

SUBSTITUTE FOR
SENATE BILL NO. 229

A bill to make, supplement, and adjust appropriations for the departments of attorney general, civil rights, civil service, information technology, management and budget, state, and treasury, the executive office, and the legislative branch for the fiscal year ending September 30, 2008; to provide for the expenditure of these appropriations; to provide for the funding of certain work projects; to provide for the imposition of certain fees; to establish or continue certain funds, programs, and categories; to transfer certain funds; to prescribe certain requirements for bidding on state contracts; to provide for disposition of year-end balances; to prescribe the powers and duties of certain principal executive departments and state agencies, officials, and employees; and to provide for the disposition of fees and other income

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received by the various principal executive departments and state agencies.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 PART 1

2 LINE-ITEM APPROPRIATIONS

3 Sec. 101. Subject to the conditions set forth in this act, the
4 amounts listed in this part are appropriated for the departments of
5 attorney general, civil rights, civil service, information
6 technology, management and budget, state, and treasury, the
7 executive office, the legislative branch, and certain other state
8 purposes, for the fiscal year ending September 30, 2008, from the
9 funds indicated in this part. The following is a summary of the
10 appropriations in this part:

11 **TOTAL GENERAL GOVERNMENT**

12 APPROPRIATION SUMMARY:

13 Full-time equated unclassified positions..... 49.0

14 Full-time equated classified positions..... 7,079.9

15 GROSS APPROPRIATION. \$<<2,896,804,300>>

16 Interdepartmental grant revenues:

17 Total interdepartmental grants and intradepartmental

18 transfers 619,513,900

19 ADJUSTED GROSS APPROPRIATION \$<<2,277,290,400>>

20 Federal revenues:

21 Total federal revenues..... 54,979,400

22 Special revenue funds:

23 Total local revenues..... 2,800,700

24 Total private revenues..... 550,100

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1	Total other state restricted revenues.	<<1,598,865,000>>
2	State general fund/general purpose.....	\$ <<620,095,200>>
3	Sec. 102. DEPARTMENT OF ATTORNEY GENERAL	
4	(1) APPROPRIATION SUMMARY	
5	Full-time equated unclassified positions.....	6.0
6	Full-time equated classified positions.....	556.0
7	GROSS APPROPRIATION.....	\$ <<68,910,800>>
8	Interdepartmental grant revenues:	
9	Total interdepartmental grants and intradepartmental	
10	transfers	14,364,500
11	ADJUSTED GROSS APPROPRIATION.....	\$ <<54,546,300>>
12	Federal revenues:	
13	Total federal revenues.....	10,179,300
14	Special revenue funds:	
15	Total local revenues.....	0
16	Total private revenues.....	0
17	Total other state restricted revenues.....	12,173,500
18	State general fund/general purpose.....	\$ <<32,193,500>>
19	(2) ATTORNEY GENERAL OPERATIONS	
20	Full-time equated unclassified positions.....	6.0
21	Full-time equated classified positions.....	556.0
22	Attorney general.....	\$ 124,900
23	Unclassified positions--5.0 FTE positions.....	476,300
24	Attorney general operations--519.0 FTE positions.....	63,226,500
25	Child support enforcement--25.0 FTE positions.....	2,967,900
26	Prosecuting attorneys coordinating council--12.0 FTE	

1	positions	<u>2,019,300</u>
2	GROSS APPROPRIATION.....	\$ 68,814,900
3	Appropriated from:	
4	Interdepartmental grant revenues:	
5	IDG from MDCH, health services.....	1,840,200
6	IDG from MDHS.....	3,329,300
7	IDG from MDLEG, financial and insurance services	1,102,100
8	IDG from MDLEG, public utility assessments	2,021,300
9	IDG from MDMB, risk management revolving fund.....	1,356,400
10	IDG from MDOT, comprehensive transportation fund.....	159,000
11	IDG from MDOT, state aeronautics fund.....	156,900
12	IDG from MDOT, state trunkline fund.....	2,807,200
13	IDG from MDSP, Michigan justice training fund.....	325,000
14	IDG from Michigan gaming control board.....	1,014,800
15	IDG from treasury, land reutilization fund.....	252,300
16	Federal revenues:	
17	DAG, state administrative match grant/food stamps	387,700
18	DED-OPSE, student loan, federal lender allowance	166,300
19	DOL-ETA, unemployment insurance.....	1,627,100
20	DOL-OSHA, occupational safety and health.....	277,900
21	EPA, multiple grants.....	292,000
22	Federal funds.....	2,485,800
23	HHS, medical assistance, medigrant.....	649,200
24	HHS-OS, state Medicaid fraud control units.....	4,293,300
25	Special revenue funds:	
26	Antitrust enforcement collections.....	650,000
27	Attorney general's operations fund.....	873,400

1	Auto repair facilities fees.....	233,600
2	Collections revenue.....	710,500
3	Environmental response fund.....	790,800
4	Franchise fees.....	299,200
5	Game and fish protection fund.....	767,800
6	Liquor purchase revolving fund.....	1,059,600
7	Manufactured housing fees.....	226,300
8	Merit award trust fund.....	423,000
9	Michigan state housing development authority fees	569,100
10	Oil and gas privilege fee revenue.....	198,600
11	Prisoner reimbursement.....	460,800
12	Prosecuting attorneys training fees.....	375,000
13	Real estate enforcement fund.....	550,000
14	Retirement funds.....	754,600
15	Second injury fund.....	999,800
16	Self-insurers security fund.....	174,400
17	Silicosis and dust disease fund.....	533,700
18	State building authority revenue.....	98,200
19	State hospital authority.....	357,500
20	State lottery fund.....	248,700
21	Utility consumers fund.....	559,700
22	Waterways fund.....	100,200
23	Worker's compensation administrative revolving fund..	159,000
24	State general fund/general purpose.....	\$ 32,097,600
25	(3) INFORMATION TECHNOLOGY	
26	Information technology services and projects	\$ <u>767,900</u>
27	GROSS APPROPRIATION.....	\$ 767,900

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1 Appropriated from:

2 State general fund/general purpose \$ 767,900

3 << (4) BUDGETARY SAVINGS

4 Budgetary savings \$ (672,000)

5 GROSS APPROPRIATION \$ (672,000)

6 Appropriated from:

7 State general fund/general purpose \$ (672,000) >>

8 Sec. 103. DEPARTMENT OF CIVIL RIGHTS

9 (1) APPROPRIATION SUMMARY

10 Full-time equated unclassified positions 5.0

11 Full-time equated classified positions 136.0

12 GROSS APPROPRIATION \$ <<13,759,400>>

13 Interdepartmental grant revenues:

14 Total interdepartmental grants and intradepartmental

15 transfers 0

16 ADJUSTED GROSS APPROPRIATION \$ <<13,759,400>>

17 Federal revenues:

18 Total federal revenues 2,054,100

19 Special revenue funds:

20 Total local revenues 0

21 Total private revenues 0

22 Total other state restricted revenues 0

23 State general fund/general purpose \$ <<11,705,300>>

24 (2) CIVIL RIGHTS OPERATIONS

25 Full-time equated unclassified positions 5.0

26 Full-time equated classified positions 136.0

27 Unclassified positions--5.0 FTE positions \$ 264,100

28 Civil rights operations--136.0 FTE positions 12,991,100

29 Human resources optimization user charges 8,700

30 GROSS APPROPRIATION \$ 13,263,900

31 Appropriated from:

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1	Federal revenues:		
2	EEOC, state and local antidiscrimination agency		
3	contracts		1,283,500
4	HUD, grant.....		770,600
5	State general fund/general purpose.....	\$	11,209,800
6	(3) INFORMATION TECHNOLOGY		
7	Information technology services and projects	\$	<u>754,300</u>
8	GROSS APPROPRIATION.....	\$	754,300
9	Appropriated from:		
10	State general fund/general purpose	\$	754,300
11	<< (4) BUDGETARY SAVINGS		
12	Budgetary savings	\$	(258,800)
13	GROSS APPROPRIATION.....	\$	(258,800)
14	Appropriated from:		
15	State general fund/general purpose	\$	(258,800) >>
16	Sec. 104. DEPARTMENT OF CIVIL SERVICE		
17	(1) APPROPRIATION SUMMARY		
18	Full-time equated classified positions.....		240.5
19	GROSS APPROPRIATION.....	\$	<<36,786,300>>
20	Interdepartmental grant revenues:		
21	Total interdepartmental grants and intradepartmental		
22	transfers		5,875,900
23	ADJUSTED GROSS APPROPRIATION.....	\$	<<30,910,400>>
24	Federal revenues:		
25	Total federal revenues.....		4,779,100
26	Special revenue funds:		
27	Total local revenues.....		1,700,000
28	Total private revenues.....		150,000
29	Total other state restricted revenues.....		17,671,800
30	State general fund/general purpose	\$	<<6,609,500>>
31	(2) CIVIL SERVICE OPERATIONS		

1	Full-time equated classified positions.....	240.5	
2	Agency services--118.5 FTE positions.....		\$ 13,234,500
3	Executive direction--45.0 FTE positions.....		8,262,000
4	Employee benefits--31.0 FTE positions.....		5,873,200
5	Audit and compliance--16.0 FTE positions.....		2,163,700
6	Training.....		1,300,000
7	Human resources optimization--30.0 FTE positions.....		<u>2,205,000</u>
8	GROSS APPROPRIATION.....		\$ 33,038,400
9	Appropriated from:		
10	Interdepartmental grant revenues:		
11	IDG, training charges.....		1,300,000
12	IDG, 1% special funds.....		1,300,000
13	IDG, human resources optimization user charges.....		2,205,000
14	Federal revenues:		
15	Federal funds 1%.....		3,637,100
16	Special revenue funds:		
17	Local funds 1%.....		1,700,000
18	Private funds 1%.....		150,000
19	Freedom of information fees.....		1,100
20	State restricted funds 1%.....		8,134,900
21	State sponsored group insurance.....		2,650,000
22	State sponsored group insurance, flexible spending		
23	accounts and COBRA		5,873,200
24	State general fund/general purpose.....		\$ 6,087,100
25	(3) INFORMATION TECHNOLOGY		
26	Information technology services and projects.....		<u>\$ 3,843,400</u>
27	GROSS APPROPRIATION.....		\$ 3,843,400

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1	Appropriated from:		
2	Interdepartmental grant revenues:		
3	IDG, human resources optimization user charges		1,070,900
4	Federal revenues:		
5	Federal funds 1%.....		1,142,000
6	Special revenue funds:		
7	State restricted funds 1%.....		872,300
8	State sponsored group insurance, flexible spending		
9	accounts and COBRA		140,300
10	State general fund/general purpose	\$	617,900
	<< (4) BUDGETARY SAVINGS		
	Budgetary savings.....	\$	(95,500)
	GROSS APPROPRIATION.....	\$	(95,500)
	Appropriated from:		
	State general fund/general purpose	\$	(95,500) >>
11	Sec. 105. EXECUTIVE OFFICE		
12	(1) APPROPRIATION SUMMARY		
13	Full-time equated unclassified positions.....	10.0	
14	Full-time equated classified positions.....	74.2	
15	GROSS APPROPRIATION.....	\$	5,305,600
16	Interdepartmental grant revenues:		
17	Total interdepartmental grants and intradepartmental		
18	transfers		0
19	ADJUSTED GROSS APPROPRIATION.....	\$	5,305,600
20	Federal revenues:		
21	Total federal revenues.....		0
22	Special revenue funds:		
23	Total local revenues.....		0
24	Total private revenues.....		0
25	Total other state restricted revenues.....		0
26	State general fund/general purpose	\$	5,305,600

1 **(2) EXECUTIVE OFFICE OPERATIONS**

2 Full-time equated unclassified positions..... 10.0

3 Full-time equated classified positions..... 74.2

4 Governor..... \$ 177,000

5 Lieutenant governor..... 123,900

6 Executive office--74.2 FTE positions..... 4,154,900

7 Unclassified positions--8.0 FTE positions..... 849,800

8 GROSS APPROPRIATION..... \$ 5,305,600

9 Appropriated from:

10 State general fund/general purpose..... \$ 5,305,600

11 **Sec. 106. DEPARTMENT OF INFORMATION TECHNOLOGY**

12 **(1) APPROPRIATION SUMMARY**

13 Full-time equated unclassified positions..... 6.0

14 Full-time equated classified positions..... 1,774.4

15 GROSS APPROPRIATION..... \$ 409,110,400

16 Interdepartmental grant revenues:

17 Total interdepartmental grants and intradepartmental

18 transfers 409,110,400

19 ADJUSTED GROSS APPROPRIATION..... \$ 0

20 Federal revenues:

21 Total federal revenues..... 0

22 Special revenue funds:

23 Total local revenues..... 0

24 Total private revenues..... 0

25 Total other state restricted revenues..... 0

26 State general fund/general purpose..... \$ 0

1 **(2) ADMINISTRATION**

2	Full-time equated unclassified positions.....	6.0	
3	Full-time equated classified positions.....	1,774.4	
4	Unclassified positions--6.0 FTE positions.....		\$ 300,000
5	Enterprisewide services--75.0 FTE positions.....		22,980,300
6	Health and human services--773.6 FTE positions.....		229,046,100
7	Education services--38.9 FTE positions.....		3,572,300
8	Public protection--302.0 FTE positions.....		48,464,900
9	Resources services--171.1 FTE positions.....		17,716,800
10	Transportation services--107.0 FTE positions.....		28,145,500
11	General services--306.8 FTE positions.....		<u>58,884,500</u>
12	GROSS APPROPRIATION.....		\$ 409,110,400
13	Appropriated from:		
14	Interdepartmental grant revenues:		
15	IDG from department of agriculture.....		1,571,500
16	IDG from department of attorney general.....		767,900
17	IDG from department of civil rights.....		754,300
18	IDG from department of civil service.....		3,843,400
19	IDG from department of community health.....		33,075,600
20	IDG from department of corrections.....		17,639,900
21	IDG from department of education.....		2,829,700
22	IDG from department of environmental quality.....		7,466,300
23	IDG from Michigan gaming control board.....		1,320,000
24	IDG from department of history, arts, and libraries..		1,099,200
25	IDG from department of human services.....		154,450,500
26	IDG from department of labor and economic growth.....		42,899,100
27	IDG from bureau of state lottery.....		4,549,600

1	IDG from department of management and budget	28,315,700
2	IDG from department of military and veterans affairs .	1,187,500
3	IDG from department of natural resources	9,206,200
4	IDG from department of state	24,415,600
5	IDG from department of state police	28,546,700
6	IDG from department of transportation	28,483,300
7	IDG from department of treasury	16,688,400
8	State general fund/general purpose	\$ 0
9	Sec. 107. LEGISLATURE	
10	(1) APPROPRIATION SUMMARY	
11	GROSS APPROPRIATION	\$ 112,576,400
12	Interdepartmental grant revenues:	
13	Total interdepartmental grants and intradepartmental	
14	transfers	0
15	ADJUSTED GROSS APPROPRIATION	\$ 112,576,400
16	Federal revenues:	
17	Total federal revenues	0
18	Special revenue funds:	
19	Total local revenues	0
20	Total private revenues	400,000
21	Total other state restricted revenues	1,109,800
22	State general fund/general purpose	\$ 111,066,600
23	(2) LEGISLATURE	
24	Senate	\$ 29,229,700
25	Senate automated data processing	2,577,700
26	Senate fiscal agency	3,096,100

1	House of representatives.....	45,441,400
2	House automated data processing.....	2,047,300
3	House fiscal agency.....	<u>2,995,800</u>
4	GROSS APPROPRIATION.....	\$ 85,388,000
5	Appropriated from:	
6	State general fund/general purpose.....	\$ 85,388,000
7	(3) LEGISLATIVE COUNCIL	
8	Legislative council.....	\$ 10,120,100
9	Legislative service bureau automated data processing .	1,390,000
10	Worker's compensation.....	140,000
11	National association dues.....	<u>98,900</u>
12	GROSS APPROPRIATION.....	\$ 11,749,000
13	Appropriated from:	
14	Special revenue funds:	
15	Private - gifts and bequests revenues.....	400,000
16	State general fund/general purpose.....	\$ 11,349,000
17	(4) LEGISLATIVE RETIREMENT SYSTEM	
18	General nonretirement expenses.....	\$ <u>4,398,600</u>
19	GROSS APPROPRIATION.....	\$ 4,398,600
20	Appropriated from:	
21	Special revenue funds:	
22	Court fees.....	1,109,800
23	State general fund/general purpose.....	\$ 3,288,800
24	(5) PROPERTY MANAGEMENT	
25	Capitol building.....	\$ 2,270,300
26	Cora Anderson building.....	7,840,900
27	Farnum building and other properties.....	<u>929,600</u>

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1	GROSS APPROPRIATION.....	\$	11,040,800
2	Appropriated from:		
3	State general fund/general purpose.....	\$	11,040,800
4	Sec. 108. LEGISLATIVE AUDITOR GENERAL		
5	(1) APPROPRIATION SUMMARY		
6	GROSS APPROPRIATION.....	\$	<<16,636,900>>
7	Interdepartmental grant revenues:		
8	Total interdepartmental grants and intradepartmental		
9	transfers		1,801,500
10	ADJUSTED GROSS APPROPRIATION.....	\$	<<14,835,400>>
11	Federal revenues:		
12	Total federal revenues.....		0
13	Special revenue funds:		
14	Total local revenues		0
15	Total private revenues.....		0
16	Total other state restricted revenues.....		1,539,900
17	State general fund/general purpose.....	\$	<<13,295,500>>
18	(2) OFFICE OF THE AUDITOR GENERAL		
19	Unclassified positions.....	\$	313,500
20	Field operations.....		<u>16,486,000</u>
21	GROSS APPROPRIATION.....	\$	16,799,500
22	Appropriated from:		
23	Interdepartmental grant revenues:		
24	IDG from MDCS.....		107,900
25	IDG from MDLEG, liquor purchase revolving fund.....		11,300
26	IDG from MDOT, comprehensive transportation fund.....		25,200

1	IDG from MDOT, Michigan transportation fund.....	204,300
2	IDG from MDOT, state aeronautics fund.....	19,600
3	IDG from MDOT, state trunkline fund.....	474,600
4	IDG, single audit act.....	958,600
5	Special revenue funds:	
6	Cadillac local development finance authority.....	12,000
7	Clean Michigan initiative implementation bond fund...	37,500
8	Commercial mobile radio system emergency telephone	
9	fund	37,500
10	Construction lien fund.....	7,200
11	Contract audit administration fees.....	52,700
12	Correctional industries revolving fund.....	31,300
13	Fee adequacy, air quality delegated authority.....	9,400
14	Game and fish protection fund.....	21,400
15	Legislative retirement system.....	18,700
16	Marine safety fund.....	1,900
17	Michigan economic development corporation.....	41,200
18	Michigan education trust fund.....	30,000
19	Michigan justice training commission fund.....	28,100
20	Michigan state fair revolving fund.....	33,000
21	Michigan state housing development authority fees	22,100
22	Michigan strategic fund.....	87,500
23	Michigan tobacco settlement authority.....	75,000
24	Michigan veterans' trust fund.....	24,400
25	Motor transport revolving fund.....	4,700
26	Office services revolving fund.....	6,800
27	State disbursement unit, office of child support	25,000

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1	State services fee fund.....	926,900
2	Waterways fund.....	5,600
3	State general fund/general purpose.....	\$ 13,458,100
	<< (3) BUDGETARY SAVINGS	
	Budgetary savings.....	\$ (162,600)
	GROSS APPROPRIATION.....	\$ (162,600)
	Appropriated from:	
	State general fund/general purpose.....	\$ (162,600) >>
4	Sec. 109. DEPARTMENT OF MANAGEMENT AND BUDGET	
5	(1) APPROPRIATION SUMMARY	
6	Full-time equated unclassified positions.....	7.0
7	Full-time equated classified positions.....	747.5
8	GROSS APPROPRIATION.....	\$ <<472,471,000>>
9	Interdepartmental grant revenues:	
10	Total interdepartmental grants and intradepartmental	
11	transfers	156,810,200
12	ADJUSTED GROSS APPROPRIATION.....	\$ <<315,660,800>>
13	Federal revenues:	
14	Total federal revenues.....	0
15	Special revenue funds:	
16	Total local revenues.....	0
17	Total private revenues.....	0
18	Total other state restricted revenues.....	50,152,200
19	State general fund/general purpose.....	\$ <<265,508,600>>
20	(2) MANAGEMENT AND BUDGET SERVICES	
21	Full-time equated unclassified positions.....	6.0
22	Full-time equated classified positions.....	584.0
23	Unclassified positions--6.0 FTE positions.....	\$ 621,800
24	Executive operations--20.5 FTE positions.....	2,407,200
25	Administrative services--60.5 FTE positions.....	6,420,700
26	Budget and financial management--112.5 FTE positions.	9,796,900

1	Office of the state employer--23.0 FTE positions	2,774,200
2	Design and construction services--40.0 FTE positions .	5,337,400
3	Business support services--86.5 FTE positions	7,862,100
4	Building operation services--241.0 FTE positions	88,294,800
5	Building occupancy charges, rent, and utilities	4,203,000
6	Human resources optimization user charges	66,000
7	Motor vehicle fleet	<u>56,861,600</u>
8	GROSS APPROPRIATION	\$ 184,645,700
9	Appropriated from:	
10	Interdepartmental grant revenues:	
11	IDG from MDOT, state aeronautics fund	37,200
12	IDG from MDOT, comprehensive transportation fund	60,400
13	IDG from MDOT, state trunkline fund	1,454,700
14	IDG from building occupancy and parking charges	91,136,800
15	IDG from department of labor and economic growth	100,000
16	IDG from motor transport fund	56,861,600
17	IDG from MDCH	433,300
18	IDG from MDHS	170,500
19	IDG from user fees	5,335,100
20	Special revenue funds:	
21	Game and fish protection fund	268,800
22	Health management funds	1,719,600
23	Marine safety fund	23,300
24	Special revenue, internal service, and pension trust	
25	funds	9,013,600
26	State building authority revenue	621,200
27	State lottery fund	110,700

1	State services fee fund.....	74,000
2	Waterways fund.....	61,600
3	State general fund/general purpose.....	\$ 17,163,300
4	(3) STATEWIDE APPROPRIATIONS	
5	Professional development fund - MPES.....	\$ 125,000
6	Professional development fund - AFSCME.....	50,000
7	Professional development fund - NERES.....	38,000
8	Professional development fund - MSCs.....	<u>116,000</u>
9	GROSS APPROPRIATION.....	\$ 329,000
10	Appropriated from:	
11	Interdepartmental grant revenues:	
12	IDG from employer contributions.....	329,000
13	State general fund/general purpose.....	\$ 0
14	(4) SPECIAL PROGRAMS	
15	Full-time equated classified positions.....	154.5
16	Building occupancy charges - property management	
17	services for executive/legislative building	
18	occupancy	\$ 1,854,100
19	Retirement services--140.5 FTE positions.....	16,793,100
20	Office of children's ombudsman--14.0 FTE positions ...	<u>1,431,500</u>
21	GROSS APPROPRIATION.....	\$ 20,078,700
22	Appropriated from:	
23	Special revenue funds:	
24	Deferred compensation.....	1,542,400
25	Pension trust funds.....	15,250,700
26	State general fund/general purpose.....	\$ 3,285,600
27	(5) STATE FAIR	

1	Full-time equated unclassified positions.....	1.0	
2	Full-time equated classified positions.....	9.0	
3	Unclassified positions--1.0 FTE position.....		\$ 101,000
4	Michigan state fair operations--9.0 FTE positions....		6,399,300
5	Michigan state fair information technology.....		<u>88,800</u>
6	GROSS APPROPRIATION.....		\$ 6,589,100
7	Appropriated from:		
8	Special revenue funds:		
9	State exposition and fairgrounds fund.....		6,589,100
10	State general fund/general purpose.....		\$ 0
11	(6) INFORMATION TECHNOLOGY		
12	Information technology services and projects.....		\$ <u>28,226,900</u>
13	GROSS APPROPRIATION.....		\$ 28,226,900
14	Appropriated from:		
15	Interdepartmental grant revenues:		
16	IDG from MDOT, state aeronautics fund.....		1,100
17	IDG from MDOT, comprehensive transportation fund.....		2,100
18	IDG from MDOT, state trunkline fund.....		47,500
19	IDG from building occupancy and parking charges.....		654,100
20	IDG from user fees.....		186,800
21	Special revenue funds:		
22	Deferred compensation.....		2,600
23	Game and fish protection fund.....		9,800
24	Health management funds.....		41,700
25	Marine safety fund.....		900
26	MAIN user charges.....		3,929,200
27	Pension trust funds.....		6,804,800

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1	Special revenue, internal service, and pension trust	
2	funds	2,551,900
3	State building authority revenue	9,700
4	State lottery fund	4,600
5	Waterways fund	2,000
6	State general fund/general purpose	\$ 13,978,100
7	(7) STATE BUILDING AUTHORITY RENT	
8	State building authority rent - state agencies	\$ 67,071,300
9	State building authority rent - department of	
10	corrections	46,900,900
11	State building authority rent - universities	100,039,400
12	State building authority rent - community colleges ...	<u>19,210,500</u>
13	GROSS APPROPRIATION	\$ 233,222,100
14	Appropriated from:	
15	Special revenue funds:	
16	State lottery fund	1,520,000
17	State general fund/general purpose	\$ 231,702,100
	<< (8) BUDGETARY SAVINGS	
	Budgetary savings	\$ (620,500)
	GROSS APPROPRIATION	\$ (620,500)
	Appropriated from:	
	State general fund/general purpose	\$ (620,500) >>
18	Sec. 110. DEPARTMENT OF STATE	
19	(1) APPROPRIATION SUMMARY	
20	Full-time equated unclassified positions	6.0
21	Full-time equated classified positions	1,853.8
22	GROSS APPROPRIATION	\$ <<204,529,300>>
23	Interdepartmental grant revenues:	
24	Total interdepartmental grants and intradepartmental	
25	transfers	20,000,000
26	ADJUSTED GROSS APPROPRIATION	\$ <<184,529,300>>

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1	Federal revenues:	
2	Total federal revenues.....	1,561,200
3	Special revenue funds:	
4	Total local revenues.....	0
5	Total private revenues.....	100
6	Total other state restricted revenues.....	156,972,900
7	State general fund/general purpose.....	\$ <<25,995,100>>
8	(2) EXECUTIVE DIRECTION	
9	Full-time equated unclassified positions.....	6.0
10	Full-time equated classified positions.....	30.2
11	Secretary of state.....	\$ 124,900
12	Unclassified positions--5.0 FTE positions.....	459,200
13	Operations--30.2 FTE positions.....	<u>2,816,800</u>
14	GROSS APPROPRIATION.....	\$ 3,400,900
15	Appropriated from:	
16	Special revenue funds:	
17	Auto repair facilities fees.....	60,500
18	Driver fees.....	127,200
19	Expedient service fees.....	54,100
20	Parking ticket court fines.....	8,300
21	Personal identification card fees.....	12,700
22	Reinstatement fees - operator licenses.....	137,300
23	Transportation administration collection fund.....	2,069,100
24	Vehicle theft prevention fees.....	35,600
25	State general fund/general purpose.....	\$ 896,100
26	(3) DEPARTMENT SERVICES	
27	Full-time equated classified positions.....	166.3

1	Operations--159.8 FTE positions	\$	23,691,500
2	Assigned claims assessments--6.5 FTE positions		<u>771,300</u>
3	GROSS APPROPRIATION	\$	24,462,800
4	Appropriated from:		
5	Federal revenues:		
6	Federal funds		1,200
7	Special revenue funds:		
8	Abandoned vehicle fees		468,600
9	Assigned claims assessments		771,300
10	Auto repair facilities fees		415,000
11	Child support clearance fees		34,300
12	Driver fees		427,900
13	Expedient service fees		253,200
14	Marine safety fund		76,000
15	Off-road vehicle title fees		7,800
16	Parking ticket court fines		52,700
17	Personal identification card fees		84,600
18	Reinstatement fees - operator licenses		547,800
19	Scrap tire fund		69,900
20	Snowmobile registration fee revenue		18,100
21	Transportation administration collection fund		19,138,400
22	Vehicle theft prevention fees		243,400
23	State general fund/general purpose	\$	1,852,600
24	(4) REGULATORY SERVICES		
25	Full-time equated classified positions		245.6
26	Operations--243.6 FTE positions	\$	22,194,700
27	Motorcycle safety education administration--2.0 FTE		

1	positions	360,000
2	Motorcycle safety grants.....	1,430,000
3	County clerk education and training fund.....	<u>100,000</u>
4	GROSS APPROPRIATION.....	\$ 24,084,700
5	Appropriated from:	
6	Federal revenues:	
7	Federal funds.....	3,500
8	Special revenue funds:	
9	Auto repair facilities fees.....	4,144,800
10	Commercial driver training school fees.....	72,900
11	Driver fees.....	1,970,300
12	Expedient service fees.....	34,400
13	Motorcycle safety fund.....	1,790,000
14	Notary education and training fund.....	100,000
15	Notary fee fund.....	314,000
16	Parking ticket court fines.....	20,700
17	Personal identification card fees.....	49,300
18	Reinstatement fees - operator licenses.....	1,762,500
19	Transportation administration collection fund.....	11,024,300
20	Vehicle theft prevention fees.....	1,330,900
21	State general fund/general purpose.....	\$ 1,467,100
22	(5) CUSTOMER DELIVERY SERVICES	
23	Full-time equated classified positions.....	1,383.2
24	Branch operations--933.9 FTE positions.....	\$ 72,152,600
25	Central operations--433.1 FTE positions.....	38,433,700
26	Commemorative license plates--16.2 FTE positions.....	2,147,300
27	Specialty license plates.....	1,922,000

1	Olympic center plate.....	75,700
2	Organ donor program.....	<u>104,100</u>
3	GROSS APPROPRIATION.....	\$ 114,835,400
4	Appropriated from:	
5	Interdepartmental grant revenues:	
6	IDG from MDOT, Michigan transportation fund.....	20,000,000
7	Federal revenues:	
8	Federal funds.....	1,556,500
9	Special revenue funds:	
10	Private funds.....	100
11	Abandoned vehicle fees.....	197,600
12	Auto repair facilities fees.....	93,100
13	Child support clearance fees.....	295,500
14	Driver fees.....	14,325,700
15	Expedient service fees.....	2,421,700
16	Marine safety fund.....	1,187,300
17	Michigan state police auto theft fund.....	118,900
18	Mobile home commission fees.....	476,000
19	Off-road vehicle title fees.....	127,300
20	Parking ticket court fines.....	1,490,500
21	Personal identification card fees.....	1,583,600
22	Reinstatement fees - operator licenses.....	1,192,400
23	Snowmobile registration fee revenue.....	348,100
24	Transportation administration collection fund.....	57,848,200
25	Vehicle theft prevention fees.....	209,500
26	State general fund/general purpose.....	\$ 11,363,400
27	(6) ELECTION REGULATION	

1	Full-time equated classified positions.....	28.5	
2	Election administration and services--28.5 FTE		
3	positions	\$	4,780,500
4	Fees to local units.....		<u>109,800</u>
5	GROSS APPROPRIATION.....	\$	4,890,300
6	Appropriated from:		
7	State general fund/general purpose	\$	4,890,300
8	(7) DEPARTMENTWIDE APPROPRIATIONS		
9	Building occupancy charges/rent	\$	10,600,200
10	Worker's compensation.....		<u>423,400</u>
11	GROSS APPROPRIATION.....	\$	11,023,600
12	Appropriated from:		
13	Special revenue funds:		
14	Auto repair facilities fees		142,000
15	Driver fees.....		466,300
16	Expedient service fees.....		26,300
17	Parking ticket court fines.....		467,100
18	Transportation administration collection fund.....		6,020,900
19	State general fund/general purpose	\$	3,901,000
20	(8) INFORMATION TECHNOLOGY		
21	Information technology services and projects	\$	<u>24,415,600</u>
22	GROSS APPROPRIATION.....	\$	24,415,600
23	Appropriated from:		
24	Special revenue funds:		
25	Administrative order processing fee		11,100
26	Auto repair facilities fees		179,400
27	Child support clearance fees		16,200

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1	Driver fees.....	1,346,100
2	Expedient service fees.....	959,500
3	Parking ticket court fines.....	82,700
4	Personal identification card fees.....	881,200
5	Reinstatement fees - operator licenses.....	471,900
6	Transportation administration collection fund.....	16,088,000
7	Vehicle theft prevention fees.....	170,900
8	State general fund/general purpose.....	\$ 4,208,600
	<< (9) BUDGETARY SAVINGS	
	Budgetary savings.....	\$ (2,584,000)
	GROSS APPROPRIATION.....	\$ (2,584,000)
	Appropriated from:	
	State general fund/general purpose.....	\$ (2,584,000) >>

9 **Sec. 111. DEPARTMENT OF TREASURY**10 **(1) APPROPRIATION SUMMARY**

11	Full-time equated unclassified positions.....	9.0
12	Full-time equated classified positions.....	1,697.5
13	GROSS APPROPRIATION\$ <<1,556,718,200>>
14	Interdepartmental grant revenues:	
15	Total interdepartmental grants and intradepartmental	
16	transfers	11,551,400
17	ADJUSTED GROSS APPROPRIATION\$ <<1,545,166,800>>
18	Federal revenues:	
19	Total federal revenues.....	36,405,700
20	Special revenue funds:	
21	Total local revenues.....	1,100,700
22	Total private revenues.....	0
23	Total other state restricted revenues	<<1,359,244,900>>
24	State general fund/general purpose.....	\$ <<148,415,500>>

25 **(2) EXECUTIVE DIRECTION**

26	Full-time equated unclassified positions.....	9.0
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1	Full-time equated classified positions.....	5.0		
2	Unclassified positions--9.0 FTE positions.....		\$	812,600
3	Office of the director--5.0 FTE positions.....			<u>833,800</u>
4	GROSS APPROPRIATION.....		\$	1,646,400
5	Appropriated from:			
6	Special revenue funds:			
7	State lottery fund.....			159,000
8	State services fee fund.....			196,700
9	State general fund/general purpose.....		\$	1,290,700
10	(3) DEPARTMENTWIDE APPROPRIATIONS			
11	Travel.....		\$	1,400,600
12	Rent and building occupancy charges - property			
13	management services			5,294,600
14	Worker's compensation insurance premium.....			<u>247,000</u>
15	GROSS APPROPRIATION.....		\$	6,942,200
16	Appropriated from:			
17	Special revenue funds:			
18	Delinquent tax collection revenue.....			3,483,600
19	State general fund/general purpose.....		\$	3,458,600
20	(4) LOCAL GOVERNMENT PROGRAMS			
21	Full-time equated classified positions.....	107.0		
22	Supervision of the general property tax law--84.0			
23	FTE positions		\$	10,535,600
24	Property tax assessor training--4.0 FTE positions			423,100
25	Local finance--19.0 FTE positions.....			<u>2,368,300</u>
26	GROSS APPROPRIATION.....		\$	13,327,000
27	Appropriated from:			

1	Special revenue funds:		
2	Local - assessor training fees	423,100	
3	Local - audit charges	587,600	
4	Local - equalization study chargebacks	40,000	
5	Local - revenue from local government	50,000	
6	Land reutilization fund	3,979,100	
7	Municipal finance fees	477,700	
8	State education tax collections	50,000	
9	State general fund/general purpose	\$ 7,719,500	
10	(5) TAX PROGRAMS		
11	Full-time equated classified positions	770.5	
12	Customer contact--186.0 FTE positions	\$ 13,729,500	
13	Tax compliance--335.0 FTE positions	31,671,300	
14	Tax and economic policy--53.5 FTE positions	6,012,900	
15	Revenue enhancement program--45.0 FTE positions	5,267,400	
16	Tax processing--147.0 FTE positions	15,013,600	
17	Home heating assistance	2,159,800	
18	Bottle bill implementation	250,000	
19	Tobacco tax collection--4.0 FTE positions	<u>348,500</u>	
20	GROSS APPROPRIATION	\$ 74,453,000	
21	Appropriated from:		
22	Interdepartmental grant revenues:		
23	IDG, data/collection services fees	50,900	
24	IDG from MDOT, Michigan transportation fund	7,549,700	
25	IDG from MDOT, state aeronautics fund	67,300	
26	Federal revenues:		
27	HHS-SSA, low-income energy assistance	2,159,800	

1	Special revenue funds:		
2	Bottle deposit fund.....		250,000
3	Delinquent tax collection revenue.....		56,923,900
4	Tobacco tax collection and enforcement.....		348,500
5	Tobacco tax revenue.....		388,800
6	Waterways fund.....		78,900
7	State general fund/general purpose.....	\$	6,635,200
8	(6) BANKING AND MANAGEMENT SERVICES		
9	Full-time equated classified positions.....	321.0	
10	Program management--13.0 FTE positions.....	\$	1,543,800
11	Human resources and purchasing--27.0 FTE positions...		2,723,300
12	Mail operations--20.0 FTE positions.....		2,060,600
13	Unclaimed property--21.0 FTE positions.....		3,545,800
14	Human resources optimization user charges.....		85,200
15	Collections--168.0 FTE positions.....		17,107,300
16	Finance and accounting--32.0 FTE positions.....		1,733,200
17	Receipts processing--40.0 FTE positions.....		<u>2,943,900</u>
18	GROSS APPROPRIATION.....	\$	31,743,100
19	Appropriated from:		
20	Interdepartmental grant revenues:		
21	IDG from MDHS, title IV-D.....		617,600
22	IDG, levy/warrant cost assessment fees.....		1,848,800
23	IDG, state agency collection fees.....		590,100
24	IDG, data/collection services fees.....		204,400
25	Special revenue funds:		
26	Delinquent tax collection revenue.....		17,337,600
27	Escheats revenue.....		3,545,800

1	Garnishment fees.....		531,600
2	Justice system fund.....		636,500
3	Treasury fees.....		188,300
4	State general fund/general purpose.....	\$	6,242,400
5	(7) FINANCIAL PROGRAMS		
6	Full-time equated classified positions.....	213.0	
7	Investments--78.0 FTE positions.....	\$	15,084,600
8	Michigan merit award administration--5.0 FTE positions		1,468,900
9	Michigan education savings program.....		800,000
10	Common cash and debt management--11.5 FTE positions ..		1,233,200
11	Student financial assistance programs--118.5 FTE		
12	positions		<u>35,674,400</u>
13	GROSS APPROPRIATION.....	\$	54,261,100
14	Appropriated from:		
15	Interdepartmental grant revenues:		
16	IDG, fiscal agent service fees.....		167,700
17	Federal revenues:		
18	DED-OPSE, federal lenders allowance.....		10,437,300
19	DED-OPSE, higher education act of 1965, insured loans		23,264,700
20	Special revenue funds:		
21	Defined contribution administrative fee revenue		100,000
22	College work study.....		46,300
23	Michigan merit award trust fund.....		2,693,300
24	Retirement funds.....		14,112,700
25	School bond fees.....		618,600
26	Treasury fees.....		1,035,800
27	State general fund/general purpose.....	\$	1,784,700

1 **(8) DEBT SERVICE**

2	Water pollution control bond and interest redemption .	\$	2,386,400
3	Quality of life bond.....		60,900,000
4	Clean Michigan initiative.....		50,000,000
5	Great Lakes water quality bond.....		<u>6,700,000</u>
6	GROSS APPROPRIATION.....	\$	119,986,400

7 Appropriated from:

8 Special revenue funds:

9	Refined petroleum fund.....		23,914,500
10	State general fund/general purpose.....	\$	96,071,900

11 **(9) GRANTS**

12	Grants to counties in lieu of taxes.....	\$	5,000
13	Convention facility development distribution.....		23,850,000
14	Senior citizen cooperative housing tax exemption		
15	program		17,922,900
16	Commercial mobile radio service payments.....		17,900,000
17	Health and safety fund grants.....		25,000,000
18	Renaissance zone reimbursement.....		<u>3,095,000</u>
19	GROSS APPROPRIATION.....	\$	87,772,900

20 Appropriated from:

21 Special revenue funds:

22	Commercial mobile radio service fees.....		17,900,000
23	Convention facility development fund.....		23,850,000
24	Health and safety fund.....		25,000,000
25	State general fund/general purpose.....	\$	21,022,900

26 **(10) STATE LOTTERY**

27 Full-time equated classified positions..... 175.0

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1	Lottery operations--175.0 FTE positions	\$	20,252,500
2	Human resources optimization user charges		10,900
3	Promotion and advertising		18,622,000
4	Lottery information technology services and projects .		<u>4,549,600</u>
5	GROSS APPROPRIATION	\$	43,435,000
6	Appropriated from:		
7	Special revenue funds:		
8	State lottery fund		43,435,000
9	State general fund/general purpose	\$	0
10	(11) CASINO GAMING		
11	Full-time equated classified positions		106.0
12	Michigan gaming control board	\$	50,000
13	Casino gaming control administration--106.0 FTE		
14	positions		18,885,800
15	Human resources optimization user charges		7,200
16	Casino gaming information technology services and		
17	projects		<u>1,320,000</u>
18	GROSS APPROPRIATION	\$	20,263,000
19	Appropriated from:		
20	Casino gambling agreements		383,500
21	State services fee fund		19,879,500
22	State general fund/general purpose	\$	0
23	(12) REVENUE SHARING		
24	Constitutional state general revenue sharing grants ..	\$	685,467,000
25	Statutory state general revenue sharing grants		<<400,885,000>>
26	County revenue sharing		113,600
27	Special grants		<u>212,000</u>

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1 GROSS APPROPRIATION. \$ <<1,086,677,600>>
 2 Appropriated from:
 3 Sales tax..... <<1,086,352,000>>
 4 State general fund/general purpose..... \$ 325,600
 5 **(13) INFORMATION TECHNOLOGY**
 6 Treasury operations information technology services
 7 and projects \$ 16,688,400
 8 GROSS APPROPRIATION..... \$ 16,688,400
 9 Appropriated from:
 10 Interdepartmental grant revenues:
 11 IDG from MDOT, Michigan transportation fund..... 454,900
 12 Federal revenues:
 13 DED-OPSE, federal lenders allowance..... 543,900
 14 Special revenue funds:
 15 Delinquent tax collection revenue..... 10,273,300
 16 Michigan merit award trust fund..... 415,300
 17 Retirement funds..... 659,100
 18 State general fund/general purpose..... \$ 4,341,900
 << **(14) BUDGETARY SAVINGS**
 Budgetary savings..... \$ (477,900)
 GROSS APPROPRIATION..... \$ (477,900)
 Appropriated from:
 State general fund/general purpose..... \$ (477,900) >>

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

GENERAL SECTIONS

22 Sec. 201. (1) Pursuant to section 30 of article IX of the
 23 state constitution of 1963, total state spending from state
 24 resources under part 1 for fiscal year 2007-2008 is

25 <<\$2,218,960,200.00>> and state spending from state resources to be

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paid to local units of government for fiscal year 2007-2008 is
 <<\$1,190,197,200.00>>. The itemized statement below identifies
 appropriations from which spending to local units of government
 will occur:

DEPARTMENT OF STATE

Fees to local units.....	\$	109,800
Motorcycle safety education grants.....		<u>1,115,400</u>
Subtotal.....	\$	1,225,200

DEPARTMENT OF TREASURY

Senior citizen cooperative housing tax exemption.....	\$	17,922,900
Grants to counties in lieu of taxes.....		5,000
Health and safety fund grants.....		25,000,000
Constitutional state general revenue sharing grants ..		685,467,000
Statutory state general revenue sharing grants		<<400,885,000>>
Convention facility development fund distribution....		23,850,000
Commercial mobile radio service payments.....		15,221,500
Renaissance zone reimbursements.....		3,095,000
Special grants.....		212,000
County revenue sharing payment.....		113,600
Airport parking distribution pursuant to section 909 .		<u>17,200,000</u>
Subtotal	\$	<<1,188,972,000>>
TOTAL GENERAL GOVERNMENT.	\$	<<1,190,197,200>>

(2) Pursuant to section 30 of article IX of the state
 constitution of 1963, total state spending from state sources for
 fiscal year 2007-2008 is estimated at \$28,506,007,100.00 in the
 2007-2008 appropriations acts and total state spending from state
 sources paid to local units of government for fiscal year 2007-2008

1 is estimated at \$16,455,455,183.00. The state-local proportion is
2 estimated at 57.73% of total state spending from state resources.

3 (3) If payments to local units of government and state
4 spending from state sources for fiscal year 2007-2008 are different
5 than the amounts estimated in subsection (2), the state budget
6 director shall report the payments to local units of government and
7 state spending from state sources that were made for fiscal year
8 2007-2008 to the senate and house of representatives standing
9 committees on appropriations within 30 days after the final book-
10 closing for fiscal year 2007-2008.

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

14 Sec. 203. As used in this act:

15 (a) "AFSCME" means American federation of state, county, and
16 municipal employees.

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

19 (c) "CPI" means consumer price index.

20 (d) "DAG" means the United States department of agriculture.

21 (e) "DED-OPSE" means the United States department of
22 education, office of postsecondary education.

23 (f) "DOL-ETA" means the United States department of labor,
24 employment and training administration.

25 (g) "DOL-OSHA" means the United States department of labor,
26 occupational safety and health administration.

27 (h) "EEOC" means the United States equal employment

1 opportunity commission.

2 (i) "EPA" means the United States environmental protection
3 agency.

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

5 (k) "GF/GP" means general fund/general purpose.

6 (l) "HHS" means the United States department of health and
7 human services.

8 (m) "HHS-OS" means the HHS office of the secretary.

9 (n) "HHS-SSA" means the HHS social security administration.

10 (o) "HUD" means the United States department of housing and
11 urban development.

12 (p) "IDG" means interdepartmental grant.

13 (q) "JCOS" means the joint capital outlay subcommittee.

14 (r) "MAIN" means the Michigan administrative information
15 network.

16 (s) "MCL" means the Michigan Compiled Laws.

17 (t) "MDCH" means the Michigan department of community health.

18 (u) "MDCS" means the Michigan department of civil service.

19 (v) "MDHS" means the Michigan department of human services.

20 (w) "MDLEG" means the Michigan department of labor and
21 economic growth.

22 (x) "MDMB" means the Michigan department of management and
23 budget.

24 (y) "MDOT" means the Michigan department of transportation.

25 (z) "MDSP" means the Michigan department of state police.

26 (aa) "MPES" means the Michigan professional employees society.

27 (bb) "PA" means public act.

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(cc) "PACC" means the prosecuting attorneys coordinating council.

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 employees into the classified state civil service or unclassified positions within the executive branch of state government; creating new positions within the classified state civil service or new unclassified positions; and filling new or existing vacant positions by external hire from outside of state government, transfer or promotion between state departments or agencies, or internal promotions within a department or agency. The hiring freeze described in this section applies regardless of the fund source financing the position but does not apply to appointments required by law.

(2) The state budget director may grant exceptions to the hiring freeze if 1 or more of the following apply:

(a) The creation of a position or filling a vacant position by any method is required by legal mandate, federal mandate, or court order.

(b) The creation of a position or filling a vacant position by any method is necessary to protect the health or safety of Michigan citizens.

(c) The creation of a position or filling a vacant position by any method is necessary to produce budgetary savings or to protect existing

1 state revenue or secure additional state revenue.

2 (d) The creation of a position or filling a vacant position by any method is necessary to provide for the basic daily living requirements of residents of a state institution or facility.

(3) The state budget director shall report quarterly to the chairpersons of the senate and house of representatives standing committees on appropriations and the respective fiscal agencies the number of exceptions to the hiring freeze approved for each state department or agency during the immediately preceding quarter and the reasons to justify the exception.

(4) The attorney general and secretary of state may grant exceptions to the hiring freeze for their respective departments under the same criteria that the state budget director is able to grant exceptions.>>

3 Sec. 208. Unless otherwise specified, departments and agencies
4 receiving appropriations in part 1 shall use the Internet to
5 fulfill the reporting requirements of this act. This requirement
6 may include transmission of reports via electronic mail to the
7 recipients identified for each reporting requirement, or it may
8 include placement of reports on an Internet or Intranet site.

9 <<Sec. 209. Funds appropriated in part 1 shall not be used for the
10 purchase of foreign goods or services, or both, if competitively priced
11 and of comparable quality American goods or services, or both, are
12 available. Preference should be given to goods or services, or both,
13 manufactured or provided by Michigan businesses, if they are
14 competitively priced and of comparable quality. In addition, preference
15 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.>>

16 Sec. 210. The director of each department receiving
17 appropriations in part 1 shall take all reasonable steps to ensure
18 businesses in deprived and depressed communities compete for and
19 perform contracts to provide services or supplies, or both. Each
20 director shall strongly encourage firms with which the department
21 contracts to subcontract with certified businesses in depressed and

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22 deprived communities for services, supplies, or both.

23 Sec. 211. Pursuant to section 352 of the management and budget
24 act, 1984 PA 431, MCL 18.1352, that provides for a transfer of
25 state general funds into the countercyclical budget and economic
26 stabilization fund, there is appropriated into the countercyclical
27 budget and economic stabilization fund the sum of \$0.00. The

calculation required by section 352 of the management and budget act, 1984 PA 431, MCL 18.1352, is determined as follows:

	2006	2007
Michigan personal income (millions)	\$342,900	\$352,501
less: transfer payments	<u>54,901</u>	<u>58,403</u>
Subtotal	287,999	294,098
Divided by: Detroit CPI for 12 months		
ending June 30	1.948	1.980
Equals: Real adjusted Michigan personal		
income	\$147,881	\$148,534
Percentage change		0.4%
Percentage change in excess of 2%	0.0%	0.0%
Multiplied by: estimated GF/GP revenue in		
FY 2006-2007 (millions)		8,230.0
Equals: countercyclical budget and		
economic stabilization fund calculation		
for the fiscal year ending September 30,		
2008	\$0.0	\$0.0

Sec. 212. The departments and agencies receiving appropriations in part 1 shall receive and retain copies of all reports funded from appropriations in part 1. Federal and state guidelines for short-term and long-term retention of records shall be followed.

Sec. 213. Funds appropriated in part 1 shall not be used by this state, a department, an agency, or an authority of this state to purchase an ownership interest in a casino enterprise or a gambling operation as those terms are defined in the Michigan

1 gaming control and revenue act, the Initiated Law of 1996, MCL
2 432.201 to 432.226.

3 Sec. 214. From the funds appropriated in part 1 for
4 information technology, departments and agencies shall pay user
5 fees to the department of information technology for technology-
6 related services and projects. Such user fees shall be subject to
7 provisions of an interagency agreement between the departments and
8 agencies and the department of information technology.

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

12 Sec. 216. (1) Due to the current budgetary problems in this
13 state, out-of-state travel for the fiscal year ending September 30,
14 2008 shall be limited to situations in which 1 or more of the
15 following conditions apply:

16 (a) The travel is required by legal mandate or court order or
17 for law enforcement purposes.

18 (b) The travel is necessary to protect the health or safety of
19 Michigan citizens or visitors or to assist other states in similar
20 circumstances.

21 (c) The travel is necessary to produce budgetary savings or to
22 increase state revenues, including protecting existing federal
23 funds or securing additional federal funds.

24 (d) The travel is necessary to comply with federal
25 requirements.

26 (e) The travel is necessary to secure specialized training for
27 staff that is not available within this state.

1 (f) The travel is financed entirely by federal or nonstate
2 funds.

3 (2) If out-of-state travel is necessary but does not meet 1 or
4 more of the conditions in subsection (1), the state budget director
5 may grant an exception to allow the travel. Any exceptions granted
6 by the state budget director shall be reported on a monthly basis
7 to the senate and house of representatives standing committees on
8 appropriations.

9 (3) Not later than January 1 of each year, each department
10 shall prepare a travel report listing all travel by classified and
11 unclassified employees outside this state in the immediately
12 preceding fiscal year that was funded in whole or in part with
13 funds appropriated in the department's budget. The report shall be
14 submitted to the senate and house of representatives standing
15 committees on appropriations, the senate and house fiscal agencies,
16 and the state budget director. The report shall include the
17 following information:

18 (a) The name of each person receiving reimbursement for travel
19 outside this state or whose travel costs were paid by this state.

20 (b) The destination of each travel occurrence.

21 (c) The dates of each travel occurrence.

22 (d) A brief statement of the reason for each travel
23 occurrence.

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

Senate Bill No. 229 as amended August 22, 2007

1 and the proportion funded with other revenues.

2 (f) A total of all out-of-state travel funded for the
3 immediately preceding fiscal year.

4 Sec. 217. General fund appropriations in this act shall not be
5 expended for items in cases where federal funding is available for
6 the same expenditures.

7 Sec. 220. Funds appropriated in this act shall not be used to
8 establish, operate, or administer a payroll deduction plan that
9 enables classified state employees to make contributions to either
10 a committee, as defined in section 3 of the Michigan campaign
11 finance act, 1976 PA 388, MCL 169.203, or a political organization,
12 as defined in section 527 of the internal revenue code.

13 Sec. 221. (1) Each department shall report no later than April
14 1, 2008 on each specific policy change made to implement enacted
15 legislation to the senate and house appropriations subcommittees on
16 the department budget, the senate and house standing committees on
17 the department budget, the chairperson of the joint committee on
18 administrative rules, and the senate and house fiscal agencies and
19 policy offices.

20 (2) Funds appropriated in part 1 shall not be used to prepare
21 regulatory plans or promulgate rules that fail to reduce the
22 disproportionate economic impact on small businesses pursuant to
23 section 40 of the administrative procedures act of 1969, 1969 PA
24 306, MCL 24.240.

<<Sec. 222. Appropriation authorization adjustments required due to
negative appropriations for budgetary savings shall be made only after
the approval of transfers by the legislature under section 393(2) of the
management and budget act, 1984 PA 431, MCL 18.1393.>>

25 **DEPARTMENT OF ATTORNEY GENERAL**

26 Sec. 302. (1) The attorney general shall perform all legal

1 services, including representation before courts and administrative
2 agencies rendering legal opinions and providing legal advice to a
3 principal executive department or state agency. A principal
4 executive department or state agency shall not employ or enter into
5 a contract with any other person for services described in this
6 section.

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

12 (3) The attorney general shall perform the duties specified in
13 1846 RS 12, MCL 14.28 to 14.35, and 1919 PA 232, MCL 14.101 to
14 14.102, and as otherwise provided by law.

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

23 Sec. 304. The department of attorney general is responsible
24 for the legal representation for state of Michigan state employee
25 worker's disability compensation cases. The risk management
26 revolving fund revenue appropriation in part 1 is to be satisfied
27 by billings from the department of attorney general for the actual

1 costs of legal representation, including salaries and support
2 costs.

3 Sec. 305. In addition to the funds appropriated in part 1, not
4 more than \$400,000.00 shall be reimbursed per fiscal year for food
5 stamp fraud cases heard by the third circuit court of Wayne County
6 that were initiated by the department of attorney general pursuant
7 to the existing contract between the department of human services,
8 the prosecuting attorneys association of Michigan, and the
9 department of attorney general. The source of this funding is money
10 earned by the department of attorney general under the agreement
11 after the allowance for reimbursement to the department of attorney
12 general for costs associated with the prosecution of food stamp
13 fraud cases. It is recognized that the federal funds are earned by
14 the department of attorney general for its documented progress on
15 the prosecution of food stamp fraud cases according to the United
16 States department of agriculture regulations and that, once earned
17 by this state, the funds become state funds.

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

22 Sec. 307. In addition to the antitrust revenues in part 1,
23 antitrust, securities fraud, consumer protection or class action
24 enforcement revenues, or attorney fees recovered by the department,
25 not to exceed \$250,000.00, are appropriated to the department for
26 antitrust, securities fraud, and consumer protection or class
27 action enforcement cases. Any unexpended funds from antitrust,

1 securities fraud, or consumer protection or class action
2 enforcement revenues at the end of the fiscal year, including
3 antitrust funds in part 1, shall be carried forward for expenditure
4 in the following fiscal year up to the maximum authorization of
5 \$250,000.00.

6 Sec. 308. (1) In addition to the funds appropriated in part 1,
7 there is appropriated up to \$500,000.00 from litigation expense
8 reimbursements awarded to the state.

9 (2) The funds may be expended for the payment of litigation
10 expenses, court judgments and settlements, or attorney fees
11 assessed against the office of the governor, the department of the
12 attorney general, the governor, or the attorney general when acting
13 in an official capacity as the named party in litigation against
14 the state. The funds may also be expended for the payment of state
15 costs incurred under section 16 of chapter X of the code of
16 criminal procedure, 1927 PA 175, MCL 770.16.

17 (3) Unexpended funds at the end of the fiscal year shall be
18 carried forward for expenditure in the following year, up to a
19 maximum authorization of \$500,000.00.

20 Sec. 309. From the prisoner reimbursement funds appropriated
21 in part 1, the department may spend up to \$460,800.00 on activities
22 related to the state correctional facilities reimbursement act,
23 1935 PA 253, MCL 800.401 to 800.406. In addition to the funds
24 appropriated in part 1, if the department collects in excess of
25 \$1,131,000.00 in gross annual prisoner reimbursement receipts
26 provided to the general fund, the excess, up to a maximum of
27 \$1,000,000.00, is appropriated to the department of attorney

1 general and may be spent on the representation of the department of
2 corrections and its officers, employees, and agents, including, but
3 not limited to, the defense of litigation against the state, its
4 departments, officers, employees, or agents in civil actions filed
5 by prisoners. Any unexpended funds at the end of the fiscal year
6 shall be carried forward for expenditure in the following fiscal
7 year up to the maximum authorization of \$500,000.00.

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

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

18 Sec. 311. Funds collected by the department of attorney
19 general under section 10b of the medicaid false claim act, 1977 PA
20 72, MCL 400.610b, are appropriated to the department of attorney
21 general for the purpose for which they were received. Any
22 unexpended funds at the end of the fiscal year shall be carried
23 forward for expenditure in subsequent fiscal years.

24 DEPARTMENT OF CIVIL RIGHTS

25 Sec. 402. (1) In addition to the appropriations contained in
26 part 1, the department of civil rights may receive and expend funds

1 from local or private sources for all of the following purposes:

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

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

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

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

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

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

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

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

24 Sec. 404. Funds appropriated in part 1 shall not be used by a
25 principal executive department, state agency, or authority to hire
26 a person to provide legal services that are the responsibility of
27 the attorney general.

1 DEPARTMENT OF CIVIL SERVICE

2 Sec. 502. (1) All restricted funds shall be assessed a sum not
3 less than 1% of the total aggregate payroll paid from those funds
4 for financing the department of civil service on the basis of
5 actual 1% restricted sources total aggregate payroll of the
6 classified service for fiscal year 2006 in accordance with section
7 5 of article XI of the state constitution of 1963. This includes,
8 but is not limited to, restricted funds appropriated in part 1 of
9 any appropriations act. Unexpended 1% appropriated funds shall be
10 returned to each 1% fund source at the end of the fiscal year.

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

18 (3) The 1% financing from restricted sources shall be credited
19 to the department of civil service by the end of the second fiscal
20 quarter.

21 Sec. 503. Except where specifically appropriated for this
22 purpose, 1% of the financing from restricted sources shall be
23 credited to the department of civil service. For restricted sources
24 of funding within the general fund that have the legislative
25 authority for carryover, if current spending authorization or
26 revenues are insufficient to accept the charge, the shortage shall

1 be taken from carryforward balances of that funding source.
2 Restricted revenue sources that do not have carryforward authority
3 shall be utilized to satisfy departmental operating deducts first
4 and civil service obligations second. General fund dollars are
5 appropriated for any shortfall, pursuant to approval by the state
6 budget director.

7 Sec. 504. The appropriation in part 1 to the department of
8 civil service, for state-sponsored group insurance, flexible
9 spending accounts, and COBRA, represents amounts, in part, included
10 within the various appropriations throughout state government for
11 the current fiscal year to fund the flexible spending account
12 program included within the department of civil service. Deposits
13 against state-sponsored group insurance, flexible spending
14 accounts, and COBRA for the flexible spending account program shall
15 be made from assessments levied during the current fiscal year in a
16 manner prescribed by the department of civil service. Unspent
17 employee contributions to the flexible spending accounts may be
18 used to offset administrative costs for the flexible spending
19 account program, with any remaining balance of unspent employee
20 contributions to be lapsed to the general fund.

21 Sec. 505. Funds appropriated in part 1 shall not be used by a
22 principal executive department, state agency, or authority to hire
23 a person to provide legal services that are the responsibility of
24 the attorney general.

25 INFORMATION TECHNOLOGY

26 Sec. 573. (1) The department of information technology may

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

11 (2) Funds accepted by the department of information technology
12 under subsection (1) are appropriated and allotted when received
13 and may be expended upon approval of the state budget director. The
14 state budget office shall notify the senate and house of
15 representatives standing committees on appropriations subcommittees
16 on general government and the senate and house fiscal agencies
17 within 10 days after the approval is given.

18 (3) By April 1, the department of information technology shall
19 report to the senate and house of representatives standing
20 committees on appropriations and the senate and house fiscal
21 agencies that a statement of the total revenue received from the
22 sale of paid advertising accepted under this section and a
23 statement of the total number of advertising transactions are
24 available on the department's website.

25 Sec. 574. The department of information technology may enter
26 into agreements to supply spatial information and technical
27 services to other principal executive departments, state agencies,

1 local units of government, and other organizations. The department
2 of information technology may receive and expend funds in addition
3 to those authorized in part 1 for providing information and
4 technical services, publications, maps, and other products. The
5 department of information technology may expend amounts received
6 for salaries, supplies, and equipment necessary to provide
7 informational products and technical services. Prior to December 1
8 of each year, the department shall provide a report to the senate
9 and house of representatives standing committees on appropriations
10 subcommittees on general government, detailing the sources of
11 funding and expenditures made under this section.

12 Sec. 575. The legislature shall have access to all historical
13 and current data contained within MAIN pertaining to state
14 departments. State departments shall have access to all historical
15 and current data contained within MAIN.

16 Sec. 576. When used in this act, "information technology
17 services" means services involving all aspects of managing and
18 processing information including, but not limited to, all of the
19 following:

- 20 (a) Application development and maintenance.
- 21 (b) Desktop computer support and management.
- 22 (c) Mainframe computer support and management.
- 23 (d) Server support and management.
- 24 (e) Local area network support and management.
- 25 (f) Information technology contract, project, and procurement
26 management.
- 27 (g) Information technology planning and budget management.

1 (h) Telecommunication services, security, infrastructure, and
2 support.

3 (i) Software and software licensing.

4 Sec. 577. (1) Funds appropriated in part 1 for the Michigan
5 public safety communications system shall be expended upon approval
6 of an expenditure plan by the state budget director.

7 (2) The department of information technology shall assess all
8 subscribers of the Michigan public safety communications system
9 reasonable access and maintenance fees.

10 (3) All money received by the department of information
11 technology under this section shall be expended for the support and
12 maintenance of the Michigan public safety communications system.

13 (4) The department of information technology shall provide a
14 report to the senate and house of representatives standing
15 committees on appropriations, the senate and house fiscal agencies,
16 and the state budget director on April 15 and on October 15,
17 indicating the amount of revenue collected under this section and
18 expended for support and maintenance of the Michigan public safety
19 communications system for the immediately preceding 6-month period.
20 Any deposits made under this section and unencumbered funds are
21 restricted revenues and may be carried forward into succeeding
22 fiscal years.

23 Sec. 578. The department of information technology shall
24 submit a report for the immediately preceding fiscal year ending
25 September 30 to the senate and house of representatives standing
26 committees on appropriations subcommittees on general government
27 and the senate and house fiscal agencies by March 1. The report

1 shall include the following:

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

5 (b) A listing of the expenditures made from the amounts
6 received by the department of information technology, as reported
7 in subdivision (a).

8 Sec. 580. (1) From the funds appropriated in part 1 to general
9 services, for the department of state, there is appropriated
10 \$4,550,000.00 for the business application modernization project.
11 Funds shall only be used for the development, implementation, and
12 maintenance of the business application modernization project.

13 (2) The unexpended funds appropriated in part 1 for the
14 business application modernization project are designated as work
15 project appropriations and shall not lapse at the end of the fiscal
16 year. Any unencumbered or unallotted funds shall be carried over
17 into the succeeding fiscal year and shall continue to be available
18 for expenditure until the project has been completed. The total
19 cost is estimated at \$30,000,000.00, and the tentative completion
20 date is September 30, 2010.

21 Sec. 584. The department of information technology shall
22 determine how existing 2-1-1 capacities will be utilized by each
23 state department with community resource information and referral
24 service, including, but not limited to, toll-free help and
25 information lines and comprehensive human service databases. The
26 department of information technology shall report its findings in
27 writing to the senate and house of representatives standing

1 committees on appropriations by July 1, 2008. The report shall
2 include a statement of how each state department has utilized 2-1-1
3 in its coordination efforts, including any efficiencies, cost
4 savings, and improved service provided to Michigan residents. The
5 report shall also contain recommendations for maintaining a
6 statewide 2-1-1 system.

7 Sec. 585. The department shall provide a report that
8 calculates the total amount of funds expended for the child support
9 enforcement system to date from the inception of the program. The
10 report shall contain information on the original start and
11 completion dates for the project, the original cost to complete the
12 project, and a listing of all revisions to project completion dates
13 and costs. The report shall include the total amount of funds paid
14 to the federal government for penalties. The report shall be
15 submitted to the senate and house of representatives standing
16 committees on government operations, the senate and house of
17 representatives standing committees on appropriations subcommittees
18 on general government, and the senate and house fiscal agencies by
19 January 1.

20 Sec. 586. If during the course of the fiscal year a transfer
21 or supplemental to or from the information technology line item
22 within an agency budget is made under section 393 of the management
23 and budget act, 1984 PA 431, MCL 18.1393, there is appropriated an
24 equal amount of user fees in the department of information
25 technology budget to accommodate an increase or decrease in
26 spending authorization.

27 Sec. 587. Funds appropriated in part 1 shall not be used by a

1 principal executive department, state agency, or authority to hire
2 a person to provide legal services that are the responsibility of
3 the attorney general.

4 **LEGISLATURE**

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

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

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

24 Sec. 602. The senate may charge rent and assess charges for
25 utility costs. The amounts received for rent charges and utility
26 assessments are appropriated to the senate for the renovation,

1 operation, and maintenance of the Farnum building and other
2 properties.

3 Sec. 603. The appropriation contained in part 1 for national
4 association dues is to be distributed by the legislative council.

5 Sec. 604. (1) The appropriation in part 1 to the legislative
6 council includes funds to operate the legislative parking
7 facilities in the capitol area. The legislative council shall
8 establish rules regarding the operation of the legislative parking
9 facilities.

10 (2) The legislative council shall collect a fee from state
11 employees and the general public using certain legislative parking
12 facilities. The revenues received from the parking fees shall be
13 allocated by the legislative council.

14 Sec. 605. The appropriation in part 1 to the legislative
15 council for publication of the Michigan manual is a work project
16 account. The unexpended portion remaining on September 30 shall not
17 lapse and shall be carried forward into the subsequent fiscal year
18 for use in paying the associated biennial costs of publication of
19 the Michigan manual.

20 Sec. 606. The appropriations in part 1 to the legislative
21 branch, for property management, shall be used to purchase
22 equipment and services for building maintenance in order to ensure
23 a safe and productive work environment. These funds are designated
24 as work project appropriations and shall not lapse at the end of
25 the fiscal year, and shall continue to be available for expenditure
26 until the project has been completed. The total cost is estimated
27 at \$500,000.00, and the tentative completion date is September 30,

1 2011.

2 Sec. 607. The appropriations in part 1 to the legislative
3 branch, for automated data processing, shall be used to purchase
4 equipment, software, and services in order to support and implement
5 data processing requirements and technology improvements. These
6 funds are designated as work project appropriations and shall not
7 lapse at the end of the fiscal year, and shall continue to be
8 available for expenditure until the project has been completed. The
9 total cost is estimated at \$500,000.00, and the tentative
10 completion date is September 30, 2011.

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

18 Sec. 610. The funds appropriated in part 1 shall not be used
19 to pay for health insurance benefits for unmarried domestic
20 partners of legislators or legislative employees.

21 **LEGISLATIVE AUDITOR GENERAL**

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

26 Sec. 621. (1) The auditor general shall take all reasonable

1 steps to ensure that certified minority- and women-owned and
2 operated accounting firms, and accounting firms owned and operated
3 by persons with disabilities participate in the audits of the
4 books, accounts, and financial affairs of each principal executive
5 department, branch, institution, agency, and office of this state.

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

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

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

26 Sec. 623. Any audits, reviews, or investigations requested of
27 the auditor general by the legislature or by legislative

1 leadership, legislative committees, or individual legislators shall
2 include an estimate of the additional costs involved and, when
3 those costs exceed \$50,000.00, should provide supplemental funding.
4 The auditor general shall determine whether to perform those
5 activities in keeping with Audit Directive No. 29, which describes
6 the office of the auditor general's policy on responding to
7 legislative requests.

8 DEPARTMENT OF MANAGEMENT AND BUDGET

9 Sec. 702. Proceeds in excess of necessary costs incurred in
10 the conduct of transfers or auctions of state surplus, salvage, or
11 scrap property made pursuant to section 267 of the management and
12 budget act, 1984 PA 431, MCL 18.1267, are appropriated to the
13 department of management and budget to offset costs incurred in the
14 acquisition and distribution of federal surplus property.

15 Sec. 704. (1) The department of management and budget may
16 receive and expend funds in addition to those authorized by part 1
17 for maintenance and operation services provided specifically to
18 other principal executive departments or state agencies, the
19 legislative branch, the judicial branch, or private tenants, or
20 provided in connection with facilities transferred to the
21 operational jurisdiction of the department of management and
22 budget.

23 (2) The department of management and budget may receive and
24 expend funds in addition to those authorized by part 1 for real
25 estate, architectural, design, and engineering services provided
26 specifically to other principal executive departments or state

1 agencies, the legislative branch, or the judicial branch.

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

7 (4) The department of management and budget may receive and
8 expend funds in addition to those authorized in part 1 for
9 purchasing services provided specifically to other principal
10 executive departments and state agencies, the legislative branch,
11 or the judicial branch.

12 Sec. 705. (1) The source of financing in part 1 for statewide
13 appropriations shall be funded by assessments against longevity and
14 insurance appropriations throughout state government in a manner
15 prescribed by the department of management and budget. Funds shall
16 be used as specified in joint labor/management agreements or
17 through the coordinated compensation hearings process. Any deposits
18 made under this subsection and any unencumbered funds are
19 restricted revenues, may be carried over into the succeeding fiscal
20 years, and are appropriated.

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

27 Sec. 706. To the extent a specific appropriation is required

1 for a detailed source of financing included in part 1 for the
2 department of management and budget appropriations financed from
3 special revenue and internal service and pension trust funds, or
4 MAIN user charges, the specific amounts are appropriated within the
5 special revenue internal service and pension trust funds in
6 portions not to exceed the aggregate amount appropriated in part 1.

7 Sec. 707. In addition to the funds appropriated in part 1 to
8 the department of management and budget, the department may receive
9 and expend funds from other principal executive departments and
10 state agencies to implement donated annual leave and administrative
11 leave bank transfer provisions as may be specified in joint
12 labor/management agreements. The amounts may also be transferred to
13 other principal executive departments and state agencies under the
14 joint agreement and any amounts transferred under the joint
15 agreement are authorized for receipt and expenditure by the
16 receiving principal executive department or state agency. Any
17 amounts received by the department of management and budget under
18 this section and intended, under the joint labor/management
19 agreements, to be available for use beyond the close of the fiscal
20 year and any unencumbered funds may be carried over into the
21 succeeding fiscal year.

22 Sec. 708. The source of financing in part 1 for the Michigan
23 administrative information network shall be funded by proportionate
24 charges assessed against the respective state funds benefiting from
25 this project in the amounts determined by the department.

26 Sec. 709. (1) Deposits against the interdepartmental grant
27 from building occupancy and parking charges appropriated in part 1

1 shall be collected, in part, from state agencies, the legislative
2 branch, and the judicial branch based on estimated costs associated
3 with maintenance and operation of buildings managed by the
4 department of management and budget. To the extent excess revenues
5 are collected due to estimates of building occupancy charges
6 exceeding actual costs, the excess revenues may be carried forward
7 into succeeding fiscal years for the purpose of returning funds to
8 state agencies.

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

13 Sec. 710. The department of management and budget shall notify
14 the chairpersons of the senate and house of representatives
15 standing committees on appropriations and the chairpersons of the
16 senate and house of representatives standing committees on
17 appropriations subcommittees on general government on any revisions
18 that increase or decrease current contracts by more than
19 \$500,000.00 for computer software development, hardware
20 acquisition, or quality assurance at least 14 days before the
21 department of management and budget finalizes the revisions.

22 Sec. 711. The department of management and budget shall
23 maintain an Internet website that contains notice of all
24 invitations for bids and requests for proposals over \$50,000.00
25 issued by the department or by any state agency operating under
26 delegated authority. The department shall not accept an invitation
27 for bid or request for proposal in less than 14 days after the

1 notice is made available on the Internet website, except in
2 situations where it would be in the best interest of the state and
3 documented by the department. In addition to the requirements of
4 this section, the department may advertise the invitations for bids
5 and requests for proposals in any manner the department determines
6 appropriate, in order to give the greatest number of individuals
7 and businesses the opportunity to make bids or requests for
8 proposals.

9 Sec. 712. The department of management and budget may receive
10 and expend funds from the Vietnam veterans memorial monument fund
11 as provided in the Michigan Vietnam veterans memorial act, 1988 PA
12 234, MCL 35.1051 to 35.1057. Funds are appropriated and allocated
13 when received and may be expended upon receipt.

14 Sec. 713. The Michigan veterans' memorial park commission may
15 receive and expend money from any source, public or private,
16 including, but not limited to, gifts, grants, donations of money,
17 and government appropriations, for the purposes described in
18 Executive Order No. 2001-10. Funds are appropriated and allocated
19 when received and may be expended upon receipt. Any deposits made
20 under this section and unencumbered funds are restricted revenues
21 and may be carried over into succeeding fiscal years.

22 Sec. 715. (1) Funds in part 1 for motor vehicle fleet are
23 appropriated to the department of management and budget for
24 administration and for the acquisition, lease, operation,
25 maintenance, repair, replacement, and disposal of state motor
26 vehicles.

27 (2) The appropriation in part 1 for motor vehicle fleet shall

1 be funded by revenue from rates charged to principal executive
2 departments and agencies for utilizing vehicle travel services
3 provided by the department. Revenue in excess of the amount
4 appropriated in part 1 from the motor transport fund and any
5 unencumbered funds are restricted revenues and may be carried over
6 into the succeeding fiscal year.

7 (3) It is the intent of the legislature that the department of
8 management and budget have the authority to determine the
9 appropriateness of vehicle assignment, to include year, make,
10 model, size, and price of vehicle. The department may assign motor
11 vehicles, permanently or temporarily, to state agencies and to
12 institutions of higher education.

13 (4) Pursuant to the department of management and budget's
14 authority under sections 213 and 215 of the management and budget
15 act, 1984 PA 431, MCL 18.1213 and 18.1215, the department shall
16 maintain a plan regarding the operation of the motor vehicle fleet.
17 The plan shall include the number of vehicles assigned to, or
18 authorized for use by, state departments and agencies, efforts to
19 reduce vehicle expenditures, the number of cars in the motor
20 vehicle fleet, the number of miles driven by fleet vehicles, and
21 the number of gallons of fuel consumed by fleet vehicles. The plan
22 shall include a calculation of the amount of state motor vehicle
23 fuel taxes that would have been incurred by fleet vehicles if fleet
24 vehicles were required by law to pay motor fuel taxes. The plan
25 shall include a description of fleet garage operations, the goods
26 sold and services provided by the fleet garage, the cost to operate
27 the fleet garage, the number of fleet garage locations, and the

1 number of employees assigned to each fleet garage. The plan may be
2 adjusted during the fiscal year based on needs and cost savings to
3 achieve the maximum value and efficiency from the state motor
4 fleet. Within 60 days after the close of the fiscal year, the
5 department shall provide a report to the senate and house of
6 representatives standing committees on appropriations and the
7 senate and house fiscal agencies detailing the current plan and
8 changes made to the plan during the fiscal year.

9 (5) The department of management and budget may charge state
10 agencies for fuel cost increases that exceed \$2.27 per gallon of
11 unleaded gasoline. The department shall notify state agencies, in
12 writing or by electronic mail, at least 30 days before implementing
13 additional charges for fuel cost increases. Revenues received from
14 these charges are appropriated upon receipt.

15 Sec. 716. The department of management and budget shall adopt
16 policies and procedures necessary for compliance by the department,
17 other state departments and agencies, and state vendors and
18 subcontractors, with the requirement under subsection (1) of
19 section 261 of the management and budget act, 1984 PA 431, MCL
20 18.1261, to provide a purchasing preference for products
21 manufactured or services offered by Michigan-based firms.

22 Sec. 717. In determining whether the purchase, contracting
23 for, providing of supplies, materials, services, insurance,
24 utilities, third-party financing, equipment, printing, and other
25 items needed by state departments or agencies is in the best
26 interests of this state, and in making all discretionary decisions
27 concerning the solicitation, award, amendment, cancellation, or

1 appeal of state contracts, the department of management and budget
2 shall consider all of the following:

3 (a) Whether a proposal by a vendor to provide services to this
4 state using employees, contractors, subcontractors, or other
5 individuals who are not citizens of the United States, legal
6 resident aliens, or individuals with a valid visa would be
7 detrimental to the state of Michigan, its residents, or the state's
8 economy.

9 (b) Whether a proposal by a vendor to provide services to this
10 state from a location outside of this state or the United States
11 would be detrimental to the state of Michigan, its residents, or
12 the state's economy.

13 (c) Whether a proposal by a vendor to provide goods to this
14 state produced outside of this state or the United States would be
15 detrimental to the state of Michigan, its residents, or the state's
16 economy.

17 (d) Whether the acquisition of goods or services from a vendor
18 that is an expatriated business entity located in a tax haven
19 country or an affiliate of an expatriated business entity located
20 in a tax haven country would be detrimental to the state of
21 Michigan, its residents, or the state's economy. As used in this
22 section, "expatriated business entity" means a corporation or an
23 affiliate of the corporation incorporated in a tax haven country
24 after September 11, 2001, but with the United States as the
25 principal market for the public trading of the corporation's stock,
26 as determined by the director of the department of management and
27 budget. "Tax haven country" means each of the following: Barbados,

1 Bermuda, British Virgin Islands, Cayman Islands, Commonwealth of
2 the Bahamas, Cyprus, Gibraltar, Isle of Man, the Principality of
3 Liechtenstein, the Principality of Monaco, and the Republic of the
4 Seychelles.

5 (e) Whether the provision of services to this state at a
6 location outside of this state or the United States would be
7 detrimental to the privacy interests of Michigan residents, or risk
8 the disclosure of personal information of Michigan residents, such
9 as social security, financial, or medical data.

10 (f) Whether a proposal by a vendor to provide services to this
11 state from a location outside of this state or the United States
12 would constitute undue risk under a risk management policy,
13 practice, or procedure adopted by the department of management and
14 budget under section 204 of the management and budget act, 1984 PA
15 431, MCL 18.1204.

16 (g) Whether a proposal by a vendor to provide goods to this
17 state produced outside of this state or the United States would
18 constitute undue risk under a risk management policy, practice, or
19 procedure adopted by the department of management and budget under
20 section 204 of the management and budget act, 1984 PA 431, MCL
21 18.1204.

22 Sec. 718. The department of management and budget shall
23 collect from vendors information necessary to comply with the
24 requirements of this act, as determined by the department. The
25 department of management and budget may require vendors to provide
26 any of the following:

27 (a) Information relating to the location of work performed

1 under a state contract by the vendor and any subcontractors,
2 employees, or other persons performing a state contract.

3 (b) Information regarding the corporate structure and location
4 of corporate employees and activities of the vendor, its
5 affiliates, or any subcontractors.

6 (c) Notice of the relocation of the vendor, employees of the
7 vendor, subcontractors of the vendor, or other persons performing
8 services under a state contract outside of the state of Michigan.

9 Sec. 719. The department of management and budget may require
10 that any vendor or subcontractor providing call or contact center
11 services to the state of Michigan disclose to inbound callers the
12 location from which the call or contact center services are being
13 provided.

14 Sec. 721. In addition to the funds appropriated in part 1, the
15 department of management and budget may receive and expend money
16 from the Michigan law enforcement officers memorial monument fund
17 as provided in the Michigan law enforcement officers memorial act,
18 2004 PA 177, MCL 28.781 to 28.787.

19 Sec. 722. In addition to the funds appropriated in part 1, the
20 department of management and budget may receive and expend money
21 from the Ronald Wilson Reagan memorial monument fund as provided in
22 the Ronald Wilson Reagan memorial monument fund commission act,
23 2004 PA 489, MCL 399.261 to 399.266.

24 Sec. 723. The department shall make available to the public a
25 list of all parcels of real property owned by the state that are
26 available for purchase. The list shall be posted on the Internet
27 through the department's website.

1 Sec. 724. Of the \$16,793,100.00 included in part 1 for the
2 department of management and budget, retirement services,
3 \$300,000.00 shall be used for a project to implement amendments to
4 the public school employees retirement act of 1979, 1980 PA 300,
5 MCL 38.1301 to 38.1408, to allow public school retirees to add a
6 new spouse as a pension beneficiary when a previous spouse dies or
7 if the retiree was not married at the time of retirement.

8 Unexpended appropriations are designated as work project
9 appropriations and shall not lapse at the end of the fiscal year
10 and shall continue to be available for expenditure until the
11 project has been completed. The following is in compliance with
12 section 451a of the management and budget act, 1984 PA 431, MCL
13 18.1451a:

14 (a) The purpose of the project is to implement amendments to
15 the public school employees retirement act of 1979, 1980 PA 300,
16 MCL 38.1301 to 38.1408, to allow public school retirees to add a
17 new spouse as a pension beneficiary when a previous spouse dies or
18 if the retiree was not married at the time of retirement.

19 (b) The project will be accomplished by state employees and
20 contract.

21 (c) The total estimated cost of the project is \$300,000.00.

22 (d) The tentative completion date is September 30, 2009.

23 Sec. 724a. The department of management and budget shall
24 assist the department of information technology in determining how
25 existing 2-1-1 capacities will be utilized by each state department
26 with community resource information and referral service,
27 including, but not limited to, toll-free help and information lines

1 and comprehensive human service databases.

2 Sec. 724b. Funds appropriated in part 1 shall not be used by a
3 principal executive department, state agency, or authority to hire
4 a person to provide legal services that are the responsibility of
5 the attorney general.

6 STATE BUILDING AUTHORITY

7 Sec. 725. (1) Subject to section 242 of the management and
8 budget act, 1984 PA 431, MCL 18.1242, and upon the approval of the
9 state building authority, the department may expend from the
10 general fund of the state during the fiscal year ending September
11 30, 2008 an amount to meet the cash flow requirements of those
12 state building authority projects solely for lease to a state
13 agency identified in both part 1 and this section, and for which
14 state building authority bonds or notes have not been issued, and
15 for the sole acquisition by the state building authority of
16 equipment and furnishings for lease to a state agency as permitted
17 by 1964 PA 183, MCL 830.411 to 830.425, for which the issuance of
18 bonds or notes is authorized by a legislative concurrent resolution
19 that is effective for the fiscal year ending September 30, 2008.
20 Any general fund advances for which state building authority bonds
21 have not been issued shall bear an interest cost to the state
22 building authority at a rate not to exceed that earned by the state
23 treasurer's common cash fund during the period in which the
24 advances are outstanding and are repaid to the general fund of the
25 state.

26 (2) Upon sale of bonds or notes for the projects identified in

1 part 1 or for equipment as authorized by legislative concurrent
2 resolution and in this section, the state building authority shall
3 credit the general fund of the state an amount equal to that
4 expended from the general fund plus interest, if any, as defined in
5 this section.

6 (3) For state building authority projects for which bonds or
7 notes have been issued and upon the request of the state building
8 authority, the state treasurer shall make advances without interest
9 from the general fund as necessary to meet cash flow requirements
10 for the projects, which advances shall be reimbursed by the state
11 building authority when the investments earmarked for the financing
12 of the projects mature.

13 (4) In the event that a project identified in part 1 is
14 terminated after final design is complete, advances made on behalf
15 of the state building authority for the costs of final design shall
16 be repaid to the general fund in a manner recommended by the
17 director and approved by the JCOS.

18 Sec. 726. (1) State building authority funding to finance
19 construction or renovation of a facility that collects revenue in
20 excess of money required for the operation of that facility shall
21 not be released to a university or community college unless the
22 institution agrees to reimburse that excess revenue to the state
23 building authority. The excess revenue shall be credited to the
24 general fund to offset rent obligations associated with the
25 retirement of bonds issued for that facility. The auditor general
26 shall annually identify and present an audit of those facilities
27 that are subject to this section. Costs associated with the

1 administration of the audit shall be charged against money
2 recovered pursuant to this section.

3 (2) As used in this section, "revenue" includes state
4 appropriations, facility opening money, other state aid, indirect
5 cost reimbursement, and other revenue generated by the activities
6 of the facility.

7 Sec. 727. (1) The state building authority rent appropriations
8 in part 1 may also be expended for the payment of required premiums
9 for insurance on facilities owned by the state building authority
10 or payment of costs that may be incurred as the result of any
11 deductible provisions in such insurance policies.

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

18 Sec. 728. The department of management and budget shall
19 provide the JCOS and the senate and house fiscal agencies a report
20 relative to the status of construction projects associated with
21 state building authority bonds as of September 30 of each year, on
22 or before October 15, or not more than 30 days after a refinancing
23 or restructuring bond issue is sold. The report shall include, but
24 is not limited to, the following:

25 (a) A list of all completed construction projects for which
26 state building authority bonds have been sold, and which bonds are
27 currently active.

1 (b) A list of all projects under construction for which sale
2 of state building authority bonds is pending.

3 (c) A list of all projects authorized for construction or
4 identified in an appropriations act for which approval of
5 schematic/preliminary plans or total authorized cost is pending
6 that have state building authority bonds identified as a source of
7 financing.

8 Sec. 729. Funds appropriated in part 1 shall not be used by a
9 principal executive department, state agency, or authority to hire
10 a person to provide legal services that are the responsibility of
11 the attorney general.

12 DEPARTMENT OF STATE

13 Sec. 802. All funds made available by section 3171 of the
14 insurance code of 1956, 1956 PA 218, MCL 500.3171, are appropriated
15 and made available to the department of state to be expended only
16 for the uses and purposes for which the funds are received as
17 provided by sections 3171 to 3177 of the insurance code of 1956,
18 1956 PA 218, MCL 500.3171 to 500.3177.

19 Sec. 803. From the funds appropriated in part 1, the
20 department of state shall sell copies of records including, but not
21 limited to, records of motor vehicles, off-road vehicles,
22 snowmobiles, watercraft, mobile homes, personal identification
23 cardholders, drivers, and boat operators and shall charge \$7.00 per
24 record sold only as authorized in section 208b of the Michigan
25 vehicle code, 1949 PA 300, MCL 257.208b, section 7 of 1972 PA 222,
26 MCL 28.297, and sections 80130, 80315, 81114, and 82156 of the

1 natural resources and environmental protection act, 1994 PA 451,
2 MCL 324.80130, 324.80315, 324.81114, and 324.82156. The revenue
3 received from the sale of records shall be credited to the
4 transportation administration collection fund created under section
5 810b of the Michigan vehicle code, 1949 PA 300, MCL 257.810b.

6 Sec. 804. From the funds appropriated in part 1, the secretary
7 of state may enter into agreements with the department of
8 corrections for the manufacture of vehicle registration plates 15
9 months before the registration year in which the registration
10 plates will be used.

11 Sec. 805. (1) The department of state may accept gifts,
12 donations, contributions, and grants of money and other property
13 from any private or public source to underwrite, in whole or in
14 part, the cost of a departmental publication that is prepared and
15 disseminated under the Michigan vehicle code, 1949 PA 300, MCL
16 257.1 to 257.923. A private or public funding source may receive
17 written recognition in the publication and may furnish a traffic
18 safety message, subject to departmental approval, for inclusion in
19 the publication. The department may reject a gift, donation,
20 contribution, or grant. The department may furnish copies of a
21 publication underwritten, in whole or in part, by a private source
22 to the underwriter at no charge.

23 (2) The department of state may sell and accept paid
24 advertising for placement in a departmental publication that is
25 prepared and disseminated under the Michigan vehicle code, 1949 PA
26 300, MCL 257.1 to 257.923. The department may charge and receive a
27 fee for any advertisement appearing in a departmental publication

1 and shall review and approve the content of each advertisement. The
2 department may refuse to accept advertising from any person or
3 organization. The department may furnish a reasonable number of
4 copies of a publication to an advertiser at no charge.

5 (3) Pending expenditure, the funds received under this section
6 shall be deposited in the Michigan department of state publications
7 fund created by section 211 of the Michigan vehicle code, 1949 PA
8 300, MCL 257.211. Funds given, donated, or contributed to the
9 department from a private source are appropriated and allocated for
10 the purpose for which the revenue is furnished. Funds granted to
11 the department from a public source are allocated and may be
12 expended upon receipt. The department shall not accept a gift,
13 donation, contribution, or grant if receipt is conditioned upon a
14 commitment of state funding at a future date. Revenue received from
15 the sale of advertising is appropriated and may be expended upon
16 receipt.

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

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

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

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

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

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

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

19 Sec. 806. Funds collected by the department of state under
20 section 211 of the Michigan vehicle code, 1949 PA 300, MCL 257.211,
21 are appropriated for all expenses necessary to provide for the
22 costs of the publication. Funds are allotted for expenditure when
23 they are received by the department of treasury and shall not lapse
24 to the general fund at the end of the fiscal year.

25 Sec. 807. From the funds appropriated in part 1, the
26 department of state shall use available balances at the end of the
27 state fiscal year to provide payment to the department of state

1 police in the amount of \$331,400.00 for the services provided by
2 the traffic accident records program as first appropriated in 1990
3 PA 196 and 1990 PA 208.

4 Sec. 808. From the funds appropriated in part 1, the
5 department of state may restrict funds from miscellaneous revenue
6 to cover cash shortages created from normal branch office
7 operations. This amount shall not exceed \$50,000.00 of the total
8 funds available in miscellaneous revenue.

9 Sec. 809. (1) Commemorative and specialty license plate fee
10 revenue collected by the department of state and deposited into the
11 transportation administration collection fund is authorized for
12 expenditure up to the amount of revenue collected but not to exceed
13 the amount appropriated to the department of state in part 1 to
14 administer commemorative and specialty license plate programs.

15 (2) Commemorative and specialty license plate fee revenue
16 collected by the department of state and deposited in the
17 transportation administration collection fund, in addition to the
18 amount appropriated in part 1 to the department of state, shall
19 remain in the transportation administration collection fund and be
20 available for future appropriation.

21 Sec. 810. (1) Collector plate and fund-raising registration
22 plate revenues collected by the department of state are
23 appropriated and allotted for distribution to the recipient
24 university or public or private agency overseeing a state-sponsored
25 goal when received. Distributions shall occur on a quarterly basis
26 or as otherwise authorized by law. Any revenues remaining at the
27 end of the fiscal year shall not lapse to the general fund but

1 shall remain available for distribution to the university or agency
2 in the next fiscal year.

3 (2) Funds or revenues in the Olympic education training center
4 fund are appropriated for distribution to the Olympic education
5 training center at Northern Michigan University. Distributions
6 shall occur on a quarterly basis. Any undistributed revenue
7 remaining at the end of the fiscal year shall be carried over into
8 the next fiscal year.

9 Sec. 811. The department of state may produce and sell copies
10 of a training video designed to inform registered automotive repair
11 facilities of their obligations under Michigan law. The price shall
12 not exceed the cost of production and distribution. The money
13 received from the sale of training videos shall revert to the
14 department of state and be placed in the auto repair facility
15 account.

16 Sec. 812. (1) The department of state, in collaboration with
17 the gift of life transplantation society or its successor federally
18 designated organ procurement organization, may develop and
19 administer a public information campaign concerning the Michigan
20 organ donor program.

21 (2) The department may solicit funds from any private or
22 public source to underwrite, in whole or in part, the public
23 information campaign authorized by this section. The department may
24 accept gifts, donations, contributions, and grants of money and
25 other property from private and public sources for this purpose. A
26 private or public funding source underwriting the public
27 information campaign, in whole or in substantial part, shall

1 receive sponsorship credit for its financial backing.

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

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

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

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

20 Sec. 815. At least 60 days prior to the announcement of
21 secretary of state branch office closings, consolidations, or
22 relocations, the department of state shall inform members of the
23 senate and house of representatives standing committees on
24 appropriations and legislators who represent affected areas
25 regarding the details of the proposal. The information provided
26 shall be in written form and include all analyses done regarding
27 criteria for changes in the location of branch offices, including,

1 but not limited to, branch transactions, revenue, and the impact on
2 citizens of the affected area. The impact on citizens shall include
3 information regarding additional distance to branch office
4 locations resulting from the plan. The written notice provided by
5 the department of state shall also include detailed estimates of
6 costs and savings that will result from the overall changes made to
7 the branch office structure.

8 Sec. 815a. By December 15, the department of state shall
9 report to the senate and house of representatives standing
10 committees on appropriations subcommittees on general government
11 and the senate and house fiscal agencies the number of branch
12 office transactions completed online by Michigan residents in the
13 immediately preceding fiscal year.

14 Sec. 816. (1) Any service assessment collected by the
15 department of state from the user of a credit or debit card under
16 section 3 of 1995 PA 144, MCL 11.23, is appropriated to the
17 department for necessary expenses related to that service and may
18 be remitted to a credit or debit card company, bank, or other
19 financial institution. Funds are allocated for expenditure when
20 they are received by the department of treasury.

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

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

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

9 Sec. 818. (1) Funds in part 1 for motorcycle safety education
10 grants and administration are appropriated to the department of
11 state for operation of the motorcycle safety education program
12 previously operated by the department of education under section
13 811a of the Michigan vehicle code, 1949 PA 300, MCL 257.811a.

14 (2) Funds in part 1 for motorcycle safety education grants and
15 administration shall be derived from original and renewal
16 motorcycle license endorsements, annual motorcycle registration
17 fees, and motorcycle operator driving test fees.

18 (3) Funds in part 1 for motorcycle safety education grants and
19 administration shall be used to provide grants to colleges,
20 universities, intermediate school districts, local school
21 districts, law enforcement agencies, or other governmental agencies
22 located in the state, to help subsidize safety training courses for
23 individuals interested in operating motorcycles.

24 (4) Funds in part 1 for motorcycle safety education grants and
25 administration may be used by the department of state for
26 administration costs of the motorcycle safety education program, to
27 include, but not be limited to, review and approval or disapproval

1 of grant applications, monitoring eligibility of motorcycle safety
2 instructors, conducting program evaluation, certifying third-party
3 testers, and inspecting training sites.

4 Sec. 819. (1) From the funds appropriated in part 1 to the
5 department of state for information technology services and
6 projects, there is appropriated \$4,550,000.00 for the business
7 application modernization project. Funds shall only be used for the
8 development, implementation, and maintenance of the business
9 application modernization project.

10 (2) The unexpended funds appropriated in part 1 for the
11 business application modernization project are designated as work
12 project appropriations and shall not lapse at the end of the fiscal
13 year. Any unencumbered or unallotted funds shall be carried over
14 into the succeeding fiscal year and shall continue to be available
15 for expenditure until the project has been completed. The total
16 cost is estimated at \$30,000,000.00, and the tentative completion
17 date is September 30, 2010.

18 Sec. 820. Funds appropriated in part 1 shall not be used by a
19 principal executive department, state agency, or authority to hire
20 a person to provide legal services that are the responsibility of
21 the attorney general.

22 Sec. 821. (1) The department of state may accept nonmonetary
23 gifts, donations, or contributions of property from any private or
24 public source to support, in whole or in part, the operation of a
25 departmental function relating to licensing, regulation, or safety.
26 The department may recognize a private or public contributor for
27 making the contribution. The department may reject a gift,

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1 donation, or contribution.

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

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

<<Sec. 824. From the funds appropriated in part 1 to the department
of state, branch operations, the department shall maintain a full service
secretary of state branch office in Buena Vista Township.

Sec. 825. From the funds appropriated in part 1 to the department
of state, branch operations, the department shall maintain a full service
secretary of state branch office in Milan.>>

Sec. 826. From the funds appropriated in part 1 to the department
of state, branch operations, the department shall maintain a secretary of
state branch office in each location that existed on August 1, 2007.>>

12 **DEPARTMENT OF TREASURY**

13 **OPERATIONS**

14 Sec. 902. (1) Amounts needed to pay for interest, fees,
15 principal, arbitrage rebates as required by federal law, and costs
16 associated with the payment, registration, trustee services, credit
17 enhancements, and issuing costs in excess of the amount
18 appropriated to the department of treasury in part 1 for debt
19 service on notes and bonds that are issued by the state under
20 sections 14, 15, and 16 of article IX of the state constitution of
21 1963 as implemented by 1967 PA 266, MCL 17.451 to 17.455, are
22 appropriated.

23 (2) In addition to the amount appropriated to the department
24 of treasury for debt service in part 1, there is appropriated an
25 amount for fiscal year cash-flow borrowing costs to pay for
26 interest on interfund borrowing made under 1967 PA 55, MCL 12.51 to
S01430'07 (S-3)

1 12.53.

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

16 (2) From the funds appropriated in part 1, the department of
17 treasury may contract with private collections agencies and law
18 firms to collect defaulted student loans and other accounts due the
19 Michigan guaranty agency. In addition to the amounts appropriated
20 in part 1 to the department of treasury, there are appropriated
21 amounts necessary to fund collection costs and fees not to exceed
22 22% of the collection or a lesser amount as prescribed by the
23 contract. The appropriation to fund collection costs and fees for
24 the auditing and collection of defaulted student loans due the
25 Michigan guaranty agency is from the fund or account to which the
26 revenues being collected are recorded or dedicated.

27 (3) The department of treasury shall submit a report for the

1 immediately preceding fiscal year ending September 30 to the state
2 budget director and the senate and house of representatives
3 standing committees on appropriations not later than November 30
4 stating the agencies or law firms employed, the amount of
5 collections for each, the costs of collection, and other pertinent
6 information relating to determining whether this authority should
7 be continued.

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

19 (2) In addition to the funds appropriated in part 1 from the
20 retirement funds to the department of treasury, there is
21 appropriated from retirement funds an amount sufficient to pay for
22 the services of money managers, investment advisors, investment
23 consultants, custodians, and other outside professionals, the state
24 treasurer considers necessary to prudently manage the retirement
25 funds' investment portfolios. The state treasurer shall report
26 annually to the senate and house of representatives standing
27 committees on appropriations and the state budget office concerning

1 the performance of each portfolio by investment advisor.

2 Sec. 904a. (1) There is appropriated an amount sufficient to
3 recognize and pay expenditures for financial services provided by
4 financial institutions as provided under section 1 of 1861 PA 111,
5 MCL 21.181.

6 (2) The appropriations under subsection (1) shall be funded by
7 restricting revenues from common cash interest earnings and
8 investment earnings in an amount sufficient to record these
9 expenditures.

10 Sec. 905. (1) The department of treasury shall sell copies of
11 the state tax manual, uniform accounting procedures manual, general
12 property tax law manual, and other local government assistance
13 manuals with amendments, at a price not to exceed the cost of
14 production. The revenue received from the sale of preparation and
15 local government assistance manuals shall revert to the department
16 of treasury and be placed in the local government assistance manual
17 revolving fund.

18 (2) In addition to the funds appropriated in part 1, revenue
19 received from the sale of those manuals is appropriated.

20 Sec. 906. (1) The department of treasury shall charge for
21 audits as permitted by state or federal law or under contractual
22 arrangements with local units of government, other principal
23 executive departments, or state agencies. A report detailing audits
24 performed and audit charges for the immediately preceding fiscal
25 year shall be submitted to the state budget director and the senate
26 and house fiscal agencies not later than November 30.

27 (2) The appropriation in part 1 to the department of treasury,

1 for state compliance audits, shall be used to cover the cost of the
2 state audits performed by independent certified public accountants
3 or department of treasury auditors. The scope of the state audit
4 shall be defined by the state treasurer. The state audits shall be
5 performed by independent certified public accountants contracted
6 with by the state treasurer or by department of treasury auditors,
7 if the county has agreed to contract with and pay the department
8 for their financial single audit.

9 (3) The state audits shall be performed for the most current
10 county fiscal year in conjunction with the financial single audit.
11 The state audit may be performed either by certified public
12 accountants contracted by the state treasurer or department of
13 treasury staff, independent of the financial single audit, if a
14 state audit has not been performed within the last 3 years.

15 Sec. 907. A revolving fund known as the assessor certification
16 and training fund is created in the department of treasury. The
17 assessor certification and training fund shall be used to organize
18 and operate a property assessor certification and training program.
19 Each participant certified and trained shall pay to the department
20 of treasury an examination fee of \$50.00, an initial certification
21 fee of \$50.00, an annual renewal fee of \$75.00 for levels 1 and 2,
22 and \$125.00 for levels 3 and 4 to offset the cost of administering
23 the certification and training program. Training courses shall be
24 offered in assessment administration. Each participant shall pay a
25 fee to cover the expenses incurred in offering the optional
26 programs to certified assessing personnel and other individuals
27 interested in an assessment career opportunity. The fees collected

1 shall be credited to the assessor certification and training fund.

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

8 Sec. 909. Revenue from the airport parking tax act, 1987 PA
9 248, MCL 207.371 to 207.383, is appropriated and shall be
10 distributed under section 7a of the airport parking tax act, 1987
11 PA 248, MCL 207.377a.

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

15 Sec. 911. (1) There is appropriated an amount sufficient to
16 recognize and pay refundable income tax credits as provided by the
17 management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

18 (2) The appropriations under subsection (1) shall be funded by
19 restricting income tax revenue in an amount sufficient to record
20 these expenditures.

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

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

27 (b) A fee of \$6.00 at the time any other writ of garnishment

1 is served upon the state treasurer, except that the fee shall be
2 reduced to \$5.00 for each writ of garnishment for individual income
3 tax refunds or credits filed by magnetic media.

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

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

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

23 Sec. 915. Pursuant to section 61 of the Michigan campaign
24 finance act, 1976 PA 388, MCL 169.261, there is appropriated from
25 the general fund to the state campaign fund an amount equal to the
26 amounts designated for tax year 2006. Except as otherwise provided
27 in this section, the amount appropriated shall not revert to the

1 general fund and shall remain in the state campaign fund. Any
2 amounts remaining in the state campaign fund in excess of
3 \$10,000,000.00 on December 31, 2007 shall revert to the general
4 fund.

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

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

20 (2) The department of treasury shall submit a report for the
21 immediately preceding fiscal year to the state budget director and
22 the senate and house fiscal agencies not later than November 30,
23 stating the amounts appropriated for write-offs and advances under
24 subsection (1).

25 Sec. 918. In addition to funds appropriated in part 1, the
26 department of treasury may receive and expend funds for conducting
27 tax orientation workshops and seminars. Funds received may not

1 exceed costs incurred in conducting the workshops and seminars.

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

13 (2) From funds collected by the department of treasury under
14 the uniform unclaimed property act, 1995 PA 29, MCL 567.221 to
15 567.265, and appropriated for unclaimed property, \$51,000.00 shall
16 be paid as annual dues to the national conference of commissioners
17 on uniform state laws.

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

25 Sec. 920. Payments from the appropriation in part 1 to the
26 department of treasury for grants to counties in lieu of taxes for
27 lands transferred to the federal government include a payment for

1 Sleeping Bear Dunes national lakeshore under 1974 PA 359, MCL 3.901
2 to 3.910.

3 Sec. 921. The state general fund/general purpose appropriation
4 in part 1 for renaissance zone reimbursement is allocated to
5 reimburse public libraries as provided by section 12 of the
6 Michigan renaissance zone act, 1996 PA 376, MCL 125.2692, for
7 property taxes levied in 2007. Reimbursements shall be made in
8 amounts to each eligible recipient not later than 60 days after the
9 department of treasury has received all necessary information to
10 properly determine the amounts due each eligible recipient under
11 section 12(4) of the Michigan renaissance zone act, 1996 PA 376,
12 MCL 125.2692. Any excess allocations shall lapse to the general
13 fund.

14 Sec. 922. The department of treasury shall submit a report for
15 the immediately preceding fiscal year ending September 30 to the
16 senate and house of representatives standing committees on
17 appropriations subcommittees on general government, the senate and
18 house fiscal agencies, and the state budget director by November 30
19 stating the amount of Michigan transportation fund revenue
20 collected and the cost of collection.

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

26 (2) The department of treasury shall submit a report for the
27 immediately preceding fiscal year to the state budget director and

1 the senate and house fiscal agencies not later than December 31,
2 stating the amount of revenue appropriated for principal residence
3 audits under subsection (1).

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

13 Sec. 929. The department of treasury may enter into agreements
14 to supply data or collection services to other executive principal
15 departments or state agencies, the United States department of
16 treasury, or local units of government within this state. The
17 department of treasury shall charge for this tax data service and
18 amounts received are appropriated and shall be expended for
19 salaries and wages, fees, supplies, and equipment necessary to
20 provide the service. Any unobligated balance of the fund shall
21 revert to the general fund of this state as of September 30.

22 Sec. 930. (1) The department of treasury shall provide
23 accounts receivable collections services to other principal
24 executive departments and state agencies under 1927 PA 375, MCL
25 14.131 to 14.134. The department of treasury shall deduct a fee
26 equal to the cost of collections from all receipts except
27 unrestricted general fund collections. Fees shall be credited to a

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1 restricted revenue account and appropriated to the department of
2 treasury to pay for the cost of collections. The department of
3 treasury shall maintain accounting records in sufficient detail to
4 enable the respective accounts to be reimbursed periodically for
5 fees deducted that are determined by the department of treasury to
6 be surplus to the actual cost of collections.

7 (2) The department of treasury shall submit a report for the
8 immediately preceding fiscal year to the state budget director and
9 the senate and house fiscal agencies not later than November 30,
10 stating the principal executive departments and state agencies
11 served, funds collected, and costs of collection under subsection
12 (1).

13 Sec. 930a. The department shall select a private collection
14 agency to perform secondary collection activities in an effort to
15 benchmark primary agency performance for all individual tax,
16 discontinued business tax, and <<state agency accounts, and all active
17 business tax accounts older than 36 months. >>

18 Consistent with sound collection practices and to maximize the
19 effectiveness of those collection activities, the department shall
20 not select a collection agency, or related entity, that has already
21 attempted to collect the debt in question. Any request for proposal
22 required to implement this section shall be issued by October 1,
23 2007. The department shall report its progress on second placement
24 collection activities on a quarterly basis during the fiscal year.

25 Sec. 931. (1) The appropriation in part 1 to the department of
26 treasury for treasury fees shall be assessed against all restricted
27 funds that receive common cash earnings. Treasury fees include all

1 costs, including administrative overhead, relating to the
2 investment of each restricted fund. The fee assessed against each
3 restricted fund will be based on the size of the restricted fund
4 (the absolute value of the average daily cash balance plus the
5 market value of investments in the prior fiscal year) and the level
6 of effort necessary to maintain the restricted fund as required by
7 each department. The department of treasury shall provide a report
8 to the state budget director, the senate and house of
9 representatives standing committees on appropriations subcommittees
10 on general government, and the senate and house fiscal agencies by
11 November 30 of each year identifying the fees assessed against each
12 restricted fund.

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

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

26 Sec. 933. (1) The \$1,000,000.00 appropriated in part 1 for the
27 Michigan education savings program is from the Michigan merit award

1 trust fund to fund an incentive program for the Michigan education
2 savings program created under the Michigan education savings
3 program act, 2000 PA 161, MCL 390.1471 to 390.1486.

4 (2) The funds appropriated for the Michigan education savings
5 program shall be used to provide a state match to dollars invested
6 on behalf of each child named as a designated beneficiary in the
7 Michigan education savings program who is 6 years of age or less,
8 who is a Michigan resident, and whose family's income is \$80,000.00
9 or less.

10 (3) During the current fiscal year, the state shall provide
11 \$1.00 of matching funds for each \$3.00 of individual contributions
12 to the educational savings accounts. The maximum state match for
13 each designated beneficiary shall be \$200.00.

14 (4) The state match shall be available only in the first year
15 the child is enrolled in the Michigan education savings program.

16 Sec. 934. The department of treasury may expend revenues
17 received under the hospital finance authority act, 1969 PA 38, MCL
18 331.31 to 331.84, for necessary salaries, wages, supplies,
19 contractual services, equipment, worker's compensation insurance
20 premiums, and grants to the civil service commission and state
21 employees' retirement fund. The department of treasury shall
22 maintain accounting records in sufficient detail to enable the
23 hospital clients to be reimbursed periodically for fees that are
24 determined by the department of treasury to be surplus to needs.

25 Sec. 935. The department of treasury may expend revenue
26 received under the shared credit rating act, 1985 PA 227, MCL
27 141.1051 to 141.1076, for necessary salaries, wages, supplies,

1 contractual services, equipment, worker's compensation insurance
2 premiums, and grants to the civil service commission and state
3 employees' retirement fund.

4 Sec. 936. The department of treasury shall establish a
5 separate account for the funds related to the Michigan higher
6 education facilities authority. The department of treasury may
7 expend revenue received under the higher education facilities
8 authority act, 1969 PA 295, MCL 390.921 to 390.934, for necessary
9 salaries, wages, supplies, contractual services, equipment,
10 worker's compensation insurance premiums, and grants to the civil
11 service commission and state employees' retirement fund. The
12 department of treasury shall maintain accounting records in
13 sufficient detail to enable the educational institution clients to
14 be reimbursed periodically for fees that are determined by the
15 department to be surplus to needs.

16 Sec. 937. The department of treasury may expend revenues
17 received under the Michigan public educational facilities
18 authority, Executive Order No. 2002-3, for necessary salaries,
19 wages, supplies, contractual services, equipment, worker's
20 compensation insurance premiums, and grants to the civil service
21 commission and state employees' retirement fund.

22 Sec. 939. It is the intent of the legislature that the state
23 treasurer, acting within his or her capacity as the investment
24 fiduciary for public employee pension funds and consistent with
25 1965 PA 314, MCL 38.1132 to 38.1140m, give appropriate
26 consideration to investments in early stage, university derived
27 life science companies located in Michigan, or investments in

1 venture capital funds that invest in those companies to the extent
2 those investments offer the safety and rate of return comparable to
3 other investments permitted and available at the time the
4 investment decision is made.

5 Sec. 941. In addition to the funds appropriated in part 1,
6 there is appropriated up to \$570,000.00 from standardized audit
7 schedules recovered delinquent tax collection revenues for the
8 support of standardized audit schedule project expenses. The
9 funding shall be used to exclusively support business tax audits
10 related to sales tax, use tax, withholding, single business tax,
11 and motor fuel tax obligations. Any unexpended funds at the end of
12 the fiscal year shall lapse to the general fund.

13 Sec. 943. The department of treasury shall not include
14 complete social security numbers in form 1099-G mailings to
15 taxpayers.

16 Sec. 945. The assessment and certification division of the
17 department of treasury may conduct a review of local unit
18 assessment administration practices, procedures, and records, also
19 known as the 14-point review, in at least 1 assessment jurisdiction
20 per county.

21 Sec. 946. Members of the state tax commission and management
22 level staff of the assessment and certification division may meet
23 with statewide assessment organizations on a quarterly basis for
24 the purpose of coordinating assessment and training activities.
25 Recertification and training activities may be conducted at
26 regional locations chosen to maximize participation of local
27 officials.

1 Sec. 947. (1) Of the \$5,267,400.00 included in part 1 for the
2 revenue enhancement program, \$4,767,400.00 shall be used for
3 revenue collection enhancement activities including auditing
4 functions.

5 (2) The department of treasury shall submit quarterly progress
6 reports to the senate and house of representatives standing
7 committees on appropriations subcommittees on general government
8 and the senate and house fiscal agencies, regarding personal
9 property tax audits funded under subsection (1). The report shall
10 include the number of audits, revenue generated, and number of
11 complaints received by the department related to the audits.

12 (3) The \$500,000.00 balance of the \$5,267,400.00 shall be used
13 for the principal residence exemption compliance program. Along
14 with other program costs, expenditures shall include the
15 development and maintenance of a statewide web-based database
16 created for the purpose of enforcing the principal residence
17 exemption compliance program. The department shall submit quarterly
18 progress reports that include the number of exemptions denied and
19 the revenue received under this program. The legislative auditor
20 general shall complete a performance audit of the principal
21 residence exemption compliance program prior to April 1, 2008.
22 Revenue generated to the state from the principal residence
23 exemption compliance program shall be used to reimburse the state
24 general fund for the \$500,000.00 appropriation prior to any other
25 allocation. Additional funds from the revenue enhancement program
26 and carryforward appropriations may be used to support costs in
27 excess of \$500,000.00.

1 (4) Unexpended appropriations of the revenue enhancement
2 program are designated as work project appropriations and shall not
3 lapse at the end of the fiscal year and shall continue to be
4 available for expenditure until the project has been completed. The
5 following is in compliance with section 451a of the management and
6 budget act, 1984 PA 431, MCL 18.1451a:

7 (a) The purpose of the project is to enhance revenue
8 collection activities.

9 (b) The project will be accomplished by contract.

10 (c) The total estimated cost of the project is \$24,600,000.00.

11 (d) The tentative completion date is September 30, 2009.

12 Sec. 948. By December 15, the department of treasury shall
13 report to the senate and house of representatives standing
14 committees on appropriations subcommittees on general government
15 and the senate and house fiscal agencies the number of tax returns,
16 to include state income tax returns and single business tax
17 returns, filed online by Michigan residents in the immediately
18 preceding fiscal year.

19 Sec. 949. Funds appropriated in part 1 shall not be used by a
20 principal executive department, state agency, or authority to hire
21 a person to provide legal services that are the responsibility of
22 the attorney general.

23 **REVENUE SHARING**

24 Sec. 950. (1) Revenue collected in accordance with section 10
25 of article IX of the state constitution of 1963 in excess of the
26 amount appropriated in part 1 for constitutional revenue sharing is
27 appropriated for distribution to townships, cities, and villages on

1 a population basis as specified by law. The appropriation in part 1
2 for statutory state general revenue sharing grants to townships,
3 cities, and villages shall be reduced by an amount equal to any
4 additional constitutional revenue sharing appropriations authorized
5 in this section.

6 (2) The appropriation in part 1 for statutory state general
7 revenue sharing grants shall be distributed according to the Glenn
8 Steil state revenue sharing act of 1971, 1971 PA 140, MCL 141.901
9 to 141.921. Undistributed funds shall lapse to the general fund.

10 Sec. 952. The appropriation in part 1 for special grants to
11 cities shall be used to restore revenue sharing reductions
12 contained in Executive Order No. 2003-23 to a city that had an
13 emergency financial manager appointed pursuant to the local
14 government fiscal responsibility act, 1990 PA 72, MCL 141.1201 to
15 141.1291, continuously from December 10, 2003 through September 30,
16 2007.

17 Sec. 955. (1) There is appropriated to each county an amount
18 equal to the amount distributed to each county for the fiscal year
19 ending September 30, 2004, pursuant to the Glenn Steil state
20 revenue sharing act of 1971, 1971 PA 140, MCL 141.901 to 141.921,
21 adjusted by the inflation rate as defined in section 34d of the
22 general property tax act, 1893 PA 206, MCL 211.34d, and reduced by
23 the amount each county is authorized to annually expend in that
24 county's fiscal year beginning after September 30, 2004, from its
25 revenue sharing reserve fund pursuant to section 44a of the general
26 property tax act, 1893 PA 206, MCL 211.44a.

27 (2) The department of treasury shall annually certify to the

1 state budget director the amount each county is authorized to
2 expend from its revenue sharing reserve fund.

3 Sec. 956. The department of treasury shall transmit special
4 census revenue sharing payments to eligible cities, villages, and
5 townships under the Glenn Steil revenue sharing act of 1971, 1971
6 PA 140, MCL 141.901 to 141.921.

7 Sec. 957. In addition to the funds appropriated in part 1 for
8 county revenue sharing payments, for those counties that have
9 depleted their reserve funds, there is appropriated an amount not
10 to exceed the amount a county would have received if the revenue in
11 the convention facility fund at the end of the 2006-2007 state
12 fiscal year were distributed to counties under the state convention
13 facility development act, 1985 PA 106, MCL 207.630. The department
14 of treasury shall calculate and certify to each county the
15 additional amount each county may receive under this section.

16 **LOTTERY**

17 Sec. 960. In addition to the funds appropriated in part 1 to
18 the bureau of state lottery, there is appropriated from lottery
19 revenues the amount necessary for, and directly related to,
20 implementing and operating lottery games. Appropriations under this
21 section shall only be expended for contractually mandated payments
22 for vendor commissions, contractually mandated payments for instant
23 tickets intended for resale, the contractual costs of providing and
24 maintaining the on-line system communications network, and
25 incentive and bonus payments to lottery retailers.

26 Sec. 961. The funds appropriated in part 1 to the bureau of
27 state lottery shall not be used for any promotional efforts

1 directed towards individuals who are less than 18 years of age.

2 Sec. 963. The bureau of state lottery shall inform all lottery
3 retailers that the cash side of department of human services bridge
4 cards cannot be used to purchase lottery tickets.

5 Sec. 964. Funds appropriated in part 1 shall not be used by a
6 principal executive department, state agency, or authority to hire
7 a person to provide legal services that are the responsibility of
8 the attorney general.

9 **CASINO GAMING**

10 Sec. 971. From the revenue collected by the Michigan gaming
11 control board regarding the total annual assessment of each casino
12 licensee, \$2,000,000.00 is appropriated and shall be deposited in
13 the compulsive gaming prevention fund as described in section
14 12a(5) of the Michigan gaming control and revenue act, the
15 Initiated Law of 1996, MCL 432.212a.

16 Sec. 972. In addition to the funds appropriated in part 1,
17 funds distributed by the Michigan gaming control board to the
18 department of treasury for oversight of casino gaming are
19 appropriated upon receipt. These funds may be used to pay for costs
20 incurred for casino gaming oversight activities.

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

25 (2) A local revenue sharing board described in subsection (1)
26 shall comply with the open meetings act, 1976 PA 267, MCL 15.261 to
27 15.275, and the freedom of information act, 1976 PA 442, MCL 15.231

1 to 15.246.

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

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

15 (5) The department of treasury shall submit a report by
16 September 30 to the senate and house of representatives standing
17 committees on appropriations and the state budget director on the
18 receipts and distribution of revenues by local revenue sharing
19 boards.

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

Sec. 975. 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.

REVENUE STATEMENT

Sec. 1101. Pursuant to section 18 of article V of the state constitution of 1963, fund balances and estimates are presented in the following statement:

BUDGET RECOMMENDATIONS BY OPERATING FUNDS

(Amounts in millions)

Fiscal Year 2007-2008

		Beginning			
		Fund	Unreserved		
		Fund	Estimated	Ending	
		Balance	Revenue	Balance	
OPERATING FUNDS					
General fund/general purpose	0110	2.1	9,657.1	46.2	
General fund/special purpose		516.6	15,600.2	1,197.0	
Special Revenue Funds:					
Countercyclical budget and					
economic stabilization	0111	2.1	0.0	2.2	
Game and fish protection	0112	22.5	63.2	0.0	
Michigan employment security act					
administration	0113	0.0	14.0	8.6	
State aeronautics	0114	1.7	181.4	0.3	

1	Michigan veterans' benefit				
2	trust	0115	0.0	5.0	0.0
3	State trunkline	0116	0.0	2,074.5	0.0
4	Michigan state waterways	0117	0.8	26.1	1.3
5	Blue Water Bridge	0118	0.0	15.7	0.0
6	Michigan transportation	0119	0.0	2,002.6	0.0
7	Comprehensive transportation	0120	0.0	320.9	0.0
8	School aid	0122	0.0	13,431.9	0.0
9	Marine safety	0123	0.1	5.3	0.0
10	Game and fish protection trust	0124	6.6	12.0	6.0
11	State park improvement	0125	1.3	40.8	0.0
12	Forest development	0126	0.0	27.3	0.0
13	Michigan civilian conservation				
14	corps endowment	0128	0.1	0.7	0.0
15	Michigan natural resources				
16	trust	0129	33.6	53.2	37.4
17	Michigan state parks endowment	0130	8.8	16.6	6.7
18	Safety education and training	0131	2.1	7.0	1.1
19	Bottle deposit	0136	0.0	15.1	0.0
20	State construction code	0138	2.9	12.7	0.0
21	Children's trust	0139	1.8	3.8	2.2
22	State casino gaming	0140	12.5	32.8	0.0
23	Homeowner construction lien				
24	recovery	0141	2.9	0.6	1.8
25	Michigan nongame fish and				
26	wildlife	0143	0.2	0.6	0.0
27	Michigan merit award trust	0154	0.0	289.1	0.1

1	TOTALS	\$618.7	\$43,910.2	\$1,311.0
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