSISTANCE

- Sec. 501. (1) The department shall develop and operate a program which will provide benefits counseling and representation to veterans of this state for the purpose of assisting veterans to obtain United States department of veterans affairs health, financial, and memorial benefits for which they are eligible. The department shall work to maximize the coordination between veterans service organizations and any other organization which assists veterans.
- (2) The department shall create a 5-member veterans advisory board to assist in matters pertaining to veterans advice, advocacy, and assistance, including recommendations concerning disbursement of any grant money. The department shall request that the state commanders group name candidates serving as president/commander from 2 large veterans service organizations, 2 medium veterans service organizations, and 1 small veterans service organization to serve on the advisory board. The veterans advisory board shall meet no less than twice a year, without reimbursement by the department.
  - (3) The duties of the veterans advisory board shall include, but are not limited to, the following:
  - (a) Serving as a liaison between grant recipients, the department, and the legislature.
  - (b) Assisting in recognizing any deficiencies in the grant process and performance.
  - (c) Providing a forum regarding veterans issues.
  - (d) Suggesting changes in department programs that would help keep pace with changing veterans needs.
  - (e) Providing a direct contact with the veterans administration regarding updates on procedures.
  - (f) Creating an awareness to make sure that grant recipients are performing the services intended.
  - (g) Representing a voice for veterans service organizations.
  - (h) Providing for a sounding board for grant recipients.
  - (i) Assisting the department in establishing criteria for grant awards.
- (j) Assisting the department in developing plans, reviewing service delivery, and identifying goals to better assist veterans in applying for and receiving benefits from the federal, state, and local governments.
  - (k) Providing testimony, if requested, to legislative committees.
- (4) Of the appropriations in part 1 for veterans advice, advocacy, and assistance grants for the period of October 1, 2010 to September 30, 2011, \$3,029,600.00 shall be distributed by the department in the form of 5 grants: 2 large, 2 small, and 1 specialized grant for the period beginning October 1, 2010. The specialized grant shall be awarded to a group specializing in advocacy for paralyzed veterans. The department, while utilizing advice provided by the veterans advisory board establishing grant criteria, is solely responsible for determination of the amounts and recipients of these grants.
- (5) Money used for grants to veterans service organizations shall be used only for salaries, wages, related personnel costs, in-state training, and equipment for accredited veteran service advocacy officers and necessary support and managerial staff. Training shall be provided for service advocacy officers and shall be conducted by accredited advocacy officers.
- (6) To receive a grant from the money appropriated in part 1, a veterans service organization or a veterans service organization which is part of a combination of organizations receiving a grant shall meet the following eligibility requirements:
  - (a) Be congressionally chartered by the United States congress.
- (b) Be an active participating member of the Michigan veterans organizations' rehabilitation and veterans service committee and abide by its rules, guidelines, and programs.
  - (c) Demonstrate the receipt of monetary or service support from its own organization.

- (d) Comply with the department's and the legislature's requirements of accounting audits, service work activity, accounting of recoveries, listing of volunteer hours, budget requests, and other requirements specified in subsection (3). Each veterans service organization receiving a grant from the money appropriated in part 1 shall provide a copy of the most recent audit report to the department not later than May 1, 2011.
- (e) For a veterans service organization founded after September 30, 1989, be in operation and providing service to Michigan veterans for not less than 2 years before receiving an initial state grant. During this 2-year period of time, the organization shall file a listing of service work activity and an accounting of recoveries with the department, the senate and house fiscal agencies, the senate and house of representatives appropriations subcommittees on military affairs, and the state budget office on forms as prescribed by the department.
- (7) A veterans service organization receiving a grant from the money appropriated in part 1 shall file with the department an accounting of its expenditures, audited and certified by a certified public accountant, within 120 days after the organization's fiscal year end. Each veterans service organization shall provide 5 copies of a listing of all service activity, an accounting of recoveries, and a listing of volunteer hours for the fiscal year ending September 30, 2010 to the department by January 31, 2011. Each organization shall include a listing of expenditures by spending category, including a listing of individual salaries of each officer and administrative staff. The listing of volunteer hours shall include the hours, services, and donations provided to residents of the Grand Rapids veterans' home and the D.J. Jacobetti veterans' home. Each veterans service organization shall provide a copy of the most recent and completed internal revenue service form 990 to the department at the end of the fiscal year ending September 30, 2010. A veterans service organization receiving a grant from the money appropriated in part 1 shall use the forms recommended by the Michigan veterans organizations rehabilitation and veterans service committee for filing reports required by this act. The department shall provide a report not later than June 1, 2011 to the senate and house fiscal agencies, the senate and house appropriations subcommittees on state police and military and veterans affairs, and the state budget office detailing the most recent expenditure information provided by the veterans service organizations. The department shall also provide within that report specific notification whether any veterans service organization receiving a grant from the money appropriated in part 1 failed to comply with the reporting requirements of this section.
- (8) The veterans service directors committee and the department shall take steps to improve the coordination of veterans benefits counseling in the state to maximize the effective and efficient use of taxpayer dollars in this goal and to ensure that every veteran is served.
- (9) To accomplish the goal of subsection (8), the veterans service directors committee and the department shall take steps to increase their responsibility in the administration, management, oversight, and outreach of the delivery of services to veterans. The veterans service directors committee and the department shall involve county veterans counselors and representatives from the Michigan veterans trust fund to work in concert to identify, implement, and evaluate steps to do all of the following:
- (a) Increase the veterans service directors committee and the department's role in working directly with the United States department of veterans affairs to enhance the delivery of services to Michigan veterans.
- (b) Increase the number of initial claims filed with the United States department of veterans affairs on behalf of veterans for service-connected disability or pension benefits. The veterans service directors committee and the department may work toward either an absolute increase of approved claims or an increase in the percentage of Michigan veterans with approved claims.
- (c) Develop methods to increase rates of recovery paid by the United States department of veterans affairs to Michigan veterans either by an increase in compensation paid per approved claim or an increase in compensation paid on a per capita basis.
  - (d) Expand training opportunities for veterans service organization service officers.
  - (e) Increase either the number or percentage of Michigan veterans enrolled in the veterans affairs health care system.
  - (f) Publicize the availability, benefit, and value of burial in the Fort Custer and Great Lakes national cemeteries.
- (g) Review each grant recipient's performance under the program and require that performance be a major consideration in the future funding of each grant recipient.
- (h) Identify areas of redundancy which may exist among services provided by veterans service organizations grantees, Michigan veterans trust fund county committees, and county veterans counselors and provide a proposal on how any redundancies may be minimized and identify specific cost savings which could result.
- (10) Each veterans service organization receiving a grant from the money appropriated in part 1 shall file a report with the department not later than May 1, 2011 detailing the following information:
- (a) Training completed by each veterans service officer employed by or working on behalf of the veterans service organization.
- (b) A roster of the cases that each veterans service organization is serving or processing, including if those cases have been completed or are still pending, whether those cases have been initiated and completed by the veterans service organization, and which cases have been referred to and by county veterans counselors, congressional or senate offices, or any other organizations that serve veterans.

- (11) The veterans advisory board, the Michigan association of county veterans counselors, and the department shall create a report of the efforts to complete the goals outlined in this section and shall provide suggestions on how a more effective and efficient veterans benefit counseling program may best be designed for implementation for fiscal year 2011-2012. This report shall be delivered to the house and senate appropriations subcommittees no later than March 1, 2011.
- (12) The department shall record any additional administrative costs for collecting and compiling the information from subsections (7) and (10) and also provide this information with the reports required under subsection (7).
- (13) The veterans affairs directorate shall design and operate an advocacy program to coordinate with other organizations which assist veterans, including county counselors and other groups, to ensure referrals between groups occur when warranted and to provide the veterans of the state with the most cost-effective and comprehensive counseling services possible. The department shall also take steps to become certified with the United States department of veterans affairs to assist in this task.
- (14) The veterans affairs directorate shall deliver progress reports regarding the activities of the advocacy program to the senate and house appropriations subcommittees on state police and military and veterans affairs, with the first report due not later than April 1, 2011 and the second report due not later than October 1, 2011.
- (15) The department shall issue performance standards to each veterans service organization grant recipient. Compliance with these performance standards shall be the basis for funding for future years. Failure to meet any or all of the performance standards may result in that organization losing funding in future years, and the department shall forward to the senate and house of representatives appropriations subcommittees on state police and military and veterans affairs corrective action and penalty recommendations.

#### **VETERANS' HOMES**

Sec. 601. Appropriations in this act for the Grand Rapids veterans' home and the D.J. Jacobetti veterans' home shall not be used for any purpose other than for veterans and veterans' families.

Sec. 602. The Grand Rapids veterans' home and the D.J. Jacobetti veterans' home, together with the department and the department of technology, management, and budget, shall produce and deliver to the senate and house of representatives appropriations subcommittees on state police and military and veterans affairs an annual written report. The report shall include an accounting of member populations and bed space available; a description and accounting of services and activities provided to members; financial information; current state nursing home licensure status; the steps required for Medicaid certification, including a listing of any personnel, equipment, supplies, or budgetary increases required; and whether or not steps are being taken toward Medicaid certification. The annual report shall be submitted to the senate and house of representatives appropriations subcommittees on military affairs no later than February 1, 2011.

Sec. 603. The money appropriated in this act for the boards of managers may be expended for facility improvements, the purchase and repair of equipment and furnishings, member services, and other purposes that benefit the Grand Rapids veterans' home and the D.J. Jacobetti veterans' home.

Sec. 605. The department shall, prior to altering the spending plan by the board of managers of post and posthumous funds, report to the appropriate senate and house appropriations subcommittees 30 days prior to that action and shall indicate the rationale for that decision.

## **VETERANS' AFFAIRS DIRECTORATE**

Sec. 703. By April 1, 2010, the department shall submit to the senate and house of representatives appropriations subcommittees on military affairs and the state budget office a detailed annual report of the Michigan veterans' trust fund for fiscal year 2009-2010. The report shall include information on grants provided from the emergency grant program, including details concerning the methodology of allocations, the selection of emergency grant program authorized agents, and a detailed breakdown of trust fund expenditures for that year. The report shall also provide an update on the department's efforts to reduce program administrative costs and restore the Michigan veterans' trust fund corpus to its original amount of \$50,000,000.00.

Sec. 704. The Michigan veterans' affairs directorate administration and the Michigan veterans' trust fund administration shall take steps to assist the county veterans counselors of the state to obtain training necessary for the execution of their duties.

Sec. 705. It is the intent of the legislature that the department create incentives for all counties in the state to fund at least 1 full-time county veteran's counselor for the purpose of assisting veterans with obtaining federal veterans benefits that they may be eligible to receive. The incentives could include, but not be limited to, matching funds or sharing IT resources from the department for counties to use in maximizing benefits received by Michigan veterans.

#### **CAPITAL OUTLAY**

Sec. 801. The appropriations in part 1 for the department of military and veterans affairs design and construction projects are contingent upon the availability of federal and state restricted funds for financing.

Sec. 802. (1) The director shall allocate lump-sum appropriations made in this act consistent with statutory provisions and the purposes for which funds were appropriated. Lump-sum allocations shall address priority program or facility

needs and may include, but are not limited to, design, construction, remodeling and addition, special maintenance, major special maintenance, energy conservation, and demolition.

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

Sec. 803. 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.

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

A bill to make appropriations for the department of military and veterans affairs for the fiscal year ending September 30, 2011; to provide for the expenditure of the appropriations; to provide for certain powers and duties of the department of military and veterans affairs, other state agencies, and local units of government related to the appropriations; and to provide for the preparation of certain reports related to the appropriations.

Richard LeBlanc John Espinoza Bob Genetski Conferees for the House

Valde Garcia Alan L. Cropsey Conferees for the Senate

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

Senator Cropsey moved that the rule be suspended.

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

The question being on the adoption of the conference report,

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

Roll Call No. 41	<b>0</b>	Yeas-	-36

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

Navs—1

Prusi

Excused—1

Garcia

Not Voting—0

In The Chair: Richardville

#### House Bill No. 5888, entitled

A bill to make appropriations for the department of state police and certain other state purposes for the fiscal year ending September 30, 2011; to provide for the expenditure of those appropriations; to provide for certain reports and the consideration of those reports; to provide for the disposition of other income received by the various state agencies; to provide for certain emergency powers; to provide for the powers and duties of certain committees, certain state agencies, and certain employees; and to provide for the acquisition and disposition of certain real and personal property.

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

The Conference Report was read as follows:

#### FIRST CONFERENCE REPORT

The Committee of Conference on the matters of difference between the two Houses concerning **House Bill No. 5888. entitled** 

A bill to make appropriations for the department of state police and certain other state purposes for the fiscal year ending September 30, 2011; to provide for the expenditure of those appropriations; to provide for certain reports and the consideration of those reports; to provide for the disposition of other income received by the various state agencies; to provide for certain emergency powers; to provide for the powers and duties of certain committees, certain state agencies, and certain employees; and to provide for the acquisition and disposition of certain real and personal property.

Recommends:

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

A bill to make appropriations for the department of state police and certain other state purposes for the fiscal year ending September 30, 2011; to provide for the expenditure of those appropriations; to provide for certain reports and the consideration of those reports; to provide for the disposition of other income received by the various state agencies; to provide for certain emergency powers; to provide for the powers and duties of certain committees, certain state agencies, and certain employees; and to provide for the acquisition and disposition of certain real and personal property.

# THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

#### PART 1

#### LINE-ITEM APPROPRIATIONS

Sec. 101. Subject to the conditions set forth in this act, the amounts listed in this part are appropriated for the department of state police for the fiscal year ending September 30, 2011, from the funds indicated in this part. The following is a summary of the appropriations in this part:

# DEPARTMENT OF STATE POLICE

APPROPRIATION SUMMARY		
Full-time equated unclassified positions		
Full-time equated classified positions		
GROSS APPROPRIATION	\$	529,231,400
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers		24,143,800
ADJUSTED GROSS APPROPRIATION	\$	505,087,600
Federal revenues:		
Total federal revenues		103,934,200
Special revenue funds:		
Total local revenues		6,257,500
Total private revenues		269,800
Total state restricted revenues		134,242,900
State general fund/general purpose	\$	260,383,200
Sec. 102. EXECUTIVE DIRECTION		
Full-time equated unclassified positions		
Full-time equated classified positions		
Unclassified positions	\$	150,000
Executive direction—21.0 FTE positions		2,411,800
Special operations and events—17.5 FTE positions		2,015,700
Auto theft prevention program—4.0 FTE positions	_	8,042,300
GROSS APPROPRIATION	\$	12,619,800
Appropriated from:		
Interdepartmental grant revenues:		
IDG-MDTR, casino gaming fees		27,500
IDT, truck safety fund		10,100

For Fiscal Year

		Ending Sept. 30,
		2011
Special revenue funds:	Φ.	0.042.200
Auto theft prevention fund	\$	8,042,300
Motor carrier fees		38,000
Criminal justice information center fees		72,300
Forensic science reimbursement fees		11,400
Highway safety fund		47,300
Narcotics investigation revenues		5,400
Nuclear plant emergency planning and reimbursement		9,800
State forensic laboratory fund		11,800
Traffic law enforcement and safety fund	Φ.	60,500
State general fund/general purpose	\$	4,283,400
Sec. 103. DEPARTMENTWIDE APPROPRIATIONS	Φ.	4.45.600
Special maintenance and utilities	\$	447,600
Rent and building occupancy charges		9,843,000
Worker's compensation		3,309,600
Fleet leasing		12,980,700
In-service training - law enforcement distribution		450,000
In-service training - competitive		1,000,000
Narcotics investigation funds		265,100
GROSS APPROPRIATION	\$	28,296,000
Appropriated from:		
Interdepartmental grant revenues:		
IDG, training academy charges		283,500
IDT, Michigan justice training fund		1,450,000
Federal revenues:		
Federal narcotics investigation revenues		95,000
DOT		25,200
DHS		177,500
Special revenue funds:		
Forensic science reimbursement fee		100,700
Narcotics investigation revenues		170,100
State forensic laboratory fund		100,700
Criminal justice information center service fees		199,500
Secondary road patrol and training fund		17,900
Hazardous materials training center fees		105,100
Michigan justice training fund		29,800
Motor carrier fees		7,500
Highway safety fund		7,800
Traffic law enforcement and safety fund		15,400
State general fund/general purpose	\$	25,510,300
Sec. 104. SUPPORT SERVICES		
Full-time equated classified positions		
Management services—136.0 FTE positions	\$	13,641,900
Training administration—32.0 FTE positions		5,856,400
Budget and financial services—24.5 FTE positions		2,647,800
Office of justice program grants—4.0 FTE positions	_	8,496,900
GROSS APPROPRIATION	\$	30,643,000
Appropriated from:		
Interdepartmental grant revenues:		
IDT, auto theft funds		2,500
IDG, training academy charges		3,338,500
IDT, truck safety fund		30,800
IDG-MDOT, state trunkline fund		3,000
IDG-MDTR, casino gaming fees		107,500

		For Fiscal Year Ending Sept. 30,
		2011
IDG-MDTR, emergency telephone fund coordinator	\$	536,500
IDG-MDTR, emergency telephone fund operations		478,600
IDG-MDOS		2,000
IDG-MDOC, contract		50,000
Federal revenues:		
DOJ		372,700
DOJ interest bearing		8,124,200
DOT		487,800
Special revenues funds:		
Local - LEIN fees		3,800
Local - MPSCS subscriber fees		28,100
Local - school bus revenue		1,700
Highway safety fund		179,500
Nuclear plant emergency planning reimbursement		39,300
Precision driving track fees		287,200
Criminal justice information center service fees		817,900
Traffic law enforcement and safety fund		178,300
Reimbursed services		1,301,700
Forensic science reimbursement fees		36,000
Michigan justice training fund		3,700
Narcotics investigation revenues		27,400
State forensic laboratory fund		36,100
State services fee fund		13,500
Motor carrier fees		156,700
State general fund/general purpose	\$	13,998,000
Sec. 105. HIGHWAY SAFETY PLANNING		
Full-time equated classified positions		
State program planning and administration—8.0 FTE positions	\$	1,030,300
Secondary road patrol program—2.0 FTE positions		14,037,000
Truck safety program—1.0 FTE position		3,008,800
Federal highway traffic safety coordination—19.0 FTE positions		12,572,900
GROSS APPROPRIATION	\$	30,649,000
Appropriated from:		
Federal revenues:		
DOT		12,503,900
DOJ		579,000
Special revenue funds:		
Truck driver safety fund		3,008,800
Secondary road patrol and training fund		14,037,000
State general fund/general purpose	\$	520,300
Sec. 106. CRIMINAL JUSTICE INFORMATION CENTER		
Full-time equated classified positions		
Criminal justice information center division—108.0 FTE positions	\$	10,812,900
Criminal records improvement—1.0 FTE position		2,249,300
Traffic safety—19.0 FTE positions		1,886,400
GROSS APPROPRIATION	\$ _	14,948,600
Appropriated from:		, ,
Interdepartmental grant revenues:		
IDG-MDOS		337,200
IDG-MDOT, state trunkline fund		874,600
Federal revenues:		, , , , , ,
DOJ		2,249,300
DOT		482,100
Special revenue funds:		.0_,100
Traffic crash revenue		80,000
210110 210011 10101100		00,000

		For Fiscal Year Ending Sept. 30, 2011
Motor carrier fees	\$	112,500
Sex offender registration fund	_	63,100
Criminal justice information center service fees		9,475,400
State general fund/general purpose	\$	1,274,400
Sec. 107. FORENSIC SCIENCES	Ψ	1,271,100
Full-time equated classified positions		
Laboratory operations—212.0 FTE positions	\$	28,488,600
DNA analysis program—57.5 FTE positions	Ψ	8,167,000
Detroit laboratory		100
GROSS APPROPRIATION	\$	36,655,700
Appropriated from:	Ψ	30,033,700
Federal revenues:		
DOJ		4 160 000
		4,169,000 655,900
DOT		
Federal narcotics investigation revenues		510,200
Special revenue funds:		1 515 000
Forensic science reimbursement fees		1,515,900
State forensic laboratory fund		1,795,500
Narcotic investigation revenues		1,705,000
Criminal justice information center service fees		60,200
State services fee fund		9,505,900
State general fund/general purpose	\$	16,738,100
Sec. 108. MICHIGAN COMMISSION ON LAW ENFORCEMENT STANDARDS		
Full-time equated classified positions		
Standards and training/justice training grants—20.0 FTE positions	\$	9,004,000
Concealed weapons enforcement training		100,000
Training only to local units—2.0 FTE positions		622,700
Mental health awareness training		100,000
Public safety officers benefit program		149,600
GROSS APPROPRIATION	\$	9,976,300
Appropriated from:		
Interdepartmental grant revenues:		
IDG-MDOC, contract		100,000
Federal revenues:		
DOJ		175,000
Special revenue funds:		
Secondary road patrol and training fund		622,700
Michigan justice training fund		8,006,400
Licensing fees		9,100
Concealed weapons enforcement fee		100,000
State general fund/general purpose	\$	963,100
Sec. 109. EMERGENCY MANAGEMENT	Ψ	703,100
Full-time equated classified positions		
Emergency management planning and administration—31.0 FTE positions	\$	5,390,600
Grants to local government	Ψ	2,482,100
FEMA program assistance—18.0 FTE positions		4,904,000
Nuclear power plant emergency planning—6.0 FTE positions		1,799,300
Hazardous materials programs—25.5 FTE positions		47,217,600
Interdepartmental grant to legislature	<sub>\$</sub> -	200,000
GROSS APPROPRIATION	\$	61,993,600
Appropriated from: Federal revenues:		
DOT		584,800
DHS		55,547,400
		22,217,100

		For Fiscal Year Ending Sept. 30, 2011
Special revenue funds:		
Nuclear plant emergency planning reimbursement	\$	1,799,300
Hazardous materials training center fees		1,508,200
State general fund/general purpose	\$	2,553,900
Sec. 110. POST UNIFORM SERVICES		
Full-time equated classified positions		
Uniform services—372.0 FTE positions	\$	43,919,500
Capitol security guards—7.0 FTE positions		642,900
At-post troopers—1,008.0 FTE positions		139,235,800
Reimbursed services		1,879,500
GROSS APPROPRIATION	\$	185,677,700
Appropriated from:		
Special revenue funds:		
Criminal justice information center service fees		785,600
Narcotics investigation revenues		1,033,600
Highway safety fund		15,325,700
Traffic law enforcement and safety fund		28,918,700
Trooper school recruitment fund		1,000
State police service fees		1,879,500
State general fund/general purpose	\$	137,733,600
Sec. 111. STATEWIDE FIELD OPERATIONS		
Full-time equated classified positions		
Operational support—54.0 FTE positions	\$	6,912,200
Aviation program—7.0 FTE positions		1,495,000
GROSS APPROPRIATION	\$	8,407,200
Appropriated from:	·	.,,
Interdepartmental grant revenues:		
IDG-MDOC, contract		105,300
Special revenue funds:		/
Private donations		269,800
Rental of department aircraft		51,800
State general fund/general purpose	\$	7,980,300
Sec. 112. SPECIAL INVESTIGATIONS	_	. , ,
Full-time equated classified positions		
Criminal investigations—217.0 FTE positions	\$	30,017,900
Federal antidrug initiatives—65.5 FTE positions	·	8,756,400
Reimbursed services, materials, and equipment—0.5 FTE position		2,688,000
Auto theft prevention—13.0 FTE positions		1,413,500
Casino gaming oversight—32.0 FTE positions		4,625,100
Fire investigation—14.0 FTE positions		1,679,700
Fire investigation training to locals		50,000
Parole absconder sweeps		10,900
GROSS APPROPRIATION	\$ -	49,241,500
Appropriated from:	_	., , ,
Interdepartmental grant revenues:		
IDT, auto theft funds		1,027,000
IDG-MDTR, casino gaming fees		4,625,100
Federal revenues:		1,0=0,000
Federal investigations - reimbursed services		764,100
DOJ		3,656,800
DOJ (ARRA)		2,000,000
Federal narcotics investigation revenues		463,800
Special revenue funds:		.05,000
Local - reimbursed services		1,923,900
Narcotics investigation revenues		719,100
		, 17,100

		For Fiscal Year Ending Sept. 30,
		2011
Michigan merit award trust fund	\$	629,900
Forfeiture funds		576,600
State general fund/general purpose	\$	32,855,200
Sec. 113. TRAFFIC SAFETY		
Full-time equated classified positions		
Motor carrier enforcement—101.0 FTE positions	\$	11,185,900
Truck safety enforcement team operations—10.0 FTE positions		1,375,000
Safety inspections—63.0 FTE positions		6,943,400
School bus inspections—4.0 FTE positions		421,000
Safety projects—10.0 FTE positions		1,712,100
Traffic services—17.0 FTE positions		5,144,600
GROSS APPROPRIATION	\$	26,782,000
Appropriated from:		
Interdepartmental grant revenues:		
IDT, truck safety fund		1,375,000
IDG-MDOT, state trunkline fund		8,939,400
Federal revenues:		0.00 ( 100
DOT		8,936,400
Special revenue funds:		
Local school bus revenue		421,000
Drunk driving prevention and training fund		1,180,700
Motor carrier fees		4,374,700
State general fund/general purpose	\$	1,554,800
Sec. 114. INFORMATION TECHNOLOGY		
Information technology services and projects	\$	20,203,000
Michigan public safety communications system	. –	13,138,000
GROSS APPROPRIATION	\$	33,341,000
Appropriated from:		
Interdepartmental grant revenues:		
IDG-MDTR, casino gaming fees		91,100
IDG-MDOT, state trunkline fund		250,600
IDG, training academy charges		8,500
IDG-MDOS		4,500
IDG-MDTR, emergency telephone fund coordinator		4,700
IDG-MDTR, emergency telephone fund operations		64,500
IDG - auto theft funds		5,700
IDT - truck safety fund		10,100
Federal revenues:		
DOJ		539,700
DHS		619,500
DOT		214,900
Special revenue funds:		
Local - LEIN fees		2,159,800
Local - AFIS fees		77,400
Local - MPSCS subscriber and maintenance fees		1,639,900
Local - school bus revenue		1,900
Criminal justice information center service fees		4,515,500
Drunk driving prevention and training fund		1,900
Forensic science reimbursement fees		66,100
Hazardous materials center fees		1,900
Michigan justice training fund		44,600
Narcotics investigation revenue		13,100
Nuclear plant emergency planning reimbursement		4,900
Precision driving track fees		300

	For Fiscal Year
	Ending Sept. 30,
	2011
Secondary road patrol and training fund	397,400
Sex offender registration fund	216,300
State forensic laboratory fund	162,800
Reimbursed services	157,400
Motor carrier fees	257,400
Commercial mobile radio service fees	7,000,000
Traffic law enforcement and safety fund	79,000
Highway safety fund	49,200
Michigan merit award trust fund	1,000
State services fee fund	30,300
Traffic crash revenue	231,300
State general fund/general purpose	\$ 14,417,800

#### PART 2

#### PROVISIONS CONCERNING APPROPRIATIONS

#### **GENERAL SECTIONS**

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for fiscal year 2010-2011 is \$394,626,100.00 and state spending from state resources to be paid to local units of government for fiscal year 2010-2011 is \$19,466,900.00. The itemized statement below identifies appropriations from which spending to units of local government will occur:

DEPARTMENT OF STATE POLICE

OFFICE OF HIGHWAY SAFETY PLANNING

Secondary road patrol program	\$ 13,921,900
MICHIGAN COMMISSION ON LAW ENFORCEMENT STANDARDS	
Training only to local units	\$ 410,800
Justice training grants	\$ 4,605,600
SPECIAL INVESTIGATIONS	
Fire investigation training for locals	\$ 50,000
SUPPORT SERVICES	
Management services	\$ 478,600
Total	\$ 19,466,900

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

Sec. 203. As used in this act:

- (a) "AFIS" means the automated fingerprint identification system.
- (b) "ARRA" means the American recovery and reinvestment act of 2009.
- (c) "Department" means the department of state police.
- (d) "DHS" means the United States department of homeland security.
- (e) "DNA" means deoxyribonucleic acid.
- (f) "DOJ" means the United States department of justice.
- (g) "DOT" means the United States department of transportation.
- (h) "FEMA" means the federal emergency management agency.
- (i) "FTE" means full-time equated.
- (j) "IDG" means interdepartmental grant.
- (k) "IDT" means intradepartmental transfer.
- (1) "LEIN" means law enforcement information network.
- (m) "MCOLES" means the Michigan commission on law enforcement standards.
- (n) "MDCH" means the Michigan department of community health.
- (o) "MDMB" means the Michigan department of technology, management, and budget.
- (p) "MDOC" means the Michigan department of corrections.
- (q) "MDOS" means the Michigan department of state.
- (r) "MDOT" means the Michigan department of transportation.
- (s) "MDTR" means the Michigan department of treasury.
- (t) "MPSCS" means the Michigan public safety communications system.

Sec. 204. The department of civil service shall bill departments and agencies at the end of the first fiscal quarter for the 1% charge authorized by section 5 of article XI of the state constitution of 1963. Payments shall be made for the total amount of the billing by the end of the second fiscal quarter.

- Sec. 205. (1) A hiring freeze is imposed on the state classified civil service. State departments and agencies are prohibited from hiring any new full-time state classified civil service employees and prohibited from filling any vacant state classified civil service positions. This hiring freeze does not apply to internal transfers of classified employees from 1 position to another within a department.
- (2) The state budget director may grant exceptions to this hiring freeze when the state budget director believes that the hiring freeze will result in rendering a state department or agency unable to deliver basic services, causes loss of revenue to the state, would result in the inability of the state to receive federal funds, or would necessitate additional expenditures that exceed any savings from maintaining a vacancy. The state budget director shall report quarterly to the chairpersons of the senate and house of representatives standing committees on appropriations the number of exceptions to the hiring freeze approved during the previous quarter and the reasons to justify the exception.
- Sec. 207. At least 60 days before beginning any effort to privatize, the department shall submit a complete project plan to the appropriate senate and house of representatives appropriations subcommittees and the senate and house fiscal agencies. The plan shall include the criteria under which the privatization initiative will be evaluated. The evaluation shall be completed and submitted to the appropriate senate and house of representatives appropriations subcommittees and the senate and house fiscal agencies within 30 months.
- Sec. 208. Unless otherwise specified, the department shall use the Internet to fulfill the reporting requirements of this act. This requirement may include transmission of reports via electronic mail to the recipients identified for each reporting requirement or it may include placement of reports on an Internet or Intranet site.
- Sec. 209. Funds appropriated in part 1 shall not be used for the purchase of foreign goods or services, or both, if competitively priced and of comparable quality American goods or services, or both, are available. Preference should be given to goods or services, or both, manufactured or provided by Michigan businesses, if they are competitively priced and of comparable quality. In addition, preference should be given to goods or services, or both, that are manufactured or provided by Michigan businesses owned and operated by veterans, if they are competitively priced and of comparable quality.
- Sec. 210. The director of each department receiving appropriations in part 1 shall take all reasonable steps to ensure businesses in deprived and depressed communities compete for and perform contracts to provide services or supplies, or both, for the department. The director shall strongly encourage firms with which the department contracts to subcontract with certified businesses in depressed and deprived communities for services or supplies, or both.
- Sec. 211. It is the intent of the legislature that personnel of the department who request and are eligible for reimbursement of expenses related to the operation of the department be reimbursed from the appropriations provided in this act within 30 days after submitting a request, or the eligible personnel shall be paid an additional amount equal to 0.75% of the payment due. The department shall pay an additional amount equal to 0.75% of the payment due for the first month and each succeeding month or portion of a month the payment remains past due.
- Sec. 213. (1) It is the intent of the legislature that the department shall not provide any subsidy for contractual services it provides.
- (2) When the department provides contractual services to a local unit of government, the department shall be reimbursed for all costs incurred in providing the services, including, but not limited to, retirement and overtime costs.
- (3) Contractual services provided to an entity other than a local unit of government may be provided by department personnel, but only on an overtime basis outside the normal work schedule of the personnel.
  - (4) This section does not apply to state agencies.
- Sec. 214. The departments and agencies receiving appropriations in part 1 shall receive and retain copies of all reports funded from appropriations in part 1. The department shall follow all federal guidelines and state laws regarding short-term and long-term retention of records.
- Sec. 215. Not later than January 1, 2011, the department shall report to the state police appropriations subcommittees of the house and senate and the house and senate fiscal agencies. The report shall contain the following information regarding the department's activities related to casino gaming oversight during fiscal year 2009-2010:
  - (a) The amount of money received and expended.
  - (b) The nature and structure of the casino gaming oversight unit.
  - (c) The positions and classifications of employees assigned.
  - (d) The number of full-time and part-time employees and the aggregate number of FTEs.
  - (e) The number of enlisted and civilian positions.
  - (f) The duties and responsibilities of the assigned employees.
  - (g) The immediate past position of the enlisted employees assigned.
- Sec. 216. The department shall collect and computerize the vehicle identification number (VIN) of all vehicles that are entered into the state accident data collection system and make this and other vehicle information available to the public at cost. For bulk access to the accident records in which the VIN has been collected and computerized, the department shall make those records available to the public at cost, provided that the name and address have been excluded.

- Sec. 217. From the funds appropriated in part 1, the department shall maintain a toll-free hotline in collaboration with the department of education. The toll-free hotline shall be operated 24 hours per day, 7 days per week, and shall provide students, school officials, and other individuals an opportunity to report specific threats of imminent school violence or other suspicious or criminal conduct by juveniles to the appropriate local law enforcement entities for investigation. The department may expend funds for the promotion of the hotline.
- Sec. 218. (1) Funds appropriated in part 1 for at-post troopers shall only be expended for trooper salaries, wages, benefits, retirement, equipment, supplies, and other expenses directly related to state troopers assigned to general law enforcement duties at a department post, detachment, satellite office, or a resident trooper function.
- (2) It is the intent of the legislature that every effort be made to identify funding sufficient to conduct a trooper school for the purpose of working toward the goal of establishing a minimum at-post trooper strength of 1,075 in this state.
- (3) The department shall submit quarterly written reports to the senate and house appropriations subcommittees on state police and military and veterans affairs no later than December 1, 2010, March 1, 2011, June 1, 2011, and September 1, 2011 which shall include a trooper strength report and the status of the department's plan for accomplishing the goal of subsection (2). If the department determines that insufficient appropriations exist under part 1 to accomplish the goal of subsection (2), the department shall submit a proposal outlining a plan to accomplish the goal, including an accounting of any additional funding necessary to that end.
- Sec. 219. The department of state police shall notify the house and senate appropriations subcommittees on state police and military and veterans affairs and the house and senate fiscal agencies not less than 180 days before recommending to close or consolidate any state police posts. The notification shall include a local and state impact study of the proposed post closure or consolidation.
- Sec. 220. The department of state police, in keeping with its role as the general law enforcement agency of the state and as the law enforcement agency of last resort for communities that are either without local law enforcement resources or are seriously underserved by local law enforcement resources, shall provide general law enforcement assistance to those communities until adequate law enforcement services can be provided to those communities by other means.
- Sec. 221. The department of state police may pursue entering into an agreement with Calhoun County to build a new facility in Marshall which would serve as a new state police post to replace the current state police post in Battle Creek.
- Sec. 223. (1) Due to the current budgetary problems in this state, out-of-state travel for the fiscal year ending September 30, 2011 shall be limited to situations in which 1 or more of the following conditions apply:
  - (a) The travel is required by legal mandate or court order or for law enforcement purposes.
- (b) The travel is necessary to protect the health or safety of Michigan citizens or visitors or to assist other states in similar circumstances.
- (c) The travel is necessary to produce budgetary savings or to increase state revenues, including protecting existing federal funds or securing additional federal funds.
  - (d) The travel is necessary to comply with federal requirements.
  - (e) The travel is necessary to secure specialized training for staff that is not available within this state.
  - (f) The travel is financed entirely by federal or nonstate funds.
- (2) If out-of-state travel is necessary but does not meet 1 or more of the conditions in subsection (1), the state budget director may grant an exception to allow the travel. Any exceptions granted by the state budget director shall be reported on a monthly basis to the senate and house of representatives standing committees on appropriations.
- (3) Not later than January 1, 2011, each department shall prepare a travel report listing all travel by classified and unclassified employees outside this state in the immediately preceding fiscal year that was funded in whole or in part with funds appropriated in the department's budget. The report shall be submitted to the chairs and members of the senate and house of representatives standing committees on appropriations, the fiscal agencies, and the state budget director. The report shall include the following information:
- (a) The name of each person receiving reimbursement for travel outside this state or whose travel costs were paid by this state.
  - (b) The destination of each travel occurrence.
  - (c) The dates of each travel occurrence.
  - (d) A brief statement of the reason for each travel occurrence.
- (e) The transportation and related costs of each travel occurrence, including the proportion funded with state general fund/general purpose revenues, the proportion funded with state restricted revenues, the proportion funded with other revenues, and the proportion funded with other revenues.
  - (f) A total of all out-of-state travel funded for the immediately preceding fiscal year.
- Sec. 224. The department shall not take disciplinary action against an employee for communicating with a member of the legislature or his or her staff.

Sec. 226. The department of state police, in cooperation with the department of technology, management, and budget, shall take steps to encourage the development of state, local, and regional tactical interoperable communication plans with the ultimate goal being to ensure that effective and efficient communication interoperability between radio communication

systems of local, regional, state, and federal agencies is established in every area of the state. The department shall provide a written report to the senate and house appropriations subcommittees on state police and military and veterans affairs no later than April 1, 2011 on the current status of reaching this objective. The report shall include an accounting of exactly where within the state desired interoperability has been achieved and what cooperative measures and use of technology were used to achieve this interoperability, and which areas of the state have not yet achieved such status. The report shall also include a description of what strategies need to be employed to ensure that the remaining areas of the state, and the state as a whole, will have a communication system with efficient and effective interoperability, particularly on occasions when a multijurisdictional response to an emergency is warranted.

Sec. 232. The department shall place emphasis on recruiting MCOLES certified police officers for the trooper recruit school. Emphasis shall be given in the hiring process to those officers who are on layoff and possess valid MCOLES certification. Any emphasis given in the recruiting and selection process shall be consistent with the department's hiring standards and in accordance with civil service rules. The department shall report to the chairpersons of the senate and house of representatives standing committees on appropriations the results of its recruitment and selection process, including the actual number of certified officers selected for any recruit school that is held by September 30, 2011.

Sec. 234. Funds appropriated in part 1 shall not be used by a principal executive department, state agency, or authority to hire a person to provide legal services that are the responsibility of the attorney general. This prohibition does not apply to legal services for bonding activities and for those activities that the attorney general authorizes.

Sec. 235. (1) If a spending plan for the funds appropriated in part 1 for special operations and events, or sources of financing related to the spending plan, do not provide the level of program service provided for in the current fiscal year, the funds appropriated in part 1 for post uniform services or forensic sciences shall not be used to fund the shortfall.

(2) If a spending plan for the funds appropriated in part 1 for special operations and events, or sources of financing related to the spending plan, are in excess of that necessary to provide the level of program service provided for in the current fiscal year, the department shall take steps to transfer whatever excess funding may exist to the funds appropriated in part 1 for post uniform services and forensic sciences.

Sec. 238. The department of technology, management, and budget shall work with the department of state police to reduce building operations and leasing costs for all Michigan state police facilities and to identify efficiencies and savings.

Sec. 239. It is the intent of the legislature that, should funding become available, funds may be appropriated to the department for traffic control purposes at the Michigan international speedway.

Sec. 240. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$10,000,000.00 for federal contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this act under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

- (2) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$3,500,000.00 for state restricted contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this act under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.
- (3) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$1,000,000.00 for local contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this act under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.
- (4) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$200,000.00 for private contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this act under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

Sec. 241. The department shall provide \$1,800,000.00 in Byrne justice assistance grant program funding to the judiciary by interdepartmental grant.

Sec. 242. Not later than September 30, 2011, the department shall prepare and transmit a report that provides for estimates of the total general fund/general purpose appropriation lapses at the close of the fiscal year. This report shall summarize the projected year-end general fund/general purpose appropriation lapses by major departmental program or program areas. The report shall be transmitted to the office of the state budget, the chairpersons of the senate and house appropriations committees, and the senate and house fiscal agencies.

Sec. 245. The department shall work cooperatively with the department of human services to coordinate the functions of the state police LEIN system and the department of human services bridges case management system to provide obtainable data that will allow authorized users of the bridges case management system to identify those persons who may be ineligible to receive certain assistance services due to their law enforcement status. The department shall deliver a report on this effort to the senate and house appropriations subcommittees on state police and military and veterans affairs not later than May 1, 2011.

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

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

#### INFORMATION TECHNOLOGY

Sec. 301. During fiscal year 2010-2011, an agency shall not be billed a user fee to support the LEIN system except for those agencies with an outstanding balance related to prior years' LEIN user fees. Those agencies with an outstanding balance shall be billed a LEIN user fee based upon the rate schedule established for fiscal year 2009-2010.

Sec. 302. From the funds appropriated in part 1 for information technology, departments and agencies shall pay user fees to the department of technology, management, and budget for technology-related services and projects. These user fees shall be subject to provisions of an interagency agreement between the department and the department of technology, management, and budget.

Sec. 303. Amounts appropriated in part 1 for information technology may be designated as work projects and carried forward to support technology projects under the direction of the department of technology, management, and budget. Funds designated in this manner are not available for expenditure until approved as work projects under section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a.

Sec. 304. A portion of the funds appropriated in part 1 shall be used by the department to produce a written report detailing departmental policies regarding access to and use of information from the LEIN system. The report shall include a description of departmental measures to protect the security of information in the LEIN system including safeguards that would prevent unauthorized persons from obtaining information from the LEIN system. The department shall submit a copy of this report to the senate and house appropriations committees not later than April 1, 2011.

Sec. 305. The criminal justice information systems policy council shall encourage members of the law enforcement agencies in the state to be sensitive to, and note when necessary, activities or circumstances that may suggest the unauthorized access or misuse of information from the LEIN system. The criminal justice information systems policy council shall advise LEIN auditors, as a part of their audit of law enforcement agencies, to investigate in depth all suspected incidents of improper access or improper use of information from the LEIN system and determine whether or not those incidents were illegal. In those incidents that may be determined to be illegal, the executive secretary for the council shall determine whether those incidents were of a negligent or criminal nature. If an incident is determined to be an illegal act, the council shall inform the chairs of both the senate and house appropriations committees.

Sec. 306. (1) The department of state police, working with the criminal justice information systems policy council, shall implement procedures by which all probation information is placed on the LEIN system. The LEIN system shall include information on each probationer, including any probation conditions placed on a probationer and the name of the probation officer assigned to a probationer. The LEIN system shall also include any nonstandard probation terms.

(2) If the department determines that amendments to the code of criminal procedure, 1927 PA 175, MCL 760.1 to 777.69, are required to include all probation information on the LEIN system, the department shall deliver to members of the senate and house appropriations subcommittees on state police and military affairs amendments to the code of criminal procedure, 1927 PA 175, MCL 760.1 to 777.69, that, in the department's view, are necessary to accomplish this goal. These proposed amendments shall be delivered to subcommittee members not later than December 1, 2010.

Sec. 307. The department of state police shall serve as an active liaison between the department of technology, management, and budget and local public safety agencies to facilitate the use of the Michigan public safety communications system towers by those local public safety agencies that have an interest in using the towers as a part of their own communications system. The department of state police shall deliver a written report to the senate and house appropriations subcommittees on state police and military and veterans affairs by April 1, 2011, which shall include an assessment of the progress toward establishing local public safety agency use of the Michigan public safety communications system towers, an accounting of problems that may be preventing local use of the towers, and any recommendations the department has that may foster this utilization.

Sec. 308. The department of state police shall report any LEIN fee increase to the senate and house appropriations sub-committees on state police and military and veterans affairs 60 days prior to the effective date of that increase. The report shall contain the following information: the current fee structure and the total revenue earned each year; the new fee structure and the total revenue it is expected to earn annually; the total annual cost of the LEIN system; and the total amount of LEIN fees paid by the department under both the old and the new structure.

Sec. 309. From the funds appropriated in part 1 for information technology, the department may develop and issue a request for proposal for the development, implementation, and maintenance of an electronic system for real-time enforcement of section 3101 of the insurance code of 1956, 1956 PA 218, MCL 500.3101.

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

#### HIGHWAY SAFETY PLANNING

Sec. 401. On a biannual basis, the department shall report to the senate and house appropriations subcommittees on state police and military and veterans affairs on the status of assessments collected and authorized under section 629e of the Michigan vehicle code, 1949 PA 300, MCL 257.629e, for the purposes of supporting the secondary road patrol grant program. Each biannual report shall contain updated information on collection levels, revised projected grant allotments to counties for the year, a comparison of projected collections and grant distribution levels with the funds appropriated in part 1 for the secondary road patrol program, and the extent collection levels have exceeded or failed to meet appropriated levels for the current fiscal year or expenditure levels from the previous fiscal year.

#### FORENSIC SCIENCES

Sec. 501. When 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. 502. The department shall work with the department of community health, the Michigan health and hospital association, the Michigan state medical society, and the Michigan nurses association to ensure that the recommendations included in the "Standard Recommended Procedures for the Emergency Treatment of Sexual Assault Victims" are followed in the collection of evidence.

#### MICHIGAN COMMISSION ON LAW ENFORCEMENT STANDARDS

Sec. 601. The money appropriated to the MCOLES for maintenance and delivery of training to locals is provided in accordance with a state reimbursement policy in which 100% of the determined state reimbursement rate shall be distributed upon certification by the MCOLES.

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

Sec. 604. From the funds appropriated in part 1 to the Michigan commission on law enforcement standards funds may be used to provide training for motor carrier officers and capitol security officers for the purpose of qualifying them for MCOLES certification.

#### **EMERGENCY MANAGEMENT**

Sec. 801. (1) The state director of emergency management may expend money appropriated under this act to call upon any agency or department of the state or any resource of the state to protect life or property or to provide for the health or safety of the population in any area of the state in which the governor proclaims a state of emergency or state of disaster under 1945 PA 302, MCL 10.31 to 10.33, or under the emergency management act, 1976 PA 390, MCL 30.401 to 30.421. The state director of emergency management may expend the amounts the director considers necessary to accomplish these purposes. The director shall submit to the state budget director as soon as possible a complete report of all actions taken under the authority of this section. The report shall contain, as a separate item, a statement of all money expended that is not reimbursable from federal money. The state budget director shall review the expenditures and submit recommendations to the legislature in regard to any possible need for a supplemental appropriation.

(2) In addition to the money appropriated in this act, the department may receive and expend money from local, private, federal, or state sources for the purpose of providing emergency management training to local or private interests and for the purpose of supporting emergency preparedness, response, recovery, and mitigation activity. If additional expenditure authorization in the Michigan administrative information network is approved by the state budget office under this section, the department and the state budget office shall notify the house and senate appropriations subcommittees on state police and military and veterans affairs and the house and senate fiscal agencies within 10 days after the approval. The notification shall include the amount and source of the additional authorization, the date of its approval, and the projected use of funds to be expended under the authorization.

Sec. 803. The department's emergency management division shall make every effort to ensure both of the following:

- (a) That homeland security grants offered by the federal government and channeled through the department are allocated to first responder entities in the highest percentage possible.
- (b) That homeland security grants awarded to the city of Detroit shall not be used to supplant city general funds designated to support first responder operations.

#### POST UNIFORM SERVICES

Sec. 901. State police enlisted personnel who are employed to enforce traffic laws as provided in section 629e of the Michigan vehicle code, 1949 PA 300, MCL 257.629e, shall not be prohibited from responding to crimes in progress or other emergency situations, and are responsible for protecting every citizen of this state from harm.

Sec. 902. From the funds appropriated in part 1 for capitol security guards, the department shall use these funds for security services at the state capitol building. However, this shall not preclude the capitol security guards from responding to emergencies at the house office building, Farnum building, capitol parking lot, and Roosevelt parking ramp.

#### STATEWIDE FIELD OPERATIONS

Sec. 1002. Money privately donated to the department is appropriated under part 1 to be used for the purposes designated by the donor of the money. Money privately donated to the department's canine unit shall be used to purchase

equipment and other items to enhance the operation of the canine unit. It is the intent of the legislature that money from private donations not supplant general fund appropriations.

# SPECIAL INVESTIGATIONS

Sec. 1101. (1) There is sufficient money appropriated in part 1 to special investigations to ensure that the citizens in a service area of any state police post in the vicinity of a state prison do not experience a downgrading of state police services in their area. Special investigations shall be available by temporary or permanent assignment of a detective when either a temporary or permanent prison facility is opened.

(2) If the department is unable to comply with subsection (1) and there is a prison scheduled to open, the department shall provide troopers to serve as investigators on an interim basis.

Sec. 1102. From the funds appropriated in part 1 for special investigations, the department shall provide a report to the chairpersons of the senate and house of representatives standing committees on appropriations no later than April 1, 2011 concerning methamphetamine-related criminal activities.

# MOTOR CARRIER ENFORCEMENT

Sec. 1201. (1) The department shall report to the house and senate appropriations subcommittees on state police and the house and senate fiscal agencies by March 1, 2011 regarding the inspection of school buses and other motor vehicles under section 715a of the Michigan vehicle code, 1949 PA 300, MCL 257.715a, and section 39 of the pupil transportation act, 1990 PA 187, MCL 257.1839. The report shall include the following information regarding inspections conducted in calendar year 2010:

- (a) The number of buses and vehicles inspected by the department.
- (b) The number of buses and vehicles passing and failing inspection.
- (c) The estimated number of buses and vehicles not inspected.
- (2) If each school bus within a school system receives a 100% successful state inspection on its first inspection in a given year, the department shall award a certificate to that school system.

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

A bill to make appropriations for the department of state police and certain other state purposes for the fiscal year ending September 30, 2011; to provide for the expenditure of those appropriations; to provide for certain reports and the consideration of those reports; to provide for the disposition of other income received by the various state agencies; to provide for certain emergency powers; to provide for the powers and duties of certain committees, certain state agencies, and certain employees; and to provide for the acquisition and disposition of certain real and personal property.

> Richard LeBlanc John Espinoza Bob Genetski Conferees for the House

Valde Garcia Alan L. Cropsey Conferees for the Senate

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

Senator Cropsey moved that the rule be suspended.

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

The question being on the adoption of the conference report,

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

Roll Call No. 411 Yeas—35

Allen Cherry Jacobs Clark-Coleman Anderson Jansen Barcia Clarke Jelinek Basham Cropsey Kahn Birkholz George **Kuipers** Bishop Gilbert McManus Brater Gleason Olshove Brown Hardiman Pappageorge Cassis Hunter Prusi

Richardville Sanborn Scott Stamas Switalski **Thomas** Van Woerkom Whitmer

Nays—2

Nofs Patterson

Excused—1

Garcia

Not Voting—0

In The Chair: Richardville

Senator Jelinek submitted the following:

#### FIRST CONFERENCE REPORT

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

#### Senate Bill No. 1154, entitled

A bill to make appropriations for the department of education and certain other purposes relating to education for the fiscal year ending September 30, 2011; to provide for the expenditure of the appropriations; and to provide for the disposition of fees and other income received by the state agency.

Recommends:

First: That the House recede from the 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 education and certain other purposes relating to education for the fiscal year ending September 30, 2011; to provide for the expenditure of the appropriations; and to provide for the disposition of fees and other income received by the state agency.

# THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

#### PART 1

# LINE-ITEM APPROPRIATIONS

Sec. 101. There is appropriated for the department of education and certain state purposes related to education as set forth in this act for the fiscal year ending September 30, 2011, from the following funds:

#### DEPARTMENT OF EDUCATION

DEFINITION OF EDUCATION	
APPROPRIATION SUMMARY	
Full-time equated unclassified positions	
Full-time equated classified positions	
GROSS APPROPRIATION	\$ 126,959,900
Interdepartmental grant revenues:	
Total interdepartmental grants and intradepartmental transfers	0
ADJUSTED GROSS APPROPRIATION	\$ 126,959,900
Federal revenues:	
IMLS, library services and technology act	5,561,800
Federal revenues	78,451,600
Federal indirect funds	3,758,700
Total federal revenues	87,772,100
Special revenue funds:	
Local cost sharing (schools for deaf/blind)	6,879,800
Local school district service fees	319,600
Total local revenues	7,199,400
Gifts, bequests, and donations	650,600
Private foundations	2,473,900
Total private revenues	3.124.500

		For Fiscal Year Ending Sept. 30,
		2011
Total local and private revenues	\$	10,323,900
Certification fees		5,858,100
Commodity distribution fees		71,700
Student insurance revenue		218,600
Teacher college review fees		54,000
Teacher testing fees		336,400
Tenant rent		261,000
Training and orientation workshop fees		150,000
Total other state restricted revenues		6,949,800
State general fund/general purpose	\$	21,914,100
Sec. 102. STATE BOARD OF EDUCATION/OFFICE OF THE SUPERINTENDENT		
Full-time equated unclassified positions		
Full-time equated classified positions		
State board of education, per diem payments	\$	24,400
Unclassified positions—6.0 FTE positions		645,600
State board/superintendent operations—14.0 FTE positions	_	2,091,300
GROSS APPROPRIATION	\$	2,761,300
Appropriated from:		
Federal revenues:		
Federal revenues		111,400
Special revenue funds:		
Private foundations		27,400
Certification fees		612,000
State general fund/general purpose	\$	2,010,500
Sec. 103. CENTRAL SUPPORT		
Full-time equated classified positions		
Central support—21.6 FTE positions	\$	2,984,400
Worker's compensation		45,900
Building occupancy charges - property management services		2,723,400
Tenant rent		261,000
Training and orientation workshops		150,000
Terminal leave payments	_	554,700
GROSS APPROPRIATION	\$	6,719,400
Appropriated from:		
Federal revenues:		
Federal revenues		1,414,700
Federal indirect funds		2,147,200
Special revenue funds:		
Local cost sharing (schools for deaf/blind)		68,400
Certification fees		405,800
Teacher testing fees		13,500
Tenant rent		261,000
Training and orientation workshop fees		150,000
State general fund/general purpose	\$	2,258,800
Sec. 104. INFORMATION TECHNOLOGY SERVICES		
Information technology operations	\$_	3,307,700
GROSS APPROPRIATION	\$	3,307,700
Appropriated from:		
Federal revenues:		
Federal revenues		685,500
Federal indirect funds		1,228,600
Special revenue funds:		
Local cost sharing (schools for deaf/blind)		150,100
Certification fees		232,300
State general fund/general purpose	\$	1,011,200

		For Fiscal Year Ending Sept. 30, 2011
Sec. 105. SPECIAL EDUCATION SERVICES		
Full-time equated classified positions		
Special education operations—47.0 FTE positions	\$_	11,704,700
GROSS APPROPRIATION	\$	11,704,700
Appropriated from:		
Federal revenues:		
Federal revenues		11,267,800
Special revenue funds:		40= =00
Private foundations		107,700
Certification fees		38,600
State general fund/general purpose	\$	290,600
Sec. 106. MICHIGAN SCHOOLS FOR THE DEAF AND BLIND		
Full-time equated classified positions 109.0	Φ	12 442 000
Michigan schools for the deaf and blind operations—108.0 FTE positions	\$	13,442,000
Camp Tuhsmeheta—1.0 FTE position		295,100
Private gifts - blind		90,000
Private gifts - deaf	φ -	250,000
GROSS APPROPRIATION	\$	14,077,100
Appropriated from:		
Federal revenues:		( 220 500
Federal revenues		6,238,500
Special revenue funds:		( ((1 200
Local cost sharing (schools for deaf/blind)		6,661,300
Local school district service fees		308,100
Gifts, bequests, and donations		650,600
Student insurance revenue	¢	218,600
State general fund/general purpose	\$	U
Full-time equated classified positions		
Professional preparation operations—34.0 FTE positions	\$	7,084,500
Department of attorney general	φ	50,000
GROSS APPROPRIATION	\$	7,134,500
Appropriated from:	φ	7,134,300
Federal revenues:		
Federal revenues.		2,852,800
Special revenue funds:		2,032,000
Certification fees		3,479,200
Teacher testing fees		322,900
Teacher college review fees		54,000
State general fund/general purpose	\$	425,600
Sec. 108. EARLY CHILDHOOD EDUCATION AND FAMILY SERVICES	4	.20,000
Full-time equated classified positions		
Early childhood education and family services operations—26.0 FTE positions	\$	4,454,200
GROSS APPROPRIATION	\$ -	4,454,200
Appropriated from:	·	, ,
Federal revenues:		
Federal revenues		3,356,600
Special revenue funds:		
Private foundations		198,700
Certification fees		58,500
State general fund/general purpose	\$	840,400
Sec. 109. SCHOOL FINANCE AND SCHOOL LAW SERVICES		
Full-time equated classified positions		
School finance and school law operations—16.5 FTE positions	\$_	2,844,100
GROSS APPROPRIATION	\$	2,844,100

		For Fiscal Year Ending Sept. 30, 2011
Appropriated from:		
Federal revenues:		
Federal revenues	\$	952,700
Federal indirect funds		382,900
Special revenue funds:		
Certification fees		493,400
State general fund/general purpose	\$	1,015,100
Sec. 110. EDUCATIONAL ASSESSMENT AND ACCOUNTABILITY		
Full-time equated classified positions		
Educational assessment operations—52.1 FTE positions	\$	9,652,300
State education reforms—12.0 FTE positions		7,180,300
GROSS APPROPRIATION	\$	16,832,600
Appropriated from:		
Federal revenues:		
Federal revenues		14,659,700
State general fund/general purpose	\$	2,172,900
Sec. 111. GRANTS ADMINISTRATION AND SCHOOL SUPPORT SERVICES		
Full-time equated classified positions		
Grants administration and school support services operations—65.6 FTE positions	\$	10,749,300
College access challenge grant program—6.0 FTE positions		4,268,600
Federal and private grants		3,000,000
GROSS APPROPRIATION	\$	18,017,900
Appropriated from:		
Federal revenues:		
Federal revenues		16,405,700
Special revenue funds:		
Local school district service fees		11,500
Private foundations		1,000,000
Commodity distribution fees		71,700
State general fund/general purpose	\$	529,000
Sec. 112. FIELD SERVICES		
Full-time equated classified positions		
Field services operations—41.0 FTE positions	\$_	9,258,500
GROSS APPROPRIATION	\$	9,258,500
Appropriated from:		
Federal revenues:		
Federal revenues		8,497,300
Special revenue funds:		# f 0 400
Private foundations		569,400
Certification fees	Φ.	51,400
State general fund/general purpose	\$	140,400
Sec. 113. EDUCATIONAL IMPROVEMENT AND INNOVATION SERVICES		
Full-time equated classified positions	Φ.	10.625.400
Educational improvement and innovation operations—52.7 FTE positions	\$ _	10,637,400
GROSS APPROPRIATION	\$	10,637,400
Appropriated from:		
Federal revenues:		0.640.500
Federal revenues		8,648,500
Special revenue funds:		570 700
Private foundations		570,700
Certification fees	Ф	486,900
State general fund/general purpose	\$	931,300
Sec. 114. CAREER AND TECHNICAL EDUCATION		
Full-time equated classified positions	Φ	4.010.700
Career and technical education operations—25.0 FTE positions	\$ -	4,019,500
GROSS APPROPRIATION	Э	4,019,500

		For Fiscal Year Ending Sept. 30, 2011
Appropriated from:		
Federal revenues:		
Federal revenues	\$	3,360,400
State general fund/general purpose	\$	659,100
Sec. 115. LIBRARY OF MICHIGAN		
Full-time equated classified positions		
Library of Michigan operations—33.0 FTE positions	\$	3,879,200
Library services and technology program—1.0 FTE position		5,561,800
State aid to libraries	_	5,750,000
GROSS APPROPRIATION	\$	15,191,000
Appropriated from:		
Federal revenues:		
IMLS, library services and technology act		5,561,800
State general fund/general purpose	\$	9,629,200
PART 2		

#### PROVISIONS CONCERNING APPROPRIATIONS

#### **GENERAL SECTIONS**

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for the fiscal year ending September 30, 2011 is \$28,863,900.00 and state spending from state resources to be paid to local units of government for the fiscal year ending September 30, 2011 is \$5,750,000.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

#### DEPARTMENT OF EDUCATION

State aid to libraries	\$ 5,750,000
Total department of education	\$ 5,750,000

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

Sec. 203. As used in this act:

- (a) "ARRA" means American recovery and reinvestment act of 2009, Public Law 111-5.
- (b) "Department" means the Michigan department of education.
- (c) "District" means a local school district as defined in section 6 of the revised school code, 1976 PA 451, MCL 380.6, or a public school academy as defined in section 5 of the revised school code, 1976 PA 451, MCL 380.5.
  - (d) "FTE" means full-time equated.
  - (e) "IMLS" means institute of museum and library services.

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

Sec. 205. The department shall use the Internet to fulfill the reporting requirements of this act. This requirement may include transmission of reports via electronic mail to the recipients identified for each reporting requirement, or it may include placement of reports on an Internet or Intranet site.

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

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

Sec. 209. From the funds appropriated in part 1 for information technology, departments and agencies shall pay user fees to the department of technology, management, and budget for technology-related services and projects. Such user fees shall be subject to provisions of an interagency agreement between the departments and agencies and the department of technology, management, and budget.

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

- Sec. 212. Funds appropriated in part 1 shall not be used for the purchase of foreign goods or services, or both, if competitively priced and comparable quality American goods or services, or both, are available. Preference shall be given to goods or services, or both, manufactured or provided by Michigan businesses if they are competitively priced and of comparable quality. In addition, preference should be given to goods or services, or both, manufactured or provided by Michigan businesses owned and operated by veterans if they are competitively priced and of comparable quality.
- Sec. 213. (1) A hiring freeze is imposed on the state classified civil service. State departments and agencies are prohibited from hiring any new full-time state classified civil service employees and prohibited from filling any vacant state classified civil service positions. This hiring freeze does not apply to internal transfers of classified employees from 1 position to another within a department.
- (2) The state budget director may grant exceptions to this hiring freeze for the purpose of filling positions necessary to carry out state or federal activities related to race to the top legislation, or when the state budget director believes that the hiring freeze will result in rendering a state department or agency unable to deliver basic services, cause loss of revenue to the state, result in the inability of the state to receive federal funds, or necessitate additional expenditures that exceed any savings from maintaining a vacancy. The state budget director shall report quarterly to the chairpersons of the senate and house of representatives standing committees on appropriations the number of exceptions to the hiring freeze approved during the previous quarter and the reasons to justify the exception.
- Sec. 214. (1) Due to the current budgetary problems in this state, out-of-state travel for the fiscal year ending September 30, 2011 shall be limited to situations in which 1 or more of the following conditions apply:
  - (a) The travel is required by legal mandate or court order or for law enforcement purposes.
- (b) The travel is necessary to protect the health or safety of Michigan citizens or visitors or to assist other states in similar circumstances.
- (c) The travel is necessary to produce budgetary savings or to increase state revenues, including protecting existing federal funds or securing additional federal funds.
  - (d) The travel is necessary to comply with federal requirements.
  - (e) The travel is necessary to secure specialized training for staff that is not available within this state.
  - (f) The travel is financed entirely by federal or nonstate funds.
- (2) Not later than January 1 of each year, each department shall prepare a travel report listing all travel by classified and unclassified employees outside this state in the immediately preceding fiscal year that was funded in whole or in part with funds appropriated in the department's budget. The report shall be submitted to the house and senate standing committees on appropriations, the house and senate fiscal agencies, and the state budget director. The report shall include the following information:
- (a) The name of each person receiving reimbursement for travel outside this state or whose travel costs were paid by this state.
  - (b) The destination of each travel occurrence.
  - (c) The dates of each travel occurrence.
  - (d) A brief statement of the reason for each travel occurrence.
- (e) The transportation and related costs of each travel occurrence, including the proportion funded with state general fund/general purpose revenues, the proportion funded with state restricted revenues, the proportion funded with other revenues, and the proportion funded with other revenues.
  - (f) A total of all out-of-state travel funded for the immediately preceding fiscal year.
- Sec. 215. The department shall not approve the travel of more than 1 departmental employee to a specific professional development conference or training seminar that is located outside of this state unless the professional development conference or training seminar is funded by a federal or private funding source and requires more than 1 person from a department to attend, or the conference or training seminar includes multiple issues in which 1 employee from the department does not have expertise.
- Sec. 216. The department shall not take disciplinary action against an employee who communicates truthfully and factually with a member of the legislature or his or her staff.
- Sec. 217. The 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 director shall strongly encourage firms with which the department contracts to subcontract with certified businesses in depressed and deprived communities for services, supplies, or both.
- Sec. 219. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$5,000,000.00 for federal contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this act under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.
- (2) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$700,000.00 for state restricted contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this act under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

- (3) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$250,000.00 for local contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this act under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.
- (4) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$3,000,000.00 for private contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this act under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.
- Sec. 220. The department shall provide data requested by a member of the legislature, his or her staff, or the house and senate fiscal agencies in a timely manner.
- Sec. 221. Funds appropriated in part 1 shall not be used by a principal executive department, state agency, or authority to hire a person to provide legal services that are the responsibility of the attorney general. This prohibition does not apply to legal services for bonding activities and for those activities that the attorney general authorizes.
- Sec. 222. (1) The department shall report no later than April 1, 2011 on each specific policy change made by the department to implement a public act affecting that department that took effect during the preceding calendar year. The department shall report to the house and senate appropriations subcommittees on the budget for the department, the joint committee on administrative rules, and the senate and house fiscal agencies.
- (2) Funds appropriated in part 1 shall not be used by the department to adopt a rule that will apply to a small business and that will have a disproportionate economic impact on small businesses because of the size of those businesses if the department fails to reduce the disproportionate economic impact of the rule on small businesses as provided under section 40 of the administrative procedures act of 1969, 1969 PA 306, MCL 24.240.
  - (3) As used in this section:
- (a) "Rule" means that term as defined under section 7 of the administrative procedures act of 1969, 1969 PA 306, MCL 24.207.
- (b) "Small business" means that term as defined under section 7a of the administrative procedures act of 1969, 1969 PA 306, MCL 24.207a.
- Sec. 225. It is the intent of the legislature that not later than 60 days after the state receives audited membership counts from intermediate school districts, the state superintendent of public instruction shall investigate and report to the legislature on the scope of and proposed solutions to pupil membership fraud and the incidence of students counted in membership in a district and not remaining in that district for the balance of the school year.
- Sec. 226. Not later than October 15, 2011, the department shall prepare and transmit a report that provides for estimates of the total general fund/general purpose appropriation lapses at the close of the fiscal year. This report shall summarize the projected year-end general fund/general purpose appropriation lapses by major departmental program or program areas. The report shall be transmitted to the office of the state budget, the chairpersons of the senate and house appropriations committees, and the senate and house fiscal agencies.

#### STATE BOARD/OFFICE OF THE SUPERINTENDENT

- Sec. 301. (1) The appropriations in part 1 may be used for per diem payments to the state board for meetings at which a quorum is present or for performing official business authorized by the state board. The per diem payments shall be at a rate as follows:
  - (a) State board of education president \$110.00 per day.
  - (b) State board of education member other than president \$100.00 per day.
  - (2) A state board of education member shall not be paid a per diem for more than 30 days per year.
- (3) The state board executive shall report to the public, the senate and house fiscal agencies, and the state budget director the previous quarter's expenses by fund source for members of the state board of education.
- Sec. 302. From the amount appropriated in part 1 to the state board of education, not more than \$35,000.00 shall be expended for in-state travel and out-of-state travel directly related to the duties of the state board of education.

#### MICHIGAN SCHOOLS FOR THE DEAF AND BLIND

- Sec. 401. The employees at the Michigan schools for the deaf and blind who work on a school year basis shall be considered annual employees for purposes of service credits, retirement, and insurance benefits.
- Sec. 402. For each student enrolled at the Michigan schools for the deaf and blind, the department shall assess the intermediate school district of residence 100% of the cost of operating the student's instructional program. The amount shall exclude room and board related costs and the cost of weekend transportation between the school and the student's home.
- Sec. 404. (1) The department may assess rent or lease excess property located on the campus of the Michigan schools for the deaf and blind in Flint to private or publicly funded organizations.
- (2) From the amount appropriated in part 1 for tenant rent, the department may receive and expend funds from lease agreements at the Michigan schools for the deaf and blind Flint campus that have been negotiated with the approval of the department of technology, management, and budget. These funds shall be used for the operation, maintenance, and renovation expenses associated with the leased space.
- (3) From the unexpended balances of appropriations for the schools for the deaf and blind operations, up to \$250,000.00 of any unexpended and unencumbered funds remaining on September 30, 2011 may be carried forward as a work project

and expended for special maintenance and repairs of facilities at the campus of the Michigan schools for the deaf and blind in Flint. The work shall be carried out by state employees, or by contract as necessary, at an estimated cost of \$250,000.00. The estimated completion date of the work is September 30, 2012.

(4) From the tenant rent appropriation for Fay hall, up to \$100,000.00 of any unexpended and unencumbered funds remaining on September 30, 2011 may be carried forward as a work project or as restricted revenue and expended for special maintenance and repairs of facilities at Fay hall. The work project may be performed by state employees, or by contract when necessary, at an estimated cost of \$100,000.00. The estimated completion date of the work project is September 30, 2012.

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

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

- (2) Upon knowledge of or recognition by an intermediate school district that a child in the district is deaf or hard of hearing or blind or visually impaired, the intermediate school district shall provide to the parents of the child the literature distributed by the Michigan schools for the deaf and blind to intermediate school districts under subsection (1).
- (3) Parents will continue to have a choice regarding the educational placement of their deaf or hard-of-hearing children. Sec. 407. Revenue received 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.

#### PROFESSIONAL PREPARATION SERVICES

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

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

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

## OFFICE OF EDUCATIONAL IMPROVEMENT AND INNOVATION

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

#### INFORMATION TECHNOLOGY

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

#### LIBRARY OF MICHIGAN

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

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

Sec. 804. From the funds appropriated in part 1 and other funding available, the department and library of Michigan shall maintain custody of the non-Michigan genealogy and all Michigan-specific collections. These collections shall continue to be made available to the public.

# GRANTS ADMINISTRATION AND SCHOOL SUPPORT SERVICES

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

Sec. 902. The college access challenge grant program is a work project as provided in section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a, and as follows and as such appropriations for the program shall not lapse at the end of the fiscal year but shall continue to be available for expenditure until the project has been completed:

(a) The purpose of the project is to provide assistance and training to Michigan families, counselors, teachers, and community leaders in applying for and securing funds for college to low-income students.

- (b) The project will be accomplished by state employees and/or by contracts with private vendors.
- (c) The total estimated cost of the project is \$8,571,000.00.
- (d) The tentative completion date is September 30, 2012.

Sec. 903. By not later than March 1, 2011, the department shall work with districts that operate as a school of excellence cyber school as defined in section 551 of the revised school code, 1976 PA 451, MCL 380.551, and districts that operate an alternative education program with a seat-time waiver under section 101 of the state school aid act of 1979, 1979 PA 94, MCL 388.1701, to provide a report to 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 on all of the following:

- (a) Each district operating a program and the districts that enroll students in their program.
- (b) The total number of students and membership pupils enrolled in each program.
- (c) The district in which each pupil is enrolled if other than the district with the seat-time wavier or the cyber school.
- (d) The district in which the pupil was enrolled prior to enrolling in the cyber school or the district with a seat-time waiver program.
  - (e) The number of participating students who had previously dropped out of school.
  - (f) The number of participating students who had previously been expelled from school.
  - (g) The cost per pupil paid to each online education provider.
  - (h) The cost per pupil charged to school districts that enroll their students in the program.
- (i) The name of each online education provider contracted by a district with a seat-time waiver or a cyber school and the state in which the online education provider is located.

Sec. 904. From the amount appropriated in part 1 for grants administration and school support, there is appropriated \$1,862,700.00 to administer the funding received under section 101 of title 1 of Public Law 111-226.

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 education and certain other purposes relating to education for the fiscal year ending September 30, 2011; to provide for the expenditure of the appropriations; and to provide for the disposition of fees and other income received by the state agency.

Ron Jelinek Cameron Brown Michael Switalski Conferees for the Senate

Terry Brown George Cushingberry, Jr. Conferees for the House

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

Senator Cropsey moved that the rule be suspended.

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

The question being on the adoption of the conference report,

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

Roll Call No. 412 Yeas—36

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

#### Excused—1

Garcia

# Not Voting—0

In The Chair: Richardville

The question being on concurring in the committee recommendation to give the bill immediate effect, The recommendation was concurred in, 2/3 of the members serving voting therefor.

Senator Hardiman submitted the following:

#### FIRST CONFERENCE REPORT

The Committee of Conference on the matters of difference between the two Houses concerning **Senate Bill No. 1151, entitled** 

A bill to make appropriations for community colleges and certain state purposes related to education for the fiscal year ending September 30, 2011; to provide for the expenditure of those appropriations; to establish or continue certain funds, programs, and categories; and to prescribe the powers and duties of certain state departments, institutions, agencies, employees, and officers.

Recommends:

First: That the House 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 community colleges and certain state purposes related to education for the fiscal year ending September 30, 2011; to provide for the expenditure of those appropriations; to establish or continue certain funds, programs, and categories; and to prescribe the powers and duties of certain state departments, institutions, agencies, employees, and officers.

# THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

#### PART 1

#### LINE-ITEM APPROPRIATIONS

Sec. 101. Subject to the conditions set forth in this act, the amounts listed in this part are appropriated for community colleges and certain other state purposes relating to education for the fiscal year ending September 30, 2011, from the funds indicated in this part. The following is a summary of the appropriations in this part:

#### **COMMUNITY COLLEGES**

APPROPRIATION SUMMARY	
GROSS APPROPRIATION	\$ 295,880,500
Interdepartmental grant revenues:	
Total interdepartmental grants and intradepartmental transfers	0
ADJUSTED GROSS APPROPRIATION	\$ 295,880,500
Federal revenues:	
Total federal revenues	0
Special revenue funds:	
Total local revenues	0
Total private revenues	0
	0
State general fund/general purpose	\$ 295,880,500
Sec. 102. OPERATIONS	
Alpena Community College	\$ 5,126,100
Bay de Noc Community College  Delta College	5,178,400
Delta College	13,751,600
Glen Oaks Community College	2,304,800
Gogebic Community College	4,275,200

For Fiscal Van

	For Fiscal Year
	Ending Sept. 30,
	2011
Grand Rapids Community College	\$ 17,219,800
Henry Ford Community College	20,898,900
Jackson Community College	11,542,300
Kalamazoo Valley Community College	11,888,600
Kellogg Community College	9,311,800
Kirtland Community College	2,842,800
Lake Michigan College	5,012,100
Lansing Community College	29,762,500
Macomb Community College	31,773,900
Mid Michigan Community College	4,289,200
Monroe County Community College	4,142,800
Montcalm Community College	2,981,600
C.S. Mott Community College	15,016,400
Muskegon Community College	8,518,600
North Central Michigan College	2,893,600
Northwestern Michigan College	8,682,000
Oakland Community College	20,133,700
St. Clair County Community College	6,729,800
Schoolcraft College	11,767,000
Southwestern Michigan College	6,276,900
Washtenaw Community College	12,149,000
Wayne County Community College	15,889,900
West Shore Community College	2,198,500
GROSS APPROPRIATION	\$ 292,557,800
Appropriated from:	
State general fund/general purpose	\$ 292,557,800
Sec. 103. GRANTS	
At-risk student success program	\$ 3,322,700
GROSS APPROPRIATION	\$ 3,322,700
Appropriated from:	
State general fund/general purpose	\$ 3,322,700
DA DM Q	

#### PART 2 PROVISIONS CONCERNING APPROPRIATIONS

#### **GENERAL SECTIONS**

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for fiscal year 2010-2011 is \$295,880,500.00 and state spending from state resources to be paid to local units of government for fiscal year 2010-2011 is \$295,880,500.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

Operations	\$ 292,557,800
At-risk student success program	3,322,700
TOTAL	\$ 295,880,500

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

Sec. 203. Unless otherwise specified, a community college receiving appropriations in part 1 and the department of energy, labor, and economic growth shall use the Internet to fulfill the reporting requirements of this act. This requirement may include transmission of reports via electronic mail to the recipients identified for each reporting requirement or it may include placement of reports on an Internet or Intranet site.

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

Sec. 210. The principal executive officer of each community college receiving appropriations in part 1 shall take all reasonable steps to ensure businesses in deprived and depressed communities compete for and perform contracts to provide

services or supplies, or both. Each principal executive officer shall strongly encourage firms with which the community college contracts to subcontract with certified businesses in depressed and deprived communities for services or supplies, or both.

- Sec. 211. (1) The money appropriated in this act is appropriated for community colleges with fiscal years ending June 30, 2011 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, 2010. Each community college shall accrue its July and August 2011 payments to its institutional fiscal year ending June 30, 2011. However, if a community college fails to submit all verified Michigan community colleges activities classification structure data for school year 2009-2010 to the department of energy, labor, and economic growth by November 1, 2010, the monthly installments shall be withheld from that community college until those data are submitted. The amount from the money appropriated in part 1 that is allocated to address the special needs of at-risk students shall be paid in full by the state treasurer by November 1, 2010. The amount distributed to a community college or department shall not exceed the net state allocation authorized by this act.
- (2) Except as otherwise provided by law, each of the amounts appropriated shall be used solely for the respective purposes stated in this act. The money appropriated in this act may be used to match the cost of any available programs under the Carl D. Perkins vocational and applied technology education act of 1998, 20 USC 2301 to 2414, including local administration.
- Sec. 216. (1) A community college shall pay the employer's contributions to the Michigan public school employees' retirement system created by the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1301 to 38.1408, as a condition of receiving money appropriated under this act.
- (2) A community college shall not pay an employer's contribution to more than 1 retirement fund providing benefits for an employee.
- Sec. 217. Money appropriated in part 1 shall not be used to pay for the construction or maintenance of a self-liquidating project. A community college shall comply with the current use and finance requirements of the joint capital outlay subcommittee (JCOS) for any construction, renovation, or other capital outlay projects pursuant to JCOS policy.
- Sec. 224. (1) Recognizing the critical importance of education in strengthening Michigan's workforce, the legislature encourages the state's public community colleges to explore ways of increasing collaboration and cooperation with 4-year universities, particularly in the areas related to training, instruction, and program articulation.
- (2) Recognizing the central role of community colleges in responding to local employment needs and challenges, community colleges shall develop and continue efforts to collaborate with local employers and students to identify local employment needs and strategies to meet them.
- (3) Community colleges are encouraged to collaborate with each other on innovations to identify and meet local employment needs.
  - Sec. 234. Community colleges shall do the following:
- (a) Undertake active measures to promote equal opportunities, eliminate discrimination, and foster a diverse student body and administration among all people including, but not limited to, women, minorities, seniors, veterans, and people with disabilities.
  - (b) Review, analyze, and eradicate activities that may tend to discriminate.
- Sec. 241. (1) It is the intent of the legislature that community colleges expand their current nursing education programs and increase nursing education program enrollments. This expansion may include, but is not limited to, creating partnerships with hospitals and other health care providers, encouraging programs that assist in placing students at all levels of nursing, recruiting and hiring a larger number of individuals with masters degrees in nursing as instructors, and redirecting existing institutional resources toward nursing education programs.
- (2) Community colleges are encouraged to coordinate with the chief nurse executive in the department of community health and with 4-year universities to improve access to nursing programs and to assist students to successfully enter the nursing workforce.
- Sec. 242. It is the intent of the legislature that the Michigan community college association, the legislature, and other interested parties continue the discussion regarding payments in lieu of taxes, especially for those community college districts that contain significant portions of nontaxable land.
- Sec. 247. Funds appropriated in part 1 shall not be used to enter into a lease for, or to purchase, a vehicle assembled or manufactured outside of the United States if competitively priced and comparable quality vehicles made in the state of Michigan or elsewhere in the United States of America are available.
- Sec. 249. It is the intent of the legislature to encourage community college districts to evaluate and pursue efficiency and cost-containment measures that maximize state funding. Community colleges shall identify practices that increase efficiencies, including, but not limited to, establishing joint ventures, consolidating services, utilizing program collaborations, maximizing educational benefits through optimal class sizes and frequency of course offerings, increasing web-based instruction, eliminating low-enrollment and high-cost instructional programs, using self-insurance, practicing energy conservation, and utilizing group purchasing. Efficiency efforts shall also include reviewing proposed capital outlay projects to increase coordination and utilization of new facilities, renovation projects, and technology improvements.

#### **STATE AID - OPERATIONS**

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

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

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

### **GRANTS**

- Sec. 401. (1) The community college at-risk student success program is continued. The funding shall be prorated among community colleges based on the number of student contact hours for developmental and preparatory instruction reported by each community college to the department of energy, labor, and economic growth pursuant to the "Activities Classification Structure Manual for Michigan Community Colleges," as amended. Of the amount appropriated in part 1 for the at-risk student success program, \$1,120,000.00 is allocated for base grants of \$40,000.00 each, to address the special needs of at-risk students at community colleges.
- (2) Of the amount appropriated in part 1 for the at-risk student success program, the balance of the appropriated money shall be distributed on a proration utilizing the sum of the most recent 3 years' developmental/preparatory contact hours divided by the sum of the 3-year total contact hours at each college. Each community college's percentage shall be divided by the sum of all the percentages systemwide to obtain each community college's prorated grant amount.

(3) For the fiscal year ending September 30, 2011, the at-risk student success program money is allocated as follows: 82,100 77,900 Bay de Noc Community College.... Delta College 108,000 Glen Oaks Community College.... 106,600 Gogebic Community College 54,900 Grand Rapids Community College.... 135,500 Henry Ford Community College 169,600 Jackson Community College..... 146,800 Kalamazoo Valley Community College..... 90,600 Kellogg Community College 138,400 Kirtland Community College 124,300 Lake Michigan College 147,200 Lansing Community College.... 147,800 Macomb Community College..... 83,100 Mid Michigan Community College.... 126,100 Monroe County Community College ..... 102,100 Montcalm Community College 73,200 C.S. Mott Community College.... 127,700 Muskegon Community College 87,600 North Central Michigan College 103,800 Northwestern Michigan College.... 127,200 Oakland Community College 147,900 St. Clair County Community College 104,500 Schoolcraft College 124,300 Southwestern Michigan College.... 156,000 Washtenaw Community College.... 117,500 Wayne County Community College 166,600 West Shore Community College 145,400

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

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

- (b) Are diagnosed as learning disabled.
- (c) Require English as a second language (ESL) assistance.
- (5) Grant funding under this section shall be utilized to address the special needs of at-risk students. Activities related to services provided to at-risk students include, but are not limited to, pretesting for academic ability, counseling contacts, and special programs. Equipment or information technology hardware or software purchased under this section must be associated with the operation of a program designed to address the needs of at-risk students.
- (6) Grant funding under this section shall not be used for indirect costs including, but not limited to, rent, utilities, or, except as provided in this section, college administration.
- (7) Each community college shall report to the department of energy, labor, and economic growth a summary of all accomplishments under, expenditures for, and compliance with the intent of this program, including the number of at-risk students served. The report is subject to audit as provided for in section 502(1). The report shall be submitted not later than 90 days after the end of the state's fiscal year.

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

## REPORTS AND AUDITS

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

(2) Not more than 60 days after an audit report is released by the office of the auditor general, the principal executive officer of the community college that was audited shall submit to the house and senate appropriations committees, the house and senate fiscal agencies, the department of energy, labor, and economic growth, the auditor general, and the state budget director a plan to comply with audit recommendations. The plan shall contain projected dates and resources required, if any, to achieve compliance with the audit recommendations, or a documented explanation of the college's noncompliance with the audit recommendations concerning the matters on which the audited community college and office of the auditor general disagree.

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

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

Sec. 505. Each community college shall have an annual audit of all income and expenditures performed by an independent auditor and shall furnish the independent auditor's management letter and an annual audited accounting of all general and current funds income and expenditures including audits of college foundations to the members of the senate and house appropriations subcommittees on community colleges, the senate and house fiscal agencies, the auditor general, the department of energy, labor, and economic growth, and the state budget director before November 15, 2010. If a community college fails to furnish the audit materials, the monthly state aid installments shall be withheld from that college until the information is submitted. All reporting shall conform to the requirements set forth in the "2001 Manual for Uniform Financial Reporting, Michigan Public Community Colleges."

Sec. 506. (1) Each community college shall report the following to the department of energy, labor, and economic growth no later than November 1, 2010:

- (a) The number of North American Indian students enrolled each term for the previous fiscal year, using guidelines and procedures developed by the department of energy, labor, and economic growth and the Michigan commission on Indian affairs.
- (b) The number of North American Indian tuition waivers granted each term, and the monetary value of the waivers for the previous fiscal year.
- (2) Colleges shall use the criteria cited in 1976 PA 174, MCL 390.1251 to 390.1253, to determine eligibility for tuition waivers, and shall grant those waivers to individuals who meet the criteria and request tuition waivers.
- Sec. 507. Upon request, a community college shall inform interested Michigan high schools of the aggregate academic status of its students for the prior academic year, in a manner prescribed by the Michigan community college association and in cooperation with the Michigan association of secondary school principals.

Sec. 508. Each community college shall report to the house and senate fiscal agencies, the state budget director, and the department of energy, labor, and economic growth by August 31, 2010, 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 2010-2011 academic year. This report should also include the annual cost of attendance based on a full-time course load of 30 credits. Each community college shall also report any revisions to the reported 2010-2011 academic year tuition and mandatory fees adopted by the college governing board to the house and senate fiscal agencies, the state budget director, and the department of energy, labor, and economic growth within 15 days of being adopted.

Sec. 509. Each community college shall report to the department of energy, labor, and economic growth the numbers and type of associate degrees and other certificates awarded during the previous fiscal year. The report shall be made not later than November 15, 2010.

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

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

A bill to make appropriations for community colleges and certain state purposes related to education for the fiscal year ending September 30, 2011; to provide for the expenditure of those appropriations; to establish or continue certain funds, programs, and categories; and to prescribe the powers and duties of certain state departments, institutions, agencies, employees, and officers.

Bill Hardiman Ron Jelinek Conferees for the Senate

Fred Miller Joan Bauer Darwin Booher Conferees for the House

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

Senator Cropsey moved that the rule be suspended.

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

The question being on the adoption of the conference report,

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

# Roll Call No. 413 Yeas—32

Allen	Cassis	Jansen	Patterson
Anderson	Cherry	Jelinek	Prusi
Barcia	Clarke	Kahn	Richardville
Basham	George	Kuipers	Sanborn
Birkholz	Gilbert	McManus	Stamas
Bishop	Gleason	Nofs	Switalski
Brater	Hardiman	Olshove	Van Woerkom
Brown	Jacobs	Pappageorge	Whitmer

Nays—5

Clark-Coleman Hunter Scott Thomas Cropsey

### Excused—1

### Not Voting—0

In The Chair: Richardville

The question being on concurring in the committee recommendation to give the bill immediate effect, The recommendation was concurred in, 2/3 of the members serving voting therefor.

### **Protest**

Senator Clark-Coleman, under her constitutional right of protest (Art. 4, Sec. 18), protested against the adoption of the first conference report on Senate Bill No. 1151.

Senator Clark-Coleman's statement is as follows:

This conference report eliminates the reimbursement of renaissance zone dollars to our community college districts—several community college districts. This conference report eliminates those reimbursements of the renaissance dollars to our community college districts. Now this distribution of funds, as required by the Michigan Renaissance Zone Act, provides those colleges that lose tax revenue as a result of exemptions of the property are to be reimbursed.

Where there are renaissance zones, there can be a significant loss of local revenues that would have gone to local libraries and community colleges. We, as a state, went in and we took away local revenues when we created this Renaissance Zone Act. That is why there is a provision to reimburse the locals for certain necessities. These community colleges are expecting the money. Unless there are plans to modify the Renaissance Zone Act, I see no option but to reject the conference report and to restore the reimbursements as required by current law.

Voting for this conference report would be violating the intent of the Michigan Renaissance Zone Act, Section 12, Subsection (3), which reads: "...this state shall reimburse a community college district...each year for all tax revenue lost as a result of the exemption of property under this act..." We cannot, and I repeat, we cannot violate the intent of Michigan law just to pass a budget to fulfill the whims of this day. That is why I encourage you all to reject this budget as a result of the renaissance zone dollars that were promised to these colleges.

## Third Reading of Bills

Senator Cropsey moved that the following bill be placed at the head of the Third Reading of Bills calendar:

House Bill No. 5855

The motion prevailed.

The following bill was read a third time:

## House Bill No. 5855, entitled

A bill to amend 1956 PA 218, entitled "The insurance code of 1956," by amending section 3525 (MCL 500.3525), as added by 2000 PA 252.

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. 414 Yeas—37

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

Cassis Jacobs Patterson Whitmer Cherry

Nays—0

Excused—1

Garcia

Not Voting—0

In The Chair: Richardville

The question being on concurring in the committee recommendation to give the bill immediate effect,

The recommendation was concurred in, 2/3 of the members serving voting therefor.

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

"An act to revise, consolidate, and classify the laws relating to the insurance and surety business; to regulate the incorporation or formation of domestic insurance and surety companies and associations and the admission of foreign and alien companies and associations; to provide their rights, powers, and immunities and to prescribe the conditions on which companies and associations organized, existing, or authorized under this act may exercise their powers; to provide the rights, powers, and immunities and to prescribe the conditions on which other persons, firms, corporations, associations, risk retention groups, and purchasing groups engaged in an insurance or surety business may exercise their powers; to provide for the imposition of a privilege fee on domestic insurance companies and associations and the state accident fund; to provide for the imposition of a tax on the business of foreign and alien companies and associations; to provide for the imposition of a tax on risk retention groups and purchasing groups; to provide for the imposition of a tax on the business of surplus line agents; to provide for the imposition of regulatory fees on certain insurers; to provide for assessment fees on certain health maintenance organizations; to modify tort liability arising out of certain accidents; to provide for limited actions with respect to that modified tort liability and to prescribe certain procedures for maintaining those actions; to require security for losses arising out of certain accidents; to provide for the continued availability and affordability of automobile insurance and homeowners insurance in this state and to facilitate the purchase of that insurance by all residents of this state at fair and reasonable rates; to provide for certain reporting with respect to insurance and with respect to certain claims against uninsured or self-insured persons; to prescribe duties for certain state departments and officers with respect to that reporting; to provide for certain assessments; to establish and continue certain state insurance funds; to modify and clarify the status, rights, powers, duties, and operations of the nonprofit malpractice insurance fund; to provide for the departmental supervision and regulation of the insurance and surety business within this state; to provide for regulation over worker's compensation self-insurers; to provide for the conservation, rehabilitation, or liquidation of unsound or insolvent insurers; to provide for the protection of policyholders, claimants, and creditors of unsound or insolvent insurers; to provide for associations of insurers to protect policyholders and claimants in the event of insurer insolvencies; to prescribe educational requirements for insurance agents and solicitors; to provide for the regulation of multiple employer welfare arrangements; to create an automobile theft prevention authority to reduce the number of automobile thefts in this state; to prescribe the powers and duties of the automobile theft prevention authority; to provide certain powers and duties upon certain officials, departments, and authorities of this state; to provide for an appropriation; to repeal acts and parts of acts; and to provide penalties for the violation of this act,".

The Senate agreed to the full title.

By unanimous consent the Senate proceeded to the order of

### **General Orders**

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

The motion prevailed, and the President pro tempore, Senator Richardville, designated Senator Scott as Chairperson.

After some time spent therein, the Committee arose; and, the President pro tempore, Senator Richardville, having resumed the Chair, the Committee reported back to the Senate, favorably and with amendment, the following bill:

# Senate Bill No. 165, entitled

A bill to amend 1949 PA 300, entitled "Michigan vehicle code," by amending sections 621 and 622 (MCL 257.621 and 257.622), section 622 as amended by 2003 PA 66.

The following is the amendment recommended by the Committee of the Whole:

1. Amend page 2, line 15, after "\$10.00." by inserting "THIS SUBSECTION DOES NOT PROHIBIT THE POLICE AGENCY THAT FORWARDED THE REPORT TO THE DEPARTMENT OF STATE POLICE FROM RETAINING A COPY OF THE REPORT FOR THE PURPOSES OF THAT POLICE AGENCY.".

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

### Resolutions

Senator Cropsey moved that consideration of the following resolutions be postponed for today:

Senate Resolution No. 41

Senate Resolution No. 75

Senate Resolution No. 88

**House Concurrent Resolution No. 41** 

Senate Resolution No. 168

Senate Resolution No. 169

Senate Concurrent Resolution No. 48

The motion prevailed.

The question was placed on the adoption of the following resolution consent calendar:

## Senate Resolution No. 175

The resolution consent calendar was adopted.

Senators Nofs and Gilbert offered the following resolution:

### Senate Resolution No. 175.

A resolution recognizing October 15, 2010, as American Diabetes Association Alert Day to raise awareness of the dangers of diabetic peripheral neuropathy.

Whereas, In the United States, it is estimated that 23.6 million people or 7.8 percent of the total population are affected by diabetes; and

Whereas, The American Diabetes Association estimates that more than half of all people with diabetes suffer from diabetic peripheral neuropathy; and

Whereas, Diabetic peripheral neuropathy is a serious condition that damages nerve fibers due to prolonged exposure to high amounts of glucose in the bloodstream; and

Whereas, Diabetic peripheral neuropathy often causes intense pain, frequently described as aching, tingling, and numbness of the feet, which can result in serious foot problems due to nerve damage; and

Whereas, Nerve damage from diabetic peripheral neuropathy, although it can be painful, can also lessen the ability to feel pain, heat, and cold, which means that diabetic patients may not feel a foot injury or even a stone in their shoe or a nail in their foot; and

Whereas, The rate of amputations in people with diabetes is ten times higher than for people without diabetes. Studies show that more than 60 percent of nontraumatic lower extremity amputations are due to diabetic peripheral neuropathy; and

Whereas, Diabetic peripheral neuropathy can occur whether a person has type I diabetes, also known as juvenile diabetes, or type II diabetes, which is typically adult-onset; and

Whereas, This diabetic condition accounts for more diabetes-related hospitalizations than any other complication; and Whereas, It is important that individuals with diabetes be aware of the dangers and warning signs of diabetic peripheral

neuropathy, and make healthy lifestyle choices to prevent the onset of this life-changing condition; now, therefore, be it Resolved by the Senate, That the members of this legislative body acknowledge the dangers of diabetic peripheral neuropathy, and recognize October 15, 2010, as American Diabetes Association Alert Day; and be it further

Resolved, That copies of this resolution be transmitted to the Michigan Chapter of the American Diabetes Association, the Michigan Podiatric Medical Association, the Michigan State Medical Society, and the Michigan Osteopathic Association.

Senators Anderson, Basham, Birkholz, Brater, Cassis, Cherry, Clarke, Cropsey, Gleason, Hardiman, Hunter, Jacobs, Jansen, Kuipers, Olshove, Pappageorge, Richardville, Scott, Switalski, Thomas and Van Woerkom were named co-sponsors of the resolution.

Senators Kahn, Garcia, Bishop, Cropsey, McManus, Stamas, Van Woerkom, Jelinek, Sanborn, Nofs, George, Birkholz, Barcia, Brown, Kuipers, Pappageorge, Richardville, Allen, Jansen and Hardiman offered the following resolution:

## Senate Resolution No. 178.

A resolution to recognize September 15, 2010, through October 15, 2010, as Hispanic Heritage Month in the state of Michigan.

Whereas, Congress authorized President Lyndon B. Johnson to proclaim Hispanic Heritage Week in September 1968. The week of September 15 was chosen due to the anniversary of independence of five Latin American countries: Costa Rica, El Salvador, Guatemala, Honduras, and Nicaragua. Mexico and Chile celebrate their independence on September 16 and September 18, with Mexico celebrating their bicentennial anniversary this year; and

Whereas, Each year, the United States recognizes the economic, cultural, and social contributions that Spanish-speaking people have brought to our nation, including contributions to law, religion, agriculture, art, music, education, technology, architecture, cuisine, theater, and exploration; and

Whereas, Michigan is fortunate to count among its population a large concentration of citizens of Spanish and Latin American descent—including those who have lived in Michigan for generations and those who are new to the Great Lakes State—who contribute to Michigan's economy and society through their commitment to professions, commerce, family, and the arts; and

Whereas, Time and again throughout our nation's history, Hispanic Americans have helped establish America as a place of freedom and opportunity, and their contributions have illustrated what is best about our great nation. Their hard work, love, and deep commitment to faith and family have shaped the character of our country and helped preserve the values that we all cherish; and

Whereas, During the month spanning from September 15 through October 15, Michigan's Hispanic-American community will celebrate Hispanic Heritage Month as a fantastic opportunity for people across the state of Michigan to note the rich culture, traditions, and contributions of Hispanic Americans; now, therefore, be it

Resolved by the Senate, That the members of this legislative body recognize the month of September 15, 2010, through October 15, 2010, as Hispanic Heritage Month in the state of Michigan. We encourage all citizens to acknowledge and applaud the many contributions made by these individuals to enhance the quality of life in this state.

Pending the order that, under rule 3.204, the resolution be referred to the Committee on Government Operations,

Senator Cropsey moved that the rule be suspended.

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

The resolution was adopted.

Senators Anderson, Basham, Brater, Cassis, Cherry, Gleason, Jacobs, Olshove, Switalski and Thomas were named co-sponsors of the resolution.

Senator Kahn asked and was granted unanimous consent to make a statement and moved that the statement be printed in the Journal.

The motion prevailed.

Senator Kahn's statement is as follows:

This resolution will recognize September 15, 2010, through October 15, 2010, as Hispanic Heritage Month in the state of Michigan. Congress authorized President Lyndon B. Johnson to proclaim Hispanic Heritage Week in September 1968. The week of September 15 was chosen due to the anniversary of independence of five Latin American countries: Costa Rica, El Salvador, Guatemala, Honduras, and Nicaragua. Mexico and Chile celebrate their independence on September 16 and September 18, with Mexico celebrating their bicentennial anniversary this year.

Michigan is fortunate to count among its population a large concentration of citizens of Spanish and Latin American descent, including those who have lived in Michigan for generations. These citizens contribute to Michigan's economy, society, and through their commitment to professions, commerce, family, and the arts, enrich our state. Hispanic Americans have helped establish America as a place of freedom and opportunity, and their contributions have illustrated what is best about our great nation. Their hard work, love, and deep commitment to faith and family have shaped the character of our country and helped preserve the values that we all cherish.

During the month spanning from September 15 through October 15, Michigan's Hispanic-American community will celebrate Hispanic Heritage Month. I recognize it as a wonderful opportunity for people across the state of Michigan to note the rich culture, traditions, and contributions of Hispanic Americans.

I encourage all citizens to recognize and applaud the many contributions made by these individuals to enhance Michigan.

### **Introduction and Referral of Bills**

Senator Switalski introduced

### Senate Joint Resolution CC, entitled

A joint resolution proposing an amendment to the state constitution of 1963, by amending section 54 of article IV, to modify term limits for certain elected state offices.

The joint resolution was read a first and second time by title and referred to the Committee on Government Operations.

Senators Cherry and Olshove introduced

## Senate Bill No. 1494, entitled

A bill to amend 1954 PA 116, entitled "Michigan election law," by amending section 952 (MCL 168.952), as amended by 1993 PA 137.

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

Senators Cherry, Kuipers, Olshove and Barcia introduced

## Senate Bill No. 1495, entitled

A bill to amend 1994 PA 451, entitled "Natural resources and environmental protection act," by amending sections 43524 and 43526 (MCL 324.43524 and 324.43526), section 43524 as amended by 2002 PA 81 and section 43526 as amended by 1996 PA 585.

The bill was read a first and second time by title and referred to the Committee on Hunting, Fishing and Outdoor Recreation.

Senators Cherry, Clarke and Olshove introduced

# Senate Bill No. 1496, entitled

A bill to amend 1893 PA 206, entitled "The general property tax act," by amending sections 78a, 78e, 78f, and 78g (MCL 211.78a, 211.78e, 211.78f, and 211.78g), section 78a as amended by 2008 PA 352, section 78e as added by 1999 PA 123, and sections 78f and 78g as amended by 2003 PA 263.

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

Senators Cherry and Olshove introduced

# Senate Bill No. 1497, entitled

A bill to amend 1949 PA 300, entitled "Michigan vehicle code," by amending section 732a (MCL 257.732a), as amended by 2008 PA 463.

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

Senator Prusi introduced

### Senate Bill No. 1498, entitled

A bill to amend 2007 PA 36, entitled "Michigan business tax act," by amending section 439 (MCL 208.1439).

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

## House Bill No. 5307, entitled

A bill to amend 1939 PA 280, entitled "The social welfare act," by amending section 1b (MCL 400.1b), as amended by 1995 PA 223.

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 Appropriations.

### House Bill No. 5599, entitled

A bill to amend 1986 PA 32, entitled "Emergency 9-1-1 service enabling act," by amending section 408 (MCL 484.1408), as amended by 2008 PA 48.

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 Appropriations.

#### Statements

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

The motion prevailed.

Senator Cassis' statement is as follows:

I rise for the purpose of providing my voting intentions for the September 14, 2010, session. I was absent, excused on that day to provide testimony before the State Board of Education regarding school early intervention programs which I have supported.

On Roll Call Nos. 408, 409, 410, and 411, which are House Bill Nos. 6247 and 6248 as well as Senate Bill Nos. 1258 and 1259, I would have voted "yes." These bills amend Michigan Election Law to make sure that cities comply with the recently-enacted military and overseas voting act. Specifically, these four bills eliminate the use of September even years as a date for a primary election.

Senator Scott's statement is as follows:

Someone once said that "things are never so bad that they can't be made worse." We are on the verge of doing just that if we fail to pass meaningful auto insurance reform by the end of this year. It will be worse for the people of Michigan because they will have to wait even longer for new bills to be introduced and sent to committee. It will be worse because drivers will have to pay, probably at the very least, another year's worth of overpriced, unfair premiums. It will be worse because we will have simply failed to do our job to give our constituents the relief that they have been asking us for.

There is no reason for us to fail. We have bills in committee that we can act on. There are House bills that we can act on. There are plenty of opportunities for us to do the right thing, and pass auto insurance reform. It's not too late yet. We can still avoid making things worse for the people of this great state if we just decide today to finally act on auto insurance reform.

Last night, there was a meeting called by the mayor of the city of Detroit. I am told that it was a huge meeting. There were some of the questions that were asked even though it was not regarding insurance, but there were a number of persons who asked about doing something for affordable car insurance.

## **Committee Reports**

The Committee on Judiciary reported

### Senate Bill No. 1223, entitled

A bill to amend 1975 PA 46, entitled "An act to create the office of the legislative corrections ombudsman; to prescribe the powers and duties of the office, the ombudsman, the legislative council, and the department of corrections; and to provide remedies from administrative acts," by amending section 5 (MCL 4.355).

With the recommendation that the following amendment be adopted and that the bill then pass:

1. Amend page 1, line 1, after "request" by inserting "AND WITHOUT THE REQUIREMENT OF ANY RELEASE".

The committee further recommends that the bill be given immediate effect.

Wayne Kuipers Chairperson

To Report Out:

Yeas: Senators Kuipers, Sanborn, Stamas, Whitmer and Basham

Navs: None

The bill and the amendment recommended by the committee were referred to the Committee of the Whole.

The Committee on Judiciary reported

### Senate Bill No. 1224, entitled

A bill to amend 1967 PA 270, entitled "An act to provide for the collection, reporting, and release of certain information or data relating to health care research or education, patient safety, health care entities, practitioners, or professions, or certain governmentally funded programs; to limit the liability with respect to the collection, reporting, and release of certain information or data; and to safeguard the confidential character of certain information or data," by amending section 2 (MCL 331.532), as amended by 1993 PA 86.

With the recommendation that the bill pass.

The committee further recommends that the bill be given immediate effect.

Wayne Kuipers Chairperson

To Report Out:

Yeas: Senators Kuipers, Sanborn, Stamas, Whitmer and Basham

Nays: None

The bill was referred to the Committee of the Whole.

The Committee on Judiciary reported

## House Bill No. 5473, entitled

A bill to amend 1927 PA 372, entitled "An act to regulate and license the selling, purchasing, possessing, and carrying of certain firearms and gas ejecting devices; to prohibit the buying, selling, or carrying of certain firearms and gas ejecting devices without a license or other authorization; to provide for the forfeiture of firearms under certain circumstances; to provide for penalties and remedies; to provide immunity from civil liability under certain circumstances; to prescribe the powers and duties of certain state and local agencies; to prohibit certain conduct against individuals who apply for or receive a license to carry a concealed pistol; to make appropriations; to prescribe certain conditions for the appropriations; and to repeal all acts and parts of acts inconsistent with this act," by amending section 12 (MCL 28.432), as amended by 2008 PA 195.

With the recommendation that the bill pass.

The committee further recommends that the bill be given immediate effect.

Wayne Kuipers Chairperson

To Report Out:

Yeas: Senators Kuipers, Cropsey, Sanborn, Stamas, Whitmer and Basham

Nays: None

The bill was referred to the Committee of the Whole.

The Committee on Judiciary reported

# House Bill No. 5520, entitled

A bill to amend 1927 PA 372, entitled "An act to regulate and license the selling, purchasing, possessing, and carrying of certain firearms and gas ejecting devices; to prohibit the buying, selling, or carrying of certain firearms and gas ejecting devices without a license or other authorization; to provide for the forfeiture of firearms under certain circumstances; to provide for penalties and remedies; to provide immunity from civil liability under certain circumstances; to prescribe the powers and duties of certain state and local agencies; to prohibit certain conduct against individuals who apply for or receive a license to carry a concealed pistol; to make appropriations; to prescribe certain conditions for the appropriations; and to repeal all acts and parts of acts inconsistent with this act," by amending section 2a (MCL 28.422a), as amended by 2008 PA 194.

With the recommendation that the bill pass.

The committee further recommends that the bill be given immediate effect.

Wayne Kuipers Chairperson

To Report Out:

Yeas: Senators Kuipers, Cropsey, Sanborn, Stamas, Whitmer and Basham

Navs: None

The bill was referred to the Committee of the Whole.

The Committee on Judiciary reported

### House Bill No. 5958, entitled

A bill to amend 1967 PA 270, entitled "An act to provide for the collection, reporting, and release of certain information or data relating to health care research or education, patient safety, health care entities, practitioners, or professions, or certain governmentally funded programs; to limit the liability with respect to the collection, reporting, and release of certain information or data; and to safeguard the confidential character of certain information or data," by amending section 2 (MCL 331.532), as amended by 1993 PA 86.

With the recommendation that the bill pass.

The committee further recommends that the bill be given immediate effect.

Wayne Kuipers Chairperson

To Report Out:

Yeas: Senators Kuipers, Sanborn, Stamas, Whitmer and Basham

Nays: None

The bill was referred to the Committee of the Whole.

The Committee on Judiciary reported

# House Bill No. 5959, entitled

A bill to amend 1975 PA 46, entitled "An act to create the office of the legislative corrections ombudsman; to prescribe the powers and duties of the office, the ombudsman, the legislative council, and the department of corrections; and to provide remedies from administrative acts," by amending section 5 (MCL 4.355).

With the recommendation that the bill pass.

The committee further recommends that the bill be given immediate effect.

Wayne Kuipers Chairperson

To Report Out:

Yeas: Senators Kuipers, Sanborn, Stamas, Whitmer and Basham

Nays: None

The bill was referred to the Committee of the Whole.

The Committee on Judiciary reported

# House Bill No. 6038, entitled

A bill to amend 1978 PA 368, entitled "Public health code," by amending sections 7212, 7403, and 7404 (MCL 333.7212, 333.7403, and 333.7404), as amended by 2002 PA 710.

With the recommendation that the substitute (S-1) be adopted and that the bill then pass.

The committee further recommends that the bill be given immediate effect.

Wayne Kuipers Chairperson

To Report Out:

Yeas: Senators Kuipers, Sanborn, Stamas, Whitmer, Clarke and Basham

Nays: None

The bill and the substitute recommended by the committee were referred to the Committee of the Whole.

The Committee on Judiciary reported

## House Bill No. 6226, entitled

A bill to amend 1978 PA 368, entitled "Public health code," by amending sections 7403 and 7404 (MCL 333.7403 and 333.7404), as amended by 2002 PA 710.

With the recommendation that the substitute (S-1) be adopted and that the bill then pass.

The committee further recommends that the bill be given immediate effect.

Wayne Kuipers Chairperson

To Report Out:

Yeas: Senators Kuipers, Sanborn, Stamas, Whitmer, Clarke and Basham

Nays: None

The bill and the substitute recommended by the committee were referred to the Committee of the Whole.

## COMMITTEE ATTENDANCE REPORT

The Committee on Judiciary submitted the following:

Meeting held on Tuesday, September 14, 2010, at 1:00 p.m., Room 210, Farnum Building

Present: Senators Kuipers (C), Cropsey, Sanborn, Stamas, Whitmer, Clarke and Basham

Excused: Senator Patterson

### COMMITTEE ATTENDANCE REPORT

The Conference Committee on Education (SB 1154) submitted the following:

Meeting held on Tuesday, September 14, 2010, at 9:00 a.m., Senate Appropriations Room, 3rd Floor, Capitol Building

Present: Senators Jelinek (C), Brown and Switalski

# **Scheduled Meetings**

Administrative Rules - Tuesday, September 21, 9:00 a.m., Rooms 402 and 403, Capitol Building (373-6476)

## **Conference Committees -**

Corrections (SB 1153) - Thursday, September 16, 5:00 p.m., Room 110, Farnum Building (373-2768)

**Economic Development (HB 5884) -** Thursday, September 16, 10:05 a.m. or later after committees are given leave by the House to meet, Room 428, Capitol Building (373-8080)

Natural Resources and Environment (SB 1161) - Thursday, September 16, 2:00 p.m., Room 402, Capitol Building (373-2768)

Education - Thursday, September 16, 2:30 p.m., Room 210, Farnum Building (373-6920)

Finance - Thursday, September 16, 11:00 a.m., Room 110, Farnum Building (373-1758)

Senator Cropsey moved that the Senate adjourn. The motion prevailed, the time being 11:46 a.m.

The President pro tempore, Senator Richardville, declared the Senate adjourned until Thursday, September 16, 2010, at 10:00 a.m.

CAROL MOREY VIVENTI Secretary of the Senate