

**FY 2026-2027 EXECUTIVE RECOMMENDATION
GENERAL OMNIBUS BUDGET BILL
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8 **EXECUTIVE BUDGET BILL**
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13 A bill to make appropriations for various state departments and agencies; the
14 judicial branch, and the legislative branch for the fiscal year ending September 30, 2026;
15 to provide anticipated appropriations for the fiscal year ending September 30, 2027; to
16 provide for certain conditions on appropriations; to provide for the expenditure of the
17 appropriations.
18

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

	For Fiscal	For Fiscal
	Year Ending	Year Ending
	Sept. 30, 2026	Sept. 30, 2027
APPROPRIATION SUMMARY		
GROSS APPROPRIATION	\$ 84,749,044,500	\$ 83,513,173,200
Total interdepartmental grants and intradepartmental		
transfers	1,317,827,100	1,317,827,100
ADJUSTED GROSS APPROPRIATION	\$ 83,431,217,400	\$ 82,195,346,100
Total federal revenues	34,854,142,000	34,864,022,800
Total local revenues	329,463,900	329,463,900
Total private revenues	230,894,300	227,894,300
Total other state restricted revenues	32,746,358,500	32,052,452,000
State general fund/general purpose	\$ 15,270,358,700	\$ 14,721,513,100

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Article 1

DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT

PART 1

LINE-ITEM APPROPRIATIONS AND ANTICIPATED APPROPRIATIONS

Sec. 1-101. Subject to the conditions set forth in this article, the amounts listed in this part for the department of agriculture and rural development are appropriated for the fiscal year ending September 30, 2026, and are anticipated to be appropriated for the fiscal year ending September 30, 2027, from the funds indicated in this part. The following is a summary of the appropriations and anticipated appropriations in this part:

1 **DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT**

2 **APPROPRIATION SUMMARY**

3 Full-time equated unclassified positions.....	6.0		6.0
4 Full-time equated classified positions.....	583.0		583.0
5 GROSS APPROPRIATION	\$ 158,310,500	\$	157,610,500
6 Total interdepartmental grants and intradepartmental			
7 transfers	336,600		336,600
8 ADJUSTED GROSS APPROPRIATION	\$ 157,973,900	\$	157,273,900
9 Total federal revenues	20,079,600		20,079,600
10 Total local revenues	0		0
11 Total private revenues	0		0
12 Total other state restricted revenues	51,972,400		51,972,400
13 State general fund/general purpose	\$ 85,921,900	\$	85,221,900
14 <i>State general fund/general purpose schedule:</i>			
15 <i>Ongoing state general fund/general purpose</i>	<i>85,221,900</i>		<i>85,221,900</i>
16 <i>One-time state general fund/general purpose</i>	<i>700,000</i>		<i>0</i>
17 Sec. 1-102. DEPARTMENTAL ADMINISTRATION AND SUPPORT			
18 Full-time equated unclassified positions.....	6.0		6.0
19 Full-time equated classified positions.....	31.0		31.0
20 Unclassified salaries-6.0 FTE positions	\$ 1,064,200	\$	1,064,200
21 Accounting service center	1,190,900		1,190,900
22 Commissions and boards	23,800		23,800
23 Emergency management-8.0 FTE positions	3,574,100		3,574,100
24 Emerging contaminants in food and agriculture-6.0 FTE			
25 positions	2,112,200		2,112,200
26 Executive direction-17.0 FTE positions	2,532,200		2,532,200
27 Property management	876,300		876,300
28 GROSS APPROPRIATION	\$ 11,373,700	\$	11,373,700
29 Appropriated from:			
30 Federal revenues:			
31 Other federal revenues	1,059,800		1,059,800
32 Special revenue funds:			

	For Fiscal Year Ending Sept. 30, 2026	For Fiscal Year Ending Sept. 30, 2027
1 Other state restricted revenues	626,700	626,700
2 State general fund/general purpose	\$ 9,687,200	\$ 9,687,200
3 Sec. 1-103. INFORMATION TECHNOLOGY		
4 Information technology services and projects	\$ <u>2,386,400</u>	\$ <u>2,386,400</u>
5 GROSS APPROPRIATION	\$ 2,386,400	\$ 2,386,400
6 Appropriated from:		
7 Special revenue funds:		
8 Other state restricted revenues	249,000	249,000
9 State general fund/general purpose	\$ 2,137,400	\$ 2,137,400
10 Sec. 1-104. FOOD SAFETY AND ANIMAL HEALTH		
11 Full-time equated classified positions.....	212.0	212.0
12 Animal disease prevention and response-63.0 FTE		
13 positions	\$ 11,208,400	\$ 11,208,400
14 Animal feed safety-10.0 FTE positions	2,127,200	2,127,200
15 Food safety and quality assurance-103.0 FTE positions	18,907,500	18,907,500
16 Indemnification - livestock depredation	15,000	15,000
17 Michigan animal agriculture alliance	3,000,000	3,000,000
18 Milk safety and quality assurance-36.0 FTE positions .	<u>6,057,500</u>	<u>6,057,500</u>
19 GROSS APPROPRIATION	\$ 41,315,600	\$ 41,315,600
20 Appropriated from:		
21 Federal revenues:		
22 Other federal revenues	4,140,900	4,140,900
23 Special revenue funds:		
24 Other state restricted revenues	8,627,400	8,627,400
25 State general fund/general purpose	\$ 28,547,300	\$ 28,547,300
26 Sec. 1-105. PROTECTING MICHIGAN'S FOOD SUPPLY		
27 Full-time equated classified positions.....	27.0	27.0
28 Protect Michigan food supply-27.0 FTE positions	\$ <u>5,500,000</u>	\$ <u>5,500,000</u>
29 GROSS APPROPRIATION	\$ 5,500,000	\$ 5,500,000
30 Appropriated from:		
31 Special revenue funds:		
32 Other state restricted revenues	2,000,000	2,000,000

		For Fiscal Year Ending Sept. 30, 2026	For Fiscal Year Ending Sept. 30, 2027
1	State general fund/general purpose	\$ 3,500,000	\$ 3,500,000
2	Sec. 1-106. ENVIRONMENT AND SUSTAINABILITY		
3	Full-time equated classified positions.....	119.5	119.5
4	Environmental stewardship - MAEAP-27.0 FTE positions .	\$ 11,024,600	\$ 11,024,600
5	Local conservation districts	3,000,000	3,000,000
6	Pesticide and plant pest management-81.0 FTE positions	14,032,300	14,032,300
7	Right-to-farm-6.5 FTE positions	1,060,100	1,060,100
8	Soil health/regenerative agriculture-5.0 FTE positions	<u>2,035,500</u>	<u>2,035,500</u>
9	GROSS APPROPRIATION	\$ 31,152,500	\$ 31,152,500
10	Appropriated from:		
11	Interdepartmental grant revenues:		
12	IDG from department of environment, great lakes, and		
13	energy	97,800	97,800
14	Federal revenues:		
15	Other federal revenues	3,287,100	3,287,100
16	Special revenue funds:		
17	Other state restricted revenues	15,171,700	15,171,700
18	State general fund/general purpose	\$ 12,595,900	\$ 12,595,900
19	Sec. 1-107. AGRICULTURE DEVELOPMENT		
20	Full-time equated classified positions.....	74.0	74.0
21	Agricultural support-5.0 FTE positions	\$ 1,005,000	\$ 1,005,000
22	Agriculture development-16.0 FTE positions	4,882,500	4,882,500
23	Agricultural preservation easement grants	1,900,000	1,900,000
24	Fair food network - double up food bucks	5,000,000	5,000,000
25	Farm to family-6.0 FTE positions	3,014,300	3,014,300
26	Farmland and open space preservation-10.0 FTE		
27	positions	1,613,800	1,613,800
28	Food and agriculture investment program	2,474,800	2,474,800
29	Food and agriculture supply chain-1.0 FTE position ...	805,100	805,100
30	Fruit and vegetable inspections-8.0 FTE positions	1,313,300	1,313,300
31	Intercounty drain-5.0 FTE positions	897,800	897,800
32	Michigan craft beverage council-1.0 FTE position	1,346,600	1,346,600

	For Fiscal Year Ending Sept. 30, 2026	For Fiscal Year Ending Sept. 30, 2027
1 Migrant labor housing-9.0 FTE positions	1,410,000	1,410,000
2 Producer security/grain dealers-6.0 FTE positions	1,044,500	1,044,500
3 Qualified forest program-4.0 FTE positions	8,126,500	8,126,500
4 Rural development fund grant program-3.0 FTE positions	<u>4,009,500</u>	<u>4,009,500</u>
5 GROSS APPROPRIATION	\$ 38,843,700	\$ 38,843,700
6 Appropriated from:		
7 Federal revenues:		
8 Other federal revenues	8,089,900	8,089,900
9 Special revenue funds:		
10 Other state restricted revenues	11,885,000	11,885,000
11 State general fund/general purpose	<u>\$ 18,868,800</u>	<u>\$ 18,868,800</u>
12 Sec. 1-108. LABORATORY AND CONSUMER PROTECTION		
13 Full-time equated classified positions.....	115.5	115.5
14 Consumer protection program-39.0 FTE positions	<u>\$ 6,988,800</u>	<u>\$ 6,988,800</u>
15 Integrated solutions-25.0 FTE positions	3,724,100	3,724,100
16 Laboratory services-40.5 FTE positions	8,667,700	8,667,700
17 USDA monitoring-11.0 FTE positions	<u>1,743,800</u>	<u>1,743,800</u>
18 GROSS APPROPRIATION	\$ 21,124,400	\$ 21,124,400
19 Appropriated from:		
20 Interdepartmental grant revenues:		
21 IDG from department of licensing and regulatory		
22 affairs	238,800	238,800
23 Federal revenues:		
24 Other federal revenues	3,501,900	3,501,900
25 Special revenue funds:		
26 Other state restricted revenues	8,898,400	8,898,400
27 State general fund/general purpose	<u>\$ 8,485,300</u>	<u>\$ 8,485,300</u>
28 Sec. 1-109. AGRICULTURE DIAGNOSTICS		
29 Full-time equated classified positions.....	4.0	4.0
30 Plant, soil, and pest diagnostics-4.0 FTE positions ..	<u>\$ 900,000</u>	<u>\$ 900,000</u>
31 GROSS APPROPRIATION	\$ 900,000	\$ 900,000
32 Appropriated from:		

	For Fiscal Year Ending Sept. 30, 2026	For Fiscal Year Ending Sept. 30, 2027
1 Special revenue funds:		
2 State general fund/general purpose	\$ 900,000	\$ 900,000
3 Sec. 1-110. FAIRS AND EXPOSITIONS		
4 County fairs, shows, and expositions	\$ 500,000	\$ 500,000
5 Fairs and racing	258,600	258,600
6 Horse racing advisory commission	125,000	125,000
7 Purses and supplements - fairs/licensed tracks	2,073,600	2,073,600
8 Standardbred breeders' awards	345,900	345,900
9 Standardbred purses and supplements - licensed tracks	991,100	991,100
10 Standardbred sire stakes	<u>720,000</u>	<u>720,000</u>
11 GROSS APPROPRIATION	\$ 5,014,200	\$ 5,014,200
12 Appropriated from:		
13 Special revenue funds:		
14 Other state restricted revenues	4,514,200	4,514,200
15 State general fund/general purpose	\$ 500,000	\$ 500,000
16 Sec. 1-111. ONE-TIME APPROPRIATIONS		
17 Plant, soil, and pest diagnostics	<u>\$ 700,000</u>	<u>\$ 0</u>
18 GROSS APPROPRIATION	\$ 700,000	\$ 0
19 Appropriated from:		
20 Special revenue funds:		
21 State general fund/general purpose	\$ 700,000	\$ 0

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FISCAL YEAR 2026

GENERAL SECTIONS

28 Sec. 1-201. Pursuant to section 30 of article IX of the state constitution of 1963,
29 total state spending from state sources under part 1 for the fiscal year 2026 is
30 \$137,894,300.00 and state spending from state sources to be paid to local units of
31 government for fiscal year 2026 is \$13,400,000.00. The itemized statement below identifies
32 appropriations from which spending to local units of government will occur:

1	DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT	
2	Environmental stewardship - MAEAP.....	\$ 4,100,000
3	Local conservation districts.....	3,000,000
4	Agricultural preservation easement grants.....	1,900,000
5	Qualified forest program.....	1,400,000
6	Rural development fund grant program.....	<u>3,000,000</u>
7	TOTAL	\$ 13,400,000

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

10 Sec. 1-203. As used in this article:

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

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

13 (c) "FTE" means full-time equated.

14 (d) "IDG" means interdepartmental grant.

15 (e) "MAEAP" means the Michigan agriculture environmental assurance program.

16 (f) "Standard report recipients" means the senate and house appropriations
17 subcommittees on the department, the senate and house fiscal agencies, the senate and house
18 policy offices, and the state budget office.

19 (g) "TB" means tuberculosis.

20 (h) "USDA" means the United States Department of Agriculture.

21 Sec. 1-204. A department or agency shall use the internet to fulfill the reporting
22 requirements of this part. This requirement includes transmitting reports to the standard
23 report recipients and any other required recipients by email and posting the reports on an
24 internet site.

25 Sec. 1-205. To the extent permissible under section 261 of the management and budget
26 act, 1984 PA 431, MCL 18.1261, all of the following apply to the expenditure of funds
27 appropriated in part 1:

28 (a) The funds must not be used for the purchase of foreign goods or services, or
29 both, if competitively priced and of comparable quality American goods or services, or
30 both, are available.

31 (b) Preference must be given to goods or services, or both, manufactured or provided
32 by Michigan businesses, if they are competitively priced and of comparable quality.

1 (c) Preference must be given to goods or services, or both, that are manufactured or
2 provided by Michigan businesses owned and operated by veterans, if they are competitively
3 priced and of comparable quality.

4 Sec. 1-207. Consistent with section 217 of the management and budget act, 1984 PA
5 431, MCL 18.1217, each department and agency receiving appropriations in part 1 shall
6 prepare a report on out of state travel expenses not later than January 1. The report must
7 list all travel by classified and unclassified employees outside this state in the previous
8 fiscal year that was funded in whole or in part with funds appropriated in the department's
9 or agency's budget. The department or agency shall submit the report to the standard report
10 recipients and to the house of representatives and senate appropriations committees. The
11 report must include all of the following information:

12 (a) The dates of each travel occurrence.

13 (b) The total transportation and related expenses of each travel occurrence and the
14 proportions funded with state general fund/general purpose revenues, state restricted
15 revenues, federal revenues, and other revenues.

16 Sec. 1-208. A principal executive department, state agency, or authority shall not
17 use funds appropriated in part 1 to hire a person to provide legal services that are the
18 responsibility of the attorney general. This section does not apply to legal services for
19 bonding activities or to outside legal services that the attorney general authorizes.

20 Sec. 1-209. Not later than December 15, the state budget office shall prepare and
21 submit a report that provides for estimates of the total general fund/general purpose
22 appropriation lapses at the close of the previous fiscal year. The report must summarize
23 the projected year-end general fund/general purpose appropriation lapses by major
24 departmental program or program areas. The state budget office shall submit the report to
25 the standard report recipients and the chairpersons of the senate and house of
26 representatives appropriations committees.

27 Sec. 1-210. (1) In addition to the funds appropriated in part 1, there is
28 appropriated an amount not to exceed \$3,000,000.00 for federal contingency funds. These
29 funds are not available for expenditure until they have been transferred to another line
30 item in this article under section 393(2) of the management and budget act, 1984 PA 431,
31 MCL 18.1393.

32 (2) In addition to the funds appropriated in part 1, there is appropriated an amount

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

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

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

12 Sec. 1-211. A department or agency shall cooperate with the department of technology,
13 management and budget to maintain a searchable website accessible by the public at no cost
14 that includes, but is not limited to, all of the following for each department or agency:

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

21 Sec. 1-214. To the extent permissible under the management and budget act, 1984 PA
22 431, MCL 18.1101 to 18.1594, the director of each department or agency receiving
23 appropriations in part 1 shall take all reasonable steps to ensure geographically
24 disadvantaged business enterprises compete for and perform contracts to provide services or
25 supplies, or both. Each director shall strongly encourage firms with which the department
26 or agency contracts to subcontract with certified geographically disadvantaged business
27 enterprises for services, supplies, or both. As used in this section, "geographically-
28 disadvantaged" business enterprises means that term as defined in Executive Directive No.
29 2023-1.

30 Sec. 1-215. On a quarterly basis, a department or agency receiving appropriations in
31 part 1 shall report on the number of FTEs in pay status by type of staff and civil service
32 classification, including comparison by line item of the number of FTEs authorized from

1 funds appropriated in part 1 to the actual number of FTE positions employed by the
2 department or agency at the end of the reporting period. The report must be submitted to
3 the senate and house appropriations committees and to the standard report recipients.

4 Sec. 1-221. (1) Funds appropriated in part 1 must not be used to restrict or impede a
5 marginalized community's access to government resources, programs, or facilities.

6 (2) From the funds appropriated in part 1, local governments shall report any action
7 or policy that attempts to restrict or interfere with the duties of a local health officer.

8

9 **DEPARTMENTAL ADMINISTRATION AND SUPPORT**

10 Sec. 1-301. (1) The department may establish a fee schedule and collect fees for the
11 following work activities and services:

12 (a) Pesticide and plant pest management propagation and certification of virus-free
13 foundation stock.

14 (b) Fruit and vegetable inspection and grading services at shipping and termination
15 points and processing plants.

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

19 (d) Laboratory support test samples for other state and local agencies and public or
20 private organizations.

21 (2) The department may receive and expend revenue from the fees authorized under
22 subsection (1), subject to appropriation, to recover expenses associated with the work
23 activities and services described in subsection (1). Fee revenue collected by the
24 department under subsection (1) does not lapse to the state general fund at the end of the
25 fiscal year but carries forward for appropriation by the legislature in the subsequent
26 fiscal year.

27 (3) The department shall notify the standard report recipients 30 days before
28 proposing changes in fees authorized under this section or under section 5 of 1915 PA 91,
29 MCL 285.35.

30 (4) On or before February 1 of each year, the department shall provide a report to
31 the standard report recipients detailing all the fees charged by the department under the
32 authorization provided in this section, including, but not limited to, rates, number of

1 individuals paying each fee, and the revenue generated by each fee in the previous fiscal
2 year.

3 Sec. 1-303. (1) From the funds appropriated in part 1 for emerging contaminants in
4 food and agriculture the department shall support efforts to identify and respond to the
5 impacts of emerging contaminants to the food and agriculture sector, help address and
6 mitigate current issues caused by emerging contaminants, and work to prevent and minimize
7 future impacts. The department shall coordinate these efforts with other state agencies,
8 federal agencies, tribal governments, local governments, institutions of higher learning,
9 and the food and agriculture sector. Emerging contaminants include but are not limited to
10 pesticides, dioxins, and per- and polyfluoroalkyl substances.

11 (2) The unexpended funds appropriated in part 1 for emerging contaminants in food and
12 agriculture are designated as a work project appropriation, and any unencumbered or
13 unallotted funds do not lapse at the end of the fiscal year and are available for
14 expenditures for projects under this section until the projects have been completed. The
15 following is in compliance with section 451a(1) of the management and budget act, 1984 PA
16 431, MCL 18.1451a:

17 (a) The purpose of the project is to support efforts to identify and respond to the
18 impacts of emerging contaminants to the food and agriculture sector, help address and
19 mitigate current issues caused by emerging contaminants, and work to prevent and minimize
20 future impacts.

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

23 (c) The estimated cost of this project is \$2,100,000.00.

24 (d) The tentative completion date for the work project is September 30, 2030.

25

26 **FOOD SAFETY AND ANIMAL HEALTH**

27 Sec. 1-401. (1) The department shall report on the previous calendar year's
28 activities of the bureau of food safety and animal health. The report must include
29 information on activities and outcomes of the dairy safety and inspection program, the food
30 safety inspection program, the animal industry division, the foodborne illness and
31 emergency response program, and the food service program.

32 (2) The report must include information on significant foodborne outbreaks and

1 emergencies, including any significant enforcement actions taken related to food safety
2 during the prior calendar year.

3 (3) The department shall include in the report all indemnification payments for
4 livestock depredation made in the previous calendar year and shall include all of the
5 following:

6 (a) The reason for the indemnification.

7 (b) The amount of the indemnification.

8 (c) The person for whom the indemnification was paid.

9 (4) The report must be transmitted on or before April 1 of each year to the standard
10 report recipients.

11 Sec. 1-402. From the funds appropriated in part 1, the department shall pay for all
12 whole herd bovine TB testing costs and individual animal testing costs in the modified
13 accredited zone and buffer counties as referenced in the current memorandum of
14 understanding between the department and the USDA to maintain split-state status
15 requirements. These costs include indemnity and compensation for injury causing death or
16 downer to animals.

17 Sec. 1-403. The department shall use its resources to collaborate with the USDA to
18 monitor bovine TB, consistent with the current required memorandum of understanding between
19 the department and the USDA.

20 Sec. 1-404. From the funds appropriated in part 1 for animal disease prevention and
21 response, the department shall use \$200,000.00 to cover costs associated with testing of
22 registered privately owned cervid facilities as follows:

23 (a) Required surveillance testing for chronic wasting disease.

24 (b) Infected herd bovine TB testing.

25 Sec. 1-405. (1) On or before October 15 of each year, the department shall provide to
26 the standard report recipients a report on bovine TB status and department activities.

27 (2) For each fiscal quarter following the report required in subsection (1), the
28 department shall provide an update. The quarterly update reports must identify significant
29 impacts to the program, including new incidence of bovine TB in this state, department
30 activity associated with specific new incidence of bovine TB, any changes in USDA
31 requirements or movement orders, and information and data on wildlife risk mitigation plan
32 implementation in the modified accredited zone; implementation of a movement certificate

1 process; progress toward annual surveillance test requirements; efforts to work with
2 slaughter facilities in this state, as well as those that slaughter a significant number of
3 animals from this state; and educational programs and information for this state's
4 livestock community.

5 Sec. 1-406. From the funds appropriated in part 1 for Michigan animal agriculture
6 alliance, the department shall work with animal industry representatives and state research
7 universities to continue an animal research grant program.

8

9 **ENVIRONMENT AND SUSTAINABILITY**

10 Sec. 1-501. The department shall report on the previous calendar year's activities of
11 the bureau of environment and sustainability on or before April 1 of each year.

12 Sec. 1-505. The funds appropriated in part 1 for environmental stewardship-MAEAP must
13 be used to support department agriculture pollution prevention programs, including
14 groundwater and freshwater protection programs under part 87 of the natural resources and
15 environmental protection act, 1994 PA 451, MCL 324.8701 to 324.8717, and technical
16 assistance in implementing conservation grants available under the federal farm bill.

17 Sec. 1-506. The department may receive and expend federal revenues up to a total of
18 \$1,000,000.00 in excess of the federal revenue appropriated in part 1 for environmental
19 stewardship-MAEAP activities. The department shall notify the standard report recipients
20 prior to expending federal revenues authorized under this section.

21 Sec. 1-507. (1) From the appropriations in part 1 for local conservation districts,
22 \$3,000,000.00 must be distributed through a grant program to local conservation districts
23 in this state that were in operation in the previous fiscal year, based upon criteria
24 established by the department.

25 (2) On or before April 1, the department shall report on the previous calendar year's
26 activities of local conservation districts. The report must include descriptions of local
27 conservation district activities and the use of funding. In preparing this report, the
28 department shall coordinate with representatives of local conservation districts.

29

30 **LABORATORY AND CONSUMER PROTECTION**

31 Sec. 1-601. The department shall report by April 1 on the previous calendar year's
32 activities of the laboratory bureau.

1 Sec. 1-602. No funds from the appropriations in part 1 may be used for the purpose of
2 consolidating state-run laboratories.

3

4 **AGRICULTURE DEVELOPMENT**

5 Sec. 1-701. (1) From the funds appropriated in part 1 for the food and agriculture
6 investment program, the department shall operate a food and agriculture investment program.

7 (2) The food and agriculture investment program shall do all of the following:

8 (a) Expand the Michigan food and agriculture sector.

9 (b) Promote food security.

10 (c) Develop local and regional food systems.

11 (d) Grow Michigan exports.

12 (e) Promote the development of value-added agricultural production.

13 (f) Support urban farms, food hubs, food incubators, and community-based processing
14 facilities with a focus on new and expanding protein processors.

15 (g) Promote the expansion of farm markets, flower markets, and urban agriculture,
16 including hoop houses.

17 (h) Increase food processing activities within this state by accelerating investment
18 projects and infrastructure development that support growth in production agriculture and
19 food and agriculture processing, expand opportunity to new agricultural producers and
20 processors, promote agriculture tourism and agricultural heritage, and develop agricultural
21 education and interpretation activities.

22 (3) In addition to the funds appropriated in part 1, the department may receive and
23 expend funds received from outside sources for the food and agriculture investment program.

24 (4) Before the allocation of funding, all projects must receive approval from the
25 Michigan commission of agriculture and rural development, except for projects selected
26 through a competitive process by a joint evaluation committee selected by the director and
27 consisting of representatives that have agriculture, food security, local and regional food
28 systems, business, and economic development expertise. Projects funded through the food and
29 agriculture investment program will be required to have a grant agreement that outlines
30 milestones and activities that must be met in order to receive a disbursement of funds.
31 Projects must also identify measurable project outcomes.

32 (5) The department shall include, in the agriculture development annual report, a

1 report on the food and agriculture investment program for the previous fiscal year that
2 includes a listing of the grantees, award amounts, match funding, project locations, and
3 project outcomes.

4 (6) The unexpended funds appropriated in part 1 for the food and agriculture
5 investment program are designated as a work project appropriation, and any unencumbered or
6 unallotted funds do not lapse at the end of the fiscal year and are available for
7 expenditures for projects under this section until the projects have been completed. The
8 following is in compliance with section 451a(1) of the management and budget act, 1984 PA
9 431, MCL 18.1451a:

10 (a) The purpose of the project is to promote and expand the Michigan food and
11 agriculture sector, grow Michigan exports, and increase food processing activities within
12 the state.

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

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

16 (d) The tentative completion date for the work project is September 30, 2028.

17 (7) The department may expend money from the funds appropriated in part 1 for the
18 food and agriculture investment program, including all of the following activities:

19 (a) Grants.

20 (b) Loans or loan guarantees.

21 (c) Infrastructure development.

22 (d) Other economic assistance.

23 (e) Program administration.

24 (f) Export assistance.

25 (8) The department shall expend no more than 5% from the funds appropriated in part 1
26 for the food and agriculture investment program for administrative purposes.

27 (9) In awarding grants under the food and agriculture investment program, the
28 department shall identify and encourage applications from members of socially disadvantaged
29 groups, women, veterans, and beginning farmers and ranchers. In awarding grants under the
30 food and agriculture investment program, the department must also prioritize Michigan-based
31 small businesses, nonprofits, and organizations promoting agriculture and food security
32 activities.

1 Sec. 1-703. (1) From the funds appropriated in part 1 for fair food network - double
2 up food bucks, the department shall work with the fair food network to ensure that at least
3 80% of the funds allocated to the double up food bucks program are directly used for the
4 payments to participating vendors.

5 (2) The department shall work with the department of health and human services to do
6 all of the following:

7 (a) Notify recipients of food assistance program benefits that food assistance
8 program benefits can be accessed at many farmer's markets in this state with bridge cards.

9 (b) Notify recipients of food assistance program benefits about the double up food
10 bucks program and that it is administered by the fair food network. Food assistance program
11 recipients shall receive information about the double up food bucks program.

12 (3) The department shall work with the fair food network to expand access to the
13 double up food bucks program in each of the state's counties with grocery stores or
14 farmer's markets that meet the program's eligibility requirements.

15 (4) On or before June 1, the department shall submit a report on activities and
16 outcomes of the double up food bucks program. The report must contain all of the following:

17 (a) Counties in this state with participating double up food bucks vendors, the
18 number of vendors by county, and the name and location of vendors, as of May 1, 2024.

19 (b) Counties in this state with participating double up food bucks vendors, the
20 number of vendors by county, and the name of location of vendors, as of May 1, 2025. The
21 report must highlight counties and vendors added to the program since May 1, 2024.

22 (c) Number of individuals participating in the program, by county.

23 Sec. 1-706. (1) By not later than April 1, the department shall report on the
24 previous calendar year's activities of the agriculture development bureau.

25 (2) The report described in subsection (1) must include the following information on
26 any grants awarded during the prior fiscal year:

27 (a) The name of the grantee.

28 (b) The amount of the grant.

29 (c) The purpose of the grant, including measurable outcomes.

30 (d) Additional state, federal, private, or local funds contributed to the grant
31 project.

32 (e) The completion date of grant-funded activities.

1 (3) The report must include the following information on the Michigan craft beverage
2 council established under section 303 of the Michigan liquor control code of 1998, 1998 PA
3 58, MCL 436.1303:

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

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

7 (c) Grants awarded during the previous fiscal year and the results of research grant
8 projects completed during the previous fiscal year.

9 (4) The report must identify grant recipients who are members of socially
10 disadvantaged groups, women, veterans, and beginning farmers and ranchers.

11 Sec. 1-707. Unexpended industry support fund revenues at the end of the fiscal year
12 may be carried forward into the industry support fund in the succeeding fiscal year and do
13 not lapse to the general fund.

14 Sec. 1-708. (1) The appropriations in part 1 for the qualified forest program are for
15 the purpose of increasing the knowledge of nonindustrial private forestland owners
16 regarding sound forest management practices and increasing the amount of commercial timber
17 production from those lands.

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

21 Sec. 1-709. From the funds appropriated in part 1, the department shall maintain
22 coordination with the department of treasury to improve the timely processing and issuance
23 of tax credits under section 36109 of the natural resources and environmental protection
24 act, 1994 PA 451, MCL 324.36109, for the Michigan's farmland and open space preservation
25 program under parts 361 and 362 of the natural resources and environmental protection act,
26 1994 PA 451, MCL 324.36101 to 324.3116 and 324.36201 to 324.36207. The improvement of
27 timely processing and issuance, as described in this section, includes, but is not limited
28 to:

29 (a) Timely review of mailed applications and paperwork.

30 (b) Timely and proactive communications to applicants on the status of their
31 application.

32 (c) The provision of a clear and understood timeline for the issuance of any tax

1 credits.

2 Sec. 1-710. The department shall collaborate with the department of labor and
3 economic opportunity's office of rural prosperity on the rural development fund grant
4 program as part of the state's coordinated strategy for achieving rural prosperity across
5 the state.

6

7 **FAIRS AND EXPOSITIONS**

8 Sec. 1-801. All appropriations from the agriculture equine industry development fund
9 must be spent on equine-related purposes. No funds from the agriculture equine industry
10 development fund must be expended for non-equine-related purposes without prior approval of
11 the legislature.

12 Sec. 1-802. From the funds appropriated in part 1 from agriculture equine industry
13 development funds, available revenue must be allocated in the following priority order:

14 (a) To support all administrative, contractual, and regulatory costs incurred by the
15 department and the Michigan gaming control board.

16 (b) Any remaining funds collected through September 30, 2025, after the obligations
17 in subdivision (a) have been met, must be prorated among the county fairs, supplements,
18 breeders' awards, and sire stakes awards to eligible race meeting licensees in accordance
19 with section 20 of the horse racing law of 1995, 1995 PA 279, MCL 431.320.

20 Sec. 1-803. From the funds appropriated in part 1 from purses and supplements -
21 fairs/licensed tracks, \$720,000.00 may be spent only if there is no standardbred race
22 meeting in this state that is licensed under the horse racing law of 1995, 1995 PA 279, MCL
23 431.301 to 431.336, by January 1, 2026.

24 Sec. 1-805. (1) From the funds appropriated in part 1 for county fairs, shows, and
25 expositions, the department shall establish and administer a county fairs, shows, and
26 expositions grant program. The program must have the following objectives:

27 (a) Assist in the financing of building improvements or other capital improvements at
28 county fairgrounds of this state.

29 (b) Provide financial support, promotion, prizes, and premiums of equine, livestock,
30 and other agricultural commodity expositions in this state.

31 (2) The department shall award grants on a competitive basis to county fairs or other
32 organizations from the funds appropriated in part 1 for county fairs, shows, and

1 expositions grants. Grantees will be required to provide a 50% cash match with grant awards
2 and identify measurable project outcomes. A county fair organization that received a county
3 fair capital improvement grant in the prior fiscal year must not receive a grant from the
4 appropriation in part 1.

5 (3) From the amount appropriated in part 1 for county fairs, shows, and expositions,
6 up to \$25,000.00 must be expended for the purpose of financial support, promotion, prizes,
7 and premiums of equine, livestock, and other agricultural commodity expositions and
8 festivals in this state.

9 (4) All fairs receiving grants under this section must provide a report to the
10 department on the financial impact resulting from the capital improvement project on both
11 fair and nonfair events. These reports are due for 3 years immediately following the
12 completion of the capital improvement project.

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

15 (6) The department may expend money from the funds appropriated in part 1 for the
16 county fairs, shows, and expositions for administering the program.

17 (7) The unexpended portion of the appropriation in part 1 for county fairs, shows,
18 and expositions grants are designated as a work project appropriation and any unencumbered
19 or unallotted funds do not lapse at the end of the fiscal year and are available for
20 expenditures for projects under this section until the projects have been completed. The
21 following is in compliance with section 451a(1) of the management and budget act, 1984 PA
22 431, MCL 18.1451a:

23 (a) The purpose of the project is to support building improvements or other capital
24 improvements at county fairgrounds of this state.

25 (b) All grants will be distributed in accordance with this section and the grant
26 guidelines published prior to the request for proposals.

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

29 (d) The estimated cost of the project is \$500,000.00.

30 (e) The tentative completion date for the work project is September 30, 2028.

31 (8) The department shall provide a year-end report on the county fairs, shows, and
32 expositions grants no later than December 1, 2026 that includes a listing of the grantees,

- 1 award amounts, match funding, project outcomes, and department costs of grant
- 2 administration.

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Article 2

DEPARTMENT OF ATTORNEY GENERAL

PART 1

LINE-ITEM APPROPRIATIONS AND ANTICIPATED APPROPRIATIONS

Sec. 2-101. Subject to the conditions set forth in this article, the amounts listed in this part for the department of attorney general are appropriated for the fiscal year ending September 30, 2026, and are anticipated to be appropriated for the fiscal year ending September 30, 2027, from the funds indicated in this part. The following is a summary of the appropriations and anticipated appropriations in this part:

1 **DEPARTMENT OF ATTORNEY GENERAL**

2 **APPROPRIATION SUMMARY**

3	Full-time equated unclassified positions.....	6.0	6.0
4	Full-time equated classified positions.....	629.4	629.4
5	GROSS APPROPRIATION	\$ 132,355,700	\$ 132,355,700
6	Total interdepartmental grants and intradepartmental		
7	transfers	39,381,700	39,381,700
8	ADJUSTED GROSS APPROPRIATION	\$ 92,974,000	\$ 92,974,000
9	Total federal revenues	10,567,200	10,567,200
10	Total local revenues	0	0
11	Total private revenues	950,000	950,000
12	Total other state restricted revenues	22,678,800	22,678,800
13	State general fund/general purpose	\$ 58,778,000	\$ 58,778,000
14	<i>State general fund/general purpose schedule:</i>		
15	<i>Ongoing state general fund/general purpose</i>	<i>58,778,000</i>	<i>58,778,000</i>
16	<i>One-time state general fund/general purpose</i>	<i>0</i>	<i>0</i>
17	Sec. 2-102. ATTORNEY GENERAL OPERATIONS		
18	Full-time equated unclassified positions.....	6.0	6.0
19	Full-time equated classified positions.....	629.4	629.4
20	Attorney general-1.0 FTE position	\$ 112,500	\$ 112,500
21	Unclassified salaries-5.0 FTE positions	993,100	993,100
22	Child support enforcement-26.0 FTE positions	4,079,100	4,079,100
23	Operations-583.4 FTE positions	120,429,600	120,429,600
24	Prosecuting attorneys coordinating council-14.0 FTE		
25	positions	2,653,700	2,653,700
26	Public safety initiative-1.0 FTE position	888,300	888,300
27	Sexual assault law enforcement-5.0 FTE positions	<u>1,493,700</u>	<u>1,493,700</u>
28	GROSS APPROPRIATION	\$ 130,650,000	\$ 130,650,000
29	Appropriated from:		
30	Interdepartmental grant revenues:		
31	IDG from department of corrections	737,200	737,200
32	IDG from department of education	822,100	822,100

	For Fiscal Year Ending Sept. 30, 2026	For Fiscal Year Ending Sept. 30, 2027
1 IDG from department of environment, great lakes, and		
2 energy	2,445,500	2,445,500
3 IDG from department of health and human services	8,419,500	8,419,500
4 IDG from department of insurance and financial		
5 services	1,613,100	1,613,100
6 IDG from department of labor and economic opportunity	1,802,500	1,802,500
7 IDG from department of licensing and regulatory		
8 affairs	8,657,400	8,657,400
9 IDG from department of military and veterans affairs .	181,700	181,700
10 IDG from department of state	45,000	45,000
11 IDG from department of state police	288,000	288,000
12 IDG from department of technology, management and		
13 budget	3,104,500	3,104,500
14 IDG from department of transportation	2,544,400	2,544,400
15 IDG from department of treasury	7,716,200	7,716,200
16 IDG from department of lifelong education, advancement,		
17 and potential	1,004,600	1,004,600
18 Federal revenues:		
19 Other federal revenues	10,567,200	10,567,200
20 Special revenue funds:		
21 Private revenues	950,000	950,000
22 Michigan merit award trust fund	542,400	542,400
23 Other state restricted revenues	22,136,400	22,136,400
24 State general fund/general purpose	\$ 57,072,300	\$ 57,072,300
25 Sec. 2-103. INFORMATION TECHNOLOGY		
26 Information technology services and projects	\$ <u>1,705,700</u>	\$ <u>1,705,700</u>
27 GROSS APPROPRIATION	\$ 1,705,700	\$ 1,705,700
28 Appropriated from:		
29 Special revenue funds:		
30 State general fund/general purpose	\$ 1,705,700	\$ 1,705,700

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FISCAL YEAR 2026

GENERAL SECTIONS

Sec. 2-201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state sources under part 1 for the fiscal year 2026 is \$81,456,800.00 and state spending from state sources to be paid to local units of government for fiscal year 2026 is \$0.00.

Sec. 2-202. The appropriations under this part and part 1 are subject to the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

Sec. 2-203. As used in this article:

- (a) "Department" means the department of attorney general.
- (b) "Director" means the director of the department.
- (c) "FTE" means full-time equated.
- (d) "DNA" means deoxyribonucleic acid.
- (e) "IDG" means interdepartmental grant.
- (f) "MDHHS" means Michigan department of health and human services.
- (g) "MDOC" means Michigan department of corrections.

Sec. 2-204. A department or agency shall use the internet to fulfill the reporting requirements of this part. This requirement includes transmitting reports to the standard report recipients and any other required recipients by email and posting the reports on an internet site.

Sec. 2-205. To the extent permissible under section 261 of the management and budget act, 1984 PA 431, MCL 18.1261, all of the following apply to the expenditure of funds appropriated in part 1:

- (a) The funds must not be used for the purchase of foreign goods or services, or both, if competitively priced and of comparable quality American goods or services, or both, are available.
- (b) Preference must be given to goods or services, or both, manufactured or provided by Michigan businesses, if they are competitively priced and of comparable quality.
- (c) Preference must be given to goods or services, or both, that are manufactured or

1 provided by Michigan businesses owned and operated by veterans, if they are competitively
2 priced and of comparable quality.

3 Sec. 2-207. Consistent with section 217 of the management and budget act, 1984 PA
4 431, MCL 18.1217, each department and agency receiving appropriations in part 1 shall
5 prepare a report on out of state travel expenses not later than January 1. The report must
6 list all travel by classified and unclassified employees outside this state in the previous
7 fiscal year that was funded in whole or in part with funds appropriated in the department's
8 or agency's budget. The department or agency shall submit the report to the standard report
9 recipients and to the house of representatives and senate appropriations committees. The
10 report must include all of the following information:

11 (a) The dates of each travel occurrence.

12 (b) The total transportation and related expenses of each travel occurrence and the
13 proportions funded with state general fund/general purpose revenues, state restricted
14 revenues, federal revenues, and other revenues.

15 Sec. 2-208. A principal executive department, state agency, or authority shall not
16 use funds appropriated in part 1 to hire a person to provide legal services that are the
17 responsibility of the attorney general. This section does not apply to legal services for
18 bonding activities or to outside legal services that the attorney general authorizes.

19 Sec. 2-209. Not later than December 15, the state budget office shall prepare and
20 submit a report that provides for estimates of the total general fund/general purpose
21 appropriation lapses at the close of the previous fiscal year. The report must summarize
22 the projected year-end general fund/general purpose appropriation lapses by major
23 departmental program or program areas. The state budget office shall submit the report to
24 the standard report recipients and the chairpersons of the senate and house of
25 representatives appropriations committees.

26 Sec. 2-210. (1) In addition to the funds appropriated in part 1, there is
27 appropriated an amount not to exceed \$750,000.00 for federal contingency funds. These funds
28 are not available for expenditure until they have been transferred to another line item in
29 this article under section 393(2) of the management and budget act, 1984 PA 431, MCL
30 18.1393.

31 (2) In addition to the funds appropriated in part 1, there is appropriated an amount
32 not to exceed \$750,000.00 for state restricted contingency funds. These funds are not

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

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

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

11 Sec. 2-211. A department or agency shall cooperate with the department of technology,
12 management and budget to maintain a searchable website accessible by the public at no cost
13 that includes, but is not limited to, all of the following for each department or agency:

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

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

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

18 (d) The number of active employees by job classification.

19 (e) Job specifications and wage rates.

20 Sec. 2-214. To the extent permissible under the management and budget act, 1984 PA
21 431, MCL 18.1101 to 18.1594, the director of each department or agency receiving
22 appropriations in part 1 shall take all reasonable steps to ensure geographically
23 disadvantaged business enterprises compete for and perform contracts to provide services or
24 supplies, or both. Each director shall strongly encourage firms with which the department
25 or agency contracts to subcontract with certified geographically disadvantaged business
26 enterprises for services, supplies, or both. As used in this section, "geographically-
27 disadvantaged" business enterprises means that term as defined in Executive Directive No.
28 2023-1.

29 Sec. 2-215. On a quarterly basis, a department or agency receiving appropriations in
30 part 1 shall report on the number of FTEs in pay status by type of staff and civil service
31 classification, including comparison by line item of the number of FTEs authorized from
32 funds appropriated in part 1 to the actual number of FTE positions employed by the

1 department or agency at the end of the reporting period. The report must be submitted to
2 the senate and house appropriations committees and to the standard report recipients.

3 Sec. 2-221. (1) Funds appropriated in part 1 must not be used to restrict or impede a
4 marginalized community's access to government resources, programs, or facilities.

5 (2) From the funds appropriated in part 1, local governments shall report any action
6 or policy that attempts to restrict or interfere with the duties of a local health officer.

7

8 **DEPARTMENT OF ATTORNEY GENERAL**

9 Sec. 2-302. (1) The attorney general shall perform all legal services, including
10 representation before courts and administrative agencies, rendering legal opinions, and
11 providing legal advice to a principal executive department or state agency. A principal
12 executive department or state agency shall not employ or enter into a contract with any
13 other person for services described in this section.

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

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

20 Sec. 2-303. The attorney general may provide not more than 350 copies of the report
21 required under section 30 of 1846 RS 12, MCL 14.30, on a gratis basis. If the attorney
22 general provides 350 copies of the report on a gratis basis, the attorney general may sell
23 additional copies of the report. The attorney general shall not provide gratis copies of
24 the report to members of the legislature. Electronic copies of biennial reports must be
25 made available on the department of attorney general's website. The attorney general shall
26 sell copies of the report at not less than the actual cost of the report and deposit the
27 money received from the sales into the general fund.

28 Sec. 2-304. The department of attorney general is responsible for the legal
29 representation of the law of this state and the legal representation for state of Michigan
30 state employee worker's disability compensation cases. The risk management revolving fund
31 revenue appropriation in part 1 must be satisfied by billings from the department of
32 attorney general for the actual costs of legal representation, including salaries and

1 support costs.

2 Sec. 2-307. (1) In addition to the antitrust enforcement collections revenues in part
3 1, not more than \$350,000.00 in antitrust revenues, securities fraud revenues, consumer
4 protection or class action enforcement revenues, or attorney fees recovered by the
5 department of attorney general are appropriated to the department of attorney general for
6 antitrust, securities fraud, and consumer protection or class action enforcement cases.

7 (2) Not more than \$1,000,000.00 of the unexpended funds from antitrust revenues,
8 securities fraud revenues, or consumer protection or class action enforcement revenues at
9 the end of the fiscal year, including antitrust funds in part 1, may be carried forward for
10 expenditure in the following fiscal year.

11 (3) On request, the department of attorney general shall make available information
12 detailing the amount of revenue described in subsection (1) recovered by the attorney
13 general and a description of the source of the revenue and the carryforward amount.

14 Sec. 2-308. (1) In addition to the funds appropriated in part 1, not more than
15 \$1,000,000.00 is appropriated from litigation expense reimbursements awarded to this state.

16 (2) The funds described in subsection (1) may be expended for the payment of court
17 judgments, settlements, arbitration awards or other administrative and litigation
18 decisions, attorney fees, and litigation costs, assessed against the office of the
19 governor, the department of attorney general, the governor, or the attorney general when
20 acting in an official capacity as the named party in litigation against this state. The
21 funds described in subsection (1) may also be expended for the payment of state costs
22 incurred under section 16 of chapter X of the code of criminal procedure, 1927 PA 175, MCL
23 770.16.

24 (3) Unexpended funds at the end of the fiscal year may be carried forward for
25 expenditure in the following year, but not more than a maximum authorization of
26 \$250,000.00.

27 Sec. 2-309. (1) From the prisoner reimbursement funds appropriated in part 1, the
28 department of attorney general may expend not more than \$790,600.00 on activities related
29 to the state correctional facility reimbursement act, 1935 PA 253, MCL 800.401 to 800.406.
30 In addition to the funds appropriated in part 1, if the department of attorney general
31 collects more than \$1,131,000.00 in gross annual prisoner reimbursement receipts provided
32 to the general fund, not more than \$1,000,000.00 of the excess is appropriated to the

1 department of attorney general and may be spent on the representation of the MDOC and its
2 officers, employees, and agents, including, but not limited to, the defense of litigation
3 in civil actions filed by prisoners against this state, its departments, officers,
4 employees, or agents.

5 (2) Not later than March 1, the department of attorney general shall submit a report
6 to the standard report recipients and the house of representatives and senate
7 appropriations subcommittees with jurisdiction over the budget of the MDOC. The report must
8 include all of the following:

9 (a) The total amount of reimbursements received under section 6 of the state
10 correctional facility reimbursement act, 1935 PA 253, MCL 800.406.

11 (b) A description of each expenditure made from the reimbursements.

12 (c) The amount paid to conduct the investigations from the reimbursements.

13 (d) The amount credited to the general fund from the reimbursements.

14 Sec. 2-310. (1) For the purposes of providing title IV-D child support enforcement
15 funding, the attorney general shall maintain a cooperative agreement with the MDHHS, as the
16 state IV-D agency, for federal IV-D funding to support the child support enforcement
17 activities within the department of attorney general.

18 (2) The attorney general or the attorney general's designee shall, to the extent
19 allowed under federal law, have access to any information used by this state to locate
20 parents who fail to pay court-ordered child support.

21 Sec. 2-311. From the funds appropriated in part 1 for operations, the department of
22 attorney general shall distribute \$500,000.00 to the Center for Civil Justice. The Center
23 for Civil Justice shall use the money to do both of the following:

24 (a) Provide legal and technical assistance to low-income individuals.

25 (b) Pursue impact litigation that protects low-income and marginalized populations.

26 Sec. 2-312. The department of attorney general shall not receive or expend funds,
27 other than those authorized in part 1, for legal services provided specifically to other
28 state departments or agencies except for expert witness costs, court costs, or other
29 nonsalary litigation costs associated with a pending legal action.

30 Sec. 2-313. The department of attorney general shall submit a quarterly report on the
31 lawsuit settlement proceeds fund described in section 33 of 1846 RS 12, MCL 14.33, to the
32 standard report recipients. Each report must include all of the following:

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

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

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

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

9 Sec. 2-314. The department of attorney general may spend not more than \$2,697,600.00
10 of the funds appropriated in part 1 from the lawsuit settlement proceeds fund for the
11 payment of court judgements, orders, settlements, arbitration awards or other
12 administrative decisions, attorney fees, litigation costs, or investigation costs incurred
13 by the office of the governor, the department of attorney general, the governor, or the
14 attorney general when acting in an official capacity.

15 Sec. 2-316. (1) From the funds appropriated in part 1 for sexual assault law
16 enforcement efforts, the department of attorney general shall use the funds to test
17 backlogged sexual assault kits across this state. The funding provided in part 1 must be
18 used for only 1 or more of the following purposes:

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

20 (b) To assist local prosecutors with investigations and prosecutions of viable sexual
21 assault cases.

22 (c) To provide victim services.

23 (2) Not later than February 1, the department of attorney general shall submit a
24 report to the standard report recipients. The report must include all of the following
25 information:

26 (a) The number of sexual assault kits across this state that remain untested as of
27 January 31, 2026.

28 (b) A detailed work plan that outlines the department of attorney general's action
29 plan to eliminate all outstanding sexual assault kits and the time frame for completion of
30 testing of all untested sexual assault kits.

31 (c) A detailed work and spending plan that outlines anticipated litigation action and
32 expenditures resulting from findings of the sexual assault kit testing.

1 (3) Any funds remaining after the department of attorney general has met the
2 obligations required under subsection (1) may be used for the purpose of retesting any
3 previously tested sexual assault kits across this state using currently available DNA
4 testing. Funds may be used under this subsection only for DNA testing on previously tested
5 kits that were not tested for DNA. If there are remaining untested sexual assault kits on
6 January 31, 2026, funds appropriated in part 1 must be used only for the testing of those
7 kits.

8 Sec. 2-317. (1) The department of attorney general shall submit a report to the
9 standard report recipients and the state budget director. The report must include all legal
10 costs and associated expenses related to the declaration of emergency due to drinking water
11 contamination and the investigations and any resulting prosecutions. The state budget
12 director shall include the report in the Flint water emergency-financial and activities
13 tracking and reporting document that is posted by the state budget director on the public
14 website, <https://www.michigan.gov/budget/fiscal-pages/reports/flint>. The tracking and
15 reporting documents must include the budget line item source for each expenditure.

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

19 Sec. 2-319. From the funds appropriated in part 1, the attorney general shall submit
20 a quarterly report on the wrongful imprisonment compensation fund that includes at least
21 all of the following:

22 (a) All payments made from the wrongful imprisonment compensation fund in each prior
23 quarter of the fiscal year, and the total of those payments, including if each payment is
24 part of a new settlement or part of an installment plan.

25 (b) Total payments made from each prior fiscal year and the total of all payments to
26 date.

27 (c) Any settlements that have been decided but have yet to receive a payment.

28 (d) The number of known cases seeking a settlement, but do not have a final judgment,
29 and the dollar amount of each potential payment for these known cases, and the total of
30 these payments.

31 (e) The balance of the wrongful imprisonment compensation fund at the end of the
32 previous quarter.

1 (f) The percentage of claims received in the immediately preceding fiscal quarter
2 that were awarded compensation.

3 (g) The percentage of claims received in the immediately preceding fiscal year that
4 were awarded compensation.

5 (h) For claims that did not receive the full amount of compensation sought, both of
6 the following:

7 (i) The amount of compensation that was sought.

8 (j) The amount of compensation that was received.

9 Sec. 2-320. Any proceeds from a lawsuit initiated by or settlement agreement entered
10 into on behalf of this state against a manufacturer of tobacco products or manufacturer or
11 distributor of opioid products by the attorney general are state funds, unless otherwise
12 directed by a court or legal agreement, and are subject to appropriation as provided by
13 law.

14 Sec. 2-321. From the funds appropriated in part 1, the department of attorney general
15 shall maintain a publicly accessible website dedicated to opioid settlement distributions.
16 The website must include estimated future amounts payable to local units of government and
17 estimated amounts received by local units of government, delineated by case settlement
18 agreement.

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Article 3

DEPARTMENT OF CIVIL RIGHTS

PART 1

LINE-ITEM APPROPRIATIONS AND ANTICIPATED APPROPRIATIONS

Sec. 3-101. Subject to the conditions set forth in this article, the amounts listed in this part for the department of civil rights are appropriated for the fiscal year ending September 30, 2026, and are anticipated to be appropriated for the fiscal year ending September 30, 2027, from the funds indicated in this part. The following is a summary of the appropriations and anticipated appropriations in this part:

For Fiscal
Year Ending
Sept. 30, 2026

For Fiscal
Year Ending
Sept. 30, 2027

1 **DEPARTMENT OF CIVIL RIGHTS**

2 **APPROPRIATION SUMMARY**

3 Full-time equated unclassified positions.....	6.0		6.0
4 Full-time equated classified positions.....	171.0		171.0
5 GROSS APPROPRIATION	\$ 30,781,400	\$	30,781,400

6 Total interdepartmental grants and intradepartmental			
7 transfers	0		0

8 ADJUSTED GROSS APPROPRIATION	\$ 30,781,400	\$	30,781,400
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9 Total federal revenues	2,899,300		2,899,300
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10 Total local revenues	0		0
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11 Total private revenues	18,700		18,700
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12 Total other state restricted revenues	58,500		58,500
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13 State general fund/general purpose	\$ 27,804,900	\$	27,804,900
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14 *State general fund/general purpose schedule:*

15 <i>Ongoing state general fund/general purpose</i>	27,804,900		27,804,900
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16 <i>One-time state general fund/general purpose</i>	0		0
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17 **Sec. 3-102. CIVIL RIGHTS OPERATIONS**

18 Full-time equated unclassified positions.....	6.0		6.0
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19 Full-time equated classified positions.....	171.0		171.0
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20 Unclassified salaries-6.0 FTE positions	\$ 869,800	\$	869,800
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21 Complaint investigation and enforcement-123.0 FTE			
22 positions	19,646,700		19,646,700

23 Division on deaf, deafblind, and hard of hearing-6.0 FTE			
24 positions	761,400		761,400

25 Executive office-27.0 FTE positions	3,757,100		3,757,100
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26 Museums support	1,500,000		1,500,000
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27 Public affairs-15.0 FTE positions	<u>2,697,500</u>		<u>2,697,500</u>
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28 GROSS APPROPRIATION	\$ 29,232,500	\$	29,232,500
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29 Appropriated from:

30 Federal revenues:

31 Other federal revenues	2,884,300		2,884,300
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32 Special revenue funds:

	For Fiscal Year Ending Sept. 30, 2026	For Fiscal Year Ending Sept. 30, 2027
1 Private revenues	18,700	18,700
2 Other state restricted revenues	58,500	58,500
3 State general fund/general purpose	\$ 26,271,000	\$ 26,271,000
4 Sec. 3-103. INFORMATION TECHNOLOGY		
5 Information technology services and projects	\$ <u>1,548,900</u>	\$ <u>1,548,900</u>
6 GROSS APPROPRIATION	\$ 1,548,900	\$ 1,548,900
7 Appropriated from:		
8 Federal revenues:		
9 Other federal revenues	15,000	15,000
10 Special revenue funds:		
11 State general fund/general purpose	\$ 1,533,900	\$ 1,533,900

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FISCAL YEAR 2026

GENERAL SECTIONS

18 Sec. 3-201. Pursuant to section 30 of article IX of the state constitution of 1963,
19 total state spending from state sources under part 1 for the fiscal year 2026 is
20 \$27,863,400.00 and state spending from state sources to be paid to local units of
21 government for fiscal year 2026 is \$0.00.

22 Sec. 3-202. The appropriations under this part and part 1 are subject to the
23 management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

24 Sec. 3-203. As used in this article:

- 25 (a) "Department" means the department of attorney general.
- 26 (b) "Director" means the director of the department.
- 27 (c) "FTE" means full-time equated.
- 28 (d) "IDG" means interdepartmental grant.

29 Sec. 3-204. A department or agency shall use the internet to fulfill the reporting
30 requirements of this part. This requirement includes transmitting reports to the standard
31 report recipients and any other required recipients by email and posting the reports on an
32 internet site.

1 Sec. 3-205. To the extent permissible under section 261 of the management and budget
2 act, 1984 PA 431, MCL 18.1261, all of the following apply to the expenditure of funds
3 appropriated in part 1:

4 (a) The funds must not be used for the purchase of foreign goods or services, or
5 both, if competitively priced and of comparable quality American goods or services, or
6 both, are available.

7 (b) Preference must be given to goods or services, or both, manufactured or provided
8 by Michigan businesses, if they are competitively priced and of comparable quality.

9 (c) Preference must be given to goods or services, or both, that are manufactured or
10 provided by Michigan businesses owned and operated by veterans, if they are competitively
11 priced and of comparable quality.

12 Sec. 3-207. Consistent with section 217 of the management and budget act, 1984 PA
13 431, MCL 18.1217, each department and agency receiving appropriations in part 1 shall
14 prepare a report on out of state travel expenses not later than January 1. The report must
15 list all travel by classified and unclassified employees outside this state in the previous
16 fiscal year that was funded in whole or in part with funds appropriated in the department's
17 or agency's budget. The department or agency shall submit the report to the standard report
18 recipients and to the house of representatives and senate appropriations committees. The
19 report must include all of the following information:

20 (a) The dates of each travel occurrence.

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

24 Sec. 3-208. A principal executive department, state agency, or authority shall not
25 use funds appropriated in part 1 to hire a person to provide legal services that are the
26 responsibility of the attorney general. This section does not apply to legal services for
27 bonding activities or to outside legal services that the attorney general authorizes.

28 Sec. 3-209. Not later than December 15, the state budget office shall prepare and
29 submit a report that provides for estimates of the total general fund/general purpose
30 appropriation lapses at the close of the previous fiscal year. The report must summarize
31 the projected year-end general fund/general purpose appropriation lapses by major
32 departmental program or program areas. The state budget office shall submit the report to

1 the standard report recipients and the chairpersons of the senate and house of
2 representatives appropriations committees.

3 Sec. 3-210. (1) In addition to the funds appropriated in part 1, there is
4 appropriated an amount not to exceed \$1,000,000.00 for federal contingency funds. These
5 funds are not available for expenditure until they have been transferred to another line
6 item in this article under section 393(2) of the management and budget act, 1984 PA 431,
7 MCL 18.1393.

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

12 Sec. 3-211. A department or agency shall cooperate with the department of technology,
13 management and budget to maintain a searchable website accessible by the public at no cost
14 that includes, but is not limited to, all of the following for each department or agency:

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

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

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

19 (d) The number of active employees by job classification.

20 (e) Job specifications and wage rates.

21 Sec. 3-214. To the extent permissible under the management and budget act, 1984 PA
22 431, MCL 18.1101 to 18.1594, the director of each department or agency receiving
23 appropriations in part 1 shall take all reasonable steps to ensure geographically
24 disadvantaged business enterprises compete for and perform contracts to provide services or
25 supplies, or both. Each director shall strongly encourage firms with which the department
26 or agency contracts to subcontract with certified geographically disadvantaged business
27 enterprises for services, supplies, or both. As used in this section, "geographically-
28 disadvantaged" business enterprises means that term as defined in Executive Directive No.
29 2023-1.

30 Sec. 3-215. On a quarterly basis, a department or agency receiving appropriations in
31 part 1 shall report on the number of FTEs in pay status by type of staff and civil service
32 classification, including comparison by line item of the number of FTEs authorized from

1 funds appropriated in part 1 to the actual number of FTE positions employed by the
2 department or agency at the end of the reporting period. The report must be submitted to
3 the senate and house appropriations committees and to the standard report recipients.

4 Sec. 3-221. (1) Funds appropriated in part 1 must not be used to restrict or impede a
5 marginalized community's access to government resources, programs, or facilities.

6 (2) From the funds appropriated in part 1, local governments shall report any action
7 or policy that attempts to restrict or interfere with the duties of a local health officer.

8

9 **CIVIL RIGHTS OPERATIONS**

10 Sec. 3-402. (1) In addition to the appropriations contained in part 1, the department
11 of civil rights may receive and expend not more than \$600,000.00 in funds from local
12 sources, private sources, or both, for all of the following purposes:

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

15 (b) Publishing and selling civil rights related informational material.

16 (c) Providing copies of material made available in response to requests under the
17 freedom of information act, 1976 PA 442, MCL 15.231 to 15.246.

18 (d) Paying other copy fees, subpoena fees, and witness fees.

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

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

23 (g) Paying staffing costs for all activities included in this subsection.

24 (2) Not later than November 30, the department of civil rights shall submit a report
25 to the standard report recipients and the senate and house of representatives standing
26 committees on appropriations on the amount of funds received and expended for purposes
27 authorized under this section.

28 Sec. 3-403. (1) The department of civil rights may contract with local units of
29 government to review equal employment opportunity compliance of potential and existing
30 contractors and may charge for and expend amounts received from local units of government
31 for the purpose of developing and providing these contractual services.

32 (2) Not later than November 30, the department of civil rights shall submit a report

1 to the standard report recipients and the senate and house of representatives standing
2 committees on appropriations on the amount of funds received and expended for purposes
3 authorized under this section.

4 Sec. 3-404. The department of civil rights shall submit quarterly reports to the
5 standard report recipients that include, but are not limited to, all of the following
6 information for the immediately preceding fiscal quarter:

7 (a) The number of all complaints received by the department by basis of complaint.

8 (b) The number of certified complaint cases initiated by basis of complaint.

9 (c) The number of certified complaint cases completed.

10 (d) The final disposition of certified complaint case investigations.

11 (e) The average number of days for a case to be completed after certification. (f)

12 The number of FTE positions filled from the FTE authorization for complaint investigations
13 and enforcement.

14 (g) The number of open cases that have been open for more than 1 year.

15 (h) The quotient of the number of certified cases completed divided by the number of
16 filled FTE positions for enforcement investigators.

17 (i) A listing of amounts awarded to claimants.

18 Sec. 3-411. (1) From the funds appropriated in part 1 for museums support,
19 \$500,000.00 must directly be awarded to support an Arab-American museum located in a county
20 with a population over 1,300,000 and in a city with a population of between 105,000 and
21 115,000, according to the most recent federal decennial census.

22 (2) From the funds appropriated in part 1 for museums support, \$500,000.00 must
23 directly be awarded to an African-American museum in a city with a population greater than
24 600,000, according to the most recent federal decennial census.

25 (3) From the funds appropriated in part 1 for museums support, \$500,000.00 must
26 directly be awarded to support a memorial center in a county with a population of between
27 1,200,000 and 1,300,000 and in a city with a population of between 83,000 and 84,000,
28 according to the most recent federal decennial census.

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Article 4

DEPARTMENT OF CORRECTIONS

PART 1

LINE-ITEM APPROPRIATIONS AND ANTICIPATED APPROPRIATIONS

Sec. 4-101. Subject to the conditions set forth in this article, the amounts listed in this part for the department of corrections are appropriated for the fiscal year ending September 30, 2026, and are anticipated to be appropriated for the fiscal year ending September 30, 2027, from the funds indicated in this part. The following is a summary of the appropriations and anticipated appropriations in this part:

	For Fiscal Year Ending Sept. 30, 2026	For Fiscal Year Ending Sept. 30, 2027
1	DEPARTMENT OF CORRECTIONS	
2	APPROPRIATION SUMMARY	
3	Full-time equated unclassified positions.....	16.0 16.0
4	Full-time equated classified positions.....	13,210.0 13,210.0
5	GROSS APPROPRIATION	\$ 2,218,974,900 \$ 2,213,528,500
6	Total interdepartmental grants and intradepartmental	
7	transfers	0 0
8	ADJUSTED GROSS APPROPRIATION	\$ 2,218,974,900 \$ 2,213,528,500
9	Total federal revenues	5,203,700 5,203,700
10	Total local revenues	12,122,000 12,122,000
11	Total private revenues	0 0
12	Total other state restricted revenues	30,304,100 30,304,100
13	State general fund/general purpose	\$ 2,171,345,100 \$ 2,165,898,700
14	<i>State general fund/general purpose schedule:</i>	
15	<i>Ongoing state general fund/general purpose</i>	<i>2,165,898,700 2,165,898,700</i>
16	<i>One-time state general fund/general purpose</i>	<i>5,446,400 0</i>
17	Sec. 4-102. DEPARTMENTAL ADMINISTRATION AND SUPPORT	
18	Full-time equated unclassified positions.....	16.0 16.0
19	Full-time equated classified positions.....	412.0 412.0
20	Unclassified salaries-16.0 FTE positions	\$ 2,362,900 \$ 2,362,900
21	Administrative hearings officers	4,070,200 4,070,200
22	Budget and operations administration-316.0 FTE	
23	positions	45,097,300 45,097,300
24	Compensatory buyout and union leave bank	100 100
25	County jail reimbursement program	14,814,600 14,814,600
26	Employee wellness programming-8.0 FTE positions	2,395,600 2,395,600
27	Equipment and special maintenance	1,559,700 1,559,700
28	Executive direction-28.0 FTE positions	5,515,200 5,515,200
29	Judicial data warehouse user fees	50,600 50,600
30	New custody staff training	23,815,400 23,815,400
31	Prison industries operations-60.0 FTE positions	10,309,100 10,309,100
32	Property management	2,638,000 2,638,000

	For Fiscal Year Ending Sept. 30, 2026	For Fiscal Year Ending Sept. 30, 2027	
1	Prosecutorial and detainer expenses	3,801,000	3,801,000
2	Worker's compensation	<u>8,770,900</u>	<u>8,770,900</u>
3	GROSS APPROPRIATION	\$ 125,200,600	\$ 125,200,600
4	Appropriated from:		
5	Federal revenues:		
6	Other federal revenues	674,700	674,700
7	Special revenue funds:		
8	Other state restricted revenues	16,930,700	16,930,700
9	State general fund/general purpose	\$ 107,595,200	\$ 107,595,200
10	Sec. 4-103. OFFENDER SUCCESS ADMINISTRATION		
11	Full-time equated classified positions.....	343.9	343.9
12	Community corrections comprehensive plans and services	\$ 14,198,100	\$ 14,198,100
13	Criminal justice reinvestment	2,548,400	2,548,400
14	Education/skilled trades/career readiness programs-259.9		
15	FTE positions	39,336,400	39,336,400
16	Enhanced food technology program-11.0 FTE positions ..	1,711,200	1,711,200
17	Goodwill flip the script	1,250,000	1,250,000
18	Higher education in prison	2,000,000	2,000,000
19	Offender success community partners	20,675,000	20,675,000
20	Offender success federal grants	751,000	751,000
21	Offender success programming	21,742,200	21,742,200
22	Offender success services-73.0 FTE positions	15,905,400	15,905,400
23	Probation residential services	14,575,500	14,575,500
24	Public safety initiative	<u>250,000</u>	<u>250,000</u>
25	GROSS APPROPRIATION	\$ 134,943,200	\$ 134,943,200
26	Appropriated from:		
27	Federal revenues:		
28	Other federal revenues	2,383,800	2,383,800
29	Special revenue funds:		
30	State general fund/general purpose	\$ 132,559,400	\$ 132,559,400
31	Sec. 4-104. FIELD OPERATIONS ADMINISTRATION		
32	Full-time equated classified positions.....	1,873.5	1,873.5

	For Fiscal Year Ending Sept. 30, 2026	For Fiscal Year Ending Sept. 30, 2027	
1	Field operations-1,842.5 FTE positions	\$ 234,599,100	\$ 234,599,100
2	Parole board operations-31.0 FTE positions	4,061,100	4,061,100
3	Parole/probation services	940,000	940,000
4	Residential alternative to prison program	<u>1,500,000</u>	<u>1,500,000</u>
5	GROSS APPROPRIATION	\$ 241,100,200	\$ 241,100,200
6	Appropriated from:		
7	Special revenue funds:		
8	Local revenues	275,000	275,000
9	Other state restricted revenues	7,580,500	7,580,500
10	State general fund/general purpose	\$ 233,244,700	\$ 233,244,700
11	Sec. 4-105. CORRECTIONAL FACILITIES ADMINISTRATION		
12	Full-time equated classified positions.....	678.0	678.0
13	Body-worn cameras-8.0 FTE positions	\$ 3,821,800	\$ 3,821,800
14	Central records-43.0 FTE positions	5,121,100	5,121,100
15	Contraband prevention	2,750,000	2,750,000
16	Correctional facilities administration-37.0 FTE		
17	positions	6,980,900	6,980,900
18	Housing inmates in federal institutions	511,000	511,000
19	Inmate housing fund	100	100
20	Inmate legal services	290,900	290,900
21	Intelligence unit-30.0 FTE positions	4,068,700	4,068,700
22	Leased beds and alternatives to leased beds	100	100
23	Prison food service-324.0 FTE positions	77,620,600	77,620,600
24	Prison store operations-32.0 FTE positions	3,645,400	3,645,400
25	Transportation-204.0 FTE positions	<u>35,932,600</u>	<u>35,932,600</u>
26	GROSS APPROPRIATION	\$ 140,743,200	\$ 140,743,200
27	Appropriated from:		
28	Federal revenues:		
29	Other federal revenues	683,000	683,000
30	Special revenue funds:		
31	Other state restricted revenues	4,531,800	4,531,800
32	State general fund/general purpose	\$ 135,528,400	\$ 135,528,400

	For Fiscal Year Ending Sept. 30, 2026	For Fiscal Year Ending Sept. 30, 2027
1 Sec. 4-106. HEALTH CARE		
2 Full-time equated classified positions.....	1,528.3	1,528.3
3 Clinical complexes-1,034.3 FTE positions	\$ 177,805,900	\$ 177,805,900
4 Health care administration-18.0 FTE positions	3,765,900	3,765,900
5 Healthy Michigan plan administration-12.0 FTE		
6 positions	1,069,200	1,069,200
7 Hepatitis C treatment	10,499,100	10,499,100
8 Interdepartmental grant to health and human services,		
9 eligibility specialists	120,200	120,200
10 Mental health and substance use disorder treatment services-		
11 464.0 FTE positions	68,380,200	68,380,200
12 Prisoner health care services	117,540,700	117,540,700
13 Vaccination program	<u>691,200</u>	<u>691,200</u>
14 GROSS APPROPRIATION	\$ 379,872,400	\$ 379,872,400
15 Appropriated from:		
16 Federal revenues:		
17 Other federal revenues	427,400	427,400
18 Special revenue funds:		
19 Other state restricted revenues	257,200	257,200
20 State general fund/general purpose	\$ 379,187,800	\$ 379,187,800
21 Sec. 4-107. CORRECTIONAL FACILITIES		
22 Full-time equated classified positions.....	8,374.3	8,374.3
23 Alger Correctional Facility - Munising-259.0		
24 FTE positions	\$ 34,805,000	\$ 34,805,000
25 Baraga Correctional Facility - Baraga-295.8		
26 FTE positions	40,914,000	40,914,000
27 Bellamy Creek Correctional Facility - Ionia-415.2		
28 FTE positions	54,570,100	54,570,100
29 Carson City Correctional Facility - Carson City-422.4		
30 FTE positions	56,263,200	56,263,200
31 Central Michigan Correctional Facility - St. Louis-386.6		
32 FTE positions	53,477,300	53,477,300

	For Fiscal Year Ending Sept. 30, 2026	For Fiscal Year Ending Sept. 30, 2027
1 Charles E. Egeler Correctional Facility - Jackson-386.6		
2 FTE positions	52,918,000	52,918,000
3 Chippewa Correctional Facility - Kincheloe-443.6		
4 FTE positions	58,868,600	58,868,600
5 Cooper Street Correctional Facility - Jackson-254.6		
6 FTE positions	33,611,800	33,611,800
7 Detroit Detention Center-75.8 FTE positions	11,847,000	11,847,000
8 Earnest C. Brooks Correctional Facility - Muskegon-		
9 248.2 FTE positions	35,196,300	35,196,300
10 G. Robert Cotton Correctional Facility - Jackson-396.0		
11 FTE positions	51,549,700	51,549,700
12 Gus Harrison Correctional Facility - Adrian-299.0		
13 FTE positions	41,677,200	41,677,200
14 Ionia Correctional Facility - Ionia-293.3 FTE		
15 positions	39,964,900	39,964,900
16 Kinross Correctional Facility - Kincheloe-247.3 FTE		
17 positions	35,852,800	35,852,800
18 Lakeland Correctional Facility - Coldwater-275.4 FTE		
19 positions	38,226,700	38,226,700
20 Macomb Correctional Facility - New Haven-313.3 FTE		
21 positions	43,326,900	43,326,900
22 Marquette Branch Prison - Marquette-319.7 FTE		
23 positions	42,929,700	42,929,700
24 Muskegon Correctional Facility - Muskegon-217.3 FTE		
25 positions	31,806,000	31,806,000
26 Newberry Correctional Facility - Newberry-200.1 FTE		
27 positions	28,319,600	28,319,600
28 Oaks Correctional Facility - Eastlake-289.4 FTE		
29 positions	40,701,900	40,701,900
30 Parnall Correctional Facility - Jackson-266.1 FTE		
31 positions	34,877,400	34,877,400
32 Richard A. Handlon Correctional Facility - Ionia-268.3		

	For Fiscal Year Ending Sept. 30, 2026	For Fiscal Year Ending Sept. 30, 2027
1 FTE positions	37,046,700	37,046,700
2 Saginaw Correctional Facility - Freeland-276.9 FTE		
3 positions	38,521,700	38,521,700
4 Special alternative incarceration program - Jackson-26.2		
5 FTE positions	3,639,000	3,639,000
6 St. Louis Correctional Facility - St. Louis-306.6 FTE		
7 positions	43,821,100	43,821,100
8 Thumb Correctional Facility - Lapeer-295.6 FTE		
9 positions	41,526,300	41,526,300
10 Womens Huron Valley Correctional Complex - Ypsilanti-506.1		
11 FTE positions	67,658,600	67,658,600
12 Woodland Correctional Facility - Whitmore Lake-296.9 FTE		
13 positions	42,564,300	42,564,300
14 Northern region administration and support-42.0 FTE		
15 positions	4,594,100	4,594,100
16 Southern region administration and support-51.0 FTE		
17 positions	<u>18,969,800</u>	<u>18,969,800</u>
18 GROSS APPROPRIATION	\$ 1,160,045,700	\$ 1,160,045,700
19 Appropriated from:		
20 Federal revenues:		
21 Other federal revenues	1,034,800	1,034,800
22 Special revenue funds:		
23 Local revenues	11,847,000	11,847,000
24 Other state restricted revenues	102,100	102,100
25 State general fund/general purpose	\$ 1,147,061,800	\$ 1,147,061,800
26 Sec. 4-108. INFORMATION TECHNOLOGY		
27 Information technology services and projects	\$ <u>31,623,200</u>	\$ <u>31,623,200</u>
28 GROSS APPROPRIATION	\$ 31,623,200	\$ 31,623,200
29 Appropriated from:		
30 Special revenue funds:		
31 Other state restricted revenues	901,800	901,800
32 State general fund/general purpose	\$ 30,721,400	\$ 30,721,400

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

4 (b) "Department" means the department of corrections.

5 (c) "Director" means the director of the department.

6 (d) "Evidence-based" means a decision-making process that integrates the best
7 available research, clinician expertise, and client characteristics.

8 (e) "FDA" means the United State Foods and Drug Administration.

9 (f) "FTE" means full-time equated position in the classified service of this state.

10 (g) "Jail" means a facility operated by a local unit of government for the physical
11 detention and correction of individuals charged with or convicted of criminal offenses.

12 (h) "Offender success" means that an offender has, with the support of the community,
13 intervention of the field agent, and benefit of any participation in programs and
14 treatment, made an adjustment while at liberty in the community such that the offender has
15 not been sentenced to or returned to prison for the conviction of a new crime or the
16 revocation of probation or parole.

17 (i) "Recidivism" means that term as defined in section 1 of 2017 PA 5, MCL 798.31.

18 (j) "Serious emotional disturbance" means that term as defined in section 100d(3) of
19 the mental health code, 1974 PA 258, MCL 330.1100d.

20 (k) "Serious mental illness" means that term as defined in section 100d(4) of the
21 mental health code, 1974 PA 258, MCL 330.1100d.

22 (l) "Standard report recipients" means the senate and house appropriations
23 subcommittees on the department, the senate and house fiscal agencies, the senate and house
24 policy offices, and the state budget office.

25 Sec. 4-204. A department or agency shall use the internet to fulfill the reporting
26 requirements of this part. This requirement includes transmitting reports to the standard
27 report recipients and any other required recipients by email and posting the reports on an
28 internet site.

29 Sec. 4-205. To the extent permissible under section 261 of the management and budget
30 act, 1984 PA 431, MCL 18.1261, all of the following apply to the expenditure of funds
31 appropriated in part 1:

32 (a) The funds must not be used for the purchase of foreign goods or services, or

1 both, if competitively priced and of comparable quality American goods or services, or
2 both, are available.

3 (b) Preference must be given to goods or services, or both, manufactured or provided
4 by Michigan businesses, if they are competitively priced and of comparable quality.

5 (c) Preference must be given to goods or services, or both, that are manufactured or
6 provided by Michigan businesses owned and operated by veterans, if they are competitively
7 priced and of comparable quality.

8 Sec. 4-207. Consistent with section 217 of the management and budget act, 1984 PA
9 431, MCL 18.1217, each department and agency receiving appropriations in part 1 shall
10 prepare a report on out of state travel expenses not later than January 1. The report must
11 list all travel by classified and unclassified employees outside this state in the previous
12 fiscal year that was funded in whole or in part with funds appropriated in the department's
13 or agency's budget. The department or agency shall submit the report to the standard report
14 recipients and to the house of representatives and senate appropriations committees. The
15 report must include all of the following information:

16 (a) The dates of each travel occurrence.

17 (b) The total transportation and related expenses of each travel occurrence and the
18 proportions funded with state general fund/general purpose revenues, state restricted
19 revenues, federal revenues, and other revenues.

20 Sec. 4-208. A principal executive department, state agency, or authority shall not
21 use funds appropriated in part 1 to hire a person to provide legal services that are the
22 responsibility of the attorney general. This section does not apply to legal services for
23 bonding activities or to outside legal services that the attorney general authorizes.

24 Sec. 4-209. Not later than December 15, the state budget office shall prepare and
25 submit a report that provides for estimates of the total general fund/general purpose
26 appropriation lapses at the close of the previous fiscal year. The report must summarize
27 the projected year-end general fund/general purpose appropriation lapses by major
28 departmental program or program areas. The state budget office shall submit the report to
29 the standard report recipients and the chairpersons of the senate and house of
30 representatives appropriations committees.

31 Sec. 4-210. (1) In addition to the funds appropriated in part 1, there is
32 appropriated an amount not to exceed \$2,500,000.00 for federal contingency funds. These

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

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

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

12 Sec. 4-211. A department or agency shall cooperate with the department of technology,
13 management and budget to maintain a searchable website accessible by the public at no cost
14 that includes, but is not limited to, all of the following for each department or agency:

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

21 Sec. 4-214. To the extent permissible under the management and budget act, 1984 PA
22 431, MCL 18.1101 to 18.1594, the director of each department or agency receiving
23 appropriations in part 1 shall take all reasonable steps to ensure geographically
24 disadvantaged business enterprises compete for and perform contracts to provide services or
25 supplies, or both. Each director shall strongly encourage firms with which the department
26 or agency contracts to subcontract with certified geographically disadvantaged business
27 enterprises for services, supplies, or both. As used in this section, "geographically-
28 disadvantaged" business enterprises means that term as defined in Executive Directive No.
29 2023-1.

30 Sec. 4-215. On a quarterly basis, a department or agency receiving appropriations in
31 part 1 shall report on the number of FTEs in pay status by type of staff and civil service
32 classification, including comparison by line item of the number of FTEs authorized from

1 funds appropriated in part 1 to the actual number of FTE positions employed by the
2 department or agency at the end of the reporting period. The report must be submitted to
3 the senate and house appropriations committees and to the standard report recipients.

4 Sec. 4-221. (1) Funds appropriated in part 1 must not be used to restrict or impede a
5 marginalized community's access to government resources, programs, or facilities.

6 (2) From the funds appropriated in part 1, local governments shall report any action
7 or policy that attempts to restrict or interfere with the duties of a local health officer.

8

9 **DEPARTMENTAL ADMINISTRATION AND SUPPORT**

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

17 Sec. 4-303. The department shall submit a report not later than March 1 on the
18 department's staff retention strategies.

19 Sec. 4-304. The department shall submit a report not later than March 1 on the number
20 of employee departures. The report must include the following:

21 (a) The number of corrections officers that departed from employment at a state
22 correctional facility in the previous fiscal year and the number of years they worked for
23 the department.

24 (b) A chart that shows the normal distribution of employee departures in the
25 positions described under subdivision (a) based on years of service. Years of service must
26 be grouped into the following ranges: 1 to 3 years, 3 to 5 years, 5 to 10 years, 10 to 15
27 years, 15 to 20 years, and 20 and more years.

28 (c) A section that shows the distinction between the following:

29 (i) Recruits who are in training at the academy that depart employment.

30 (ii) Recruits who are in training at a facility that depart employment.

31 (iii) Employees who have been on the job that depart employment.

32 (d) A summary of the primary reasons for departure for each of the ranges of years of

1 service described under subdivision (1)(b) based on the available responses.

2 Sec. 4-305. Funds appropriated in part 1 for prosecutorial and detainer expenses must
3 be used to reimburse counties for housing and custody of parole violators and offenders
4 being returned by the department from community placement who are available for return to
5 institutional status and for prisoners who volunteer for placement in a county jail.

6 Sec. 4-306. The department shall provide fiduciary oversight of funds received under
7 the local corrections officers training act, 2003 PA 125, MCL 791.531 to 791.546.

8 Sec. 4-307. The department shall issue a report not later than March 1 for vendor
9 contracts with a value of \$500,000.00 or more that includes the following:

10 (a) The original start date and the current expiration date of each contract.

11 (b) The number of available option years.

12 (c) The number, if any, of contract compliance monitoring site visits completed by
13 the department for each vendor in the previous fiscal year.

14 (d) The number and amount of fines in the previous fiscal year, for service-level
15 agreement noncompliance for each vendor broken down by area of noncompliance.

16 Sec. 4-308. The department must ensure that a prisoner telephone system is
17 maintained. The prisoner telephone system must meet ongoing operational needs of the
18 department while maintaining the lowest per-minute rate possible. The department must
19 provide notice at least 45 days in advance of each of the following taking effect:

20 (a) Changes to telephone rates.

21 (b) Extending the telephone contract, including the department exercising the option
22 to extend the contract.

23 (c) Rebidding the telephone contract.

24 Sec. 4-309. The department shall provide for the training of all custody staff in
25 effective and safe ways of handling prisoners with mental illness and referring prisoners
26 to mental health treatment programs. Mental health awareness training must be incorporated
27 into the training of new custody staff.

28 Sec. 4-311. The department shall provide a report on the Michigan state industries
29 program not later than December 1. The report must include, but is not limited to, all of
30 the following information:

31 (a) The locations of the programs.

32 (b) The total number of participants at each location.

1 (c) A description of job duties and typical inmate schedules, and the products that
2 are produced.

3 (d) How the program provides marketable skills that lead to employable outcomes after
4 release from a department facility.

5 Sec. 4-312. (1) Funds appropriated in part 1 for employee wellness programming must
6 be used for post-traumatic stress outreach, treating mental health issues, peer support
7 programs, and providing mental health programming for all department staff, including
8 former employees.

9 (2) Not later than December 15, the department shall submit a report on programs the
10 department has established, the level of employee involvement, and expenditures made by the
11 department for employee wellness programming.

12 Sec. 4-313. (1) From the funds appropriated in part 1 for new custody staff, the
13 department shall work to hire and train new corrections officers to address attrition of
14 corrections officers and to decrease overtime costs. The department shall submit quarterly
15 reports on new employee schools. The reports must include all of the following information
16 for the immediately preceding fiscal quarter, and as much of the information as possible
17 for the current and next fiscal year:

18 (a) The number of new employee schools that took place and the location of each.

19 (b) The number of recruits that started in each employee school.

20 (c) The number of recruits that graduated from each employee school and continued
21 employment with the department.

22 (2) Third quarter reports must outline steps the department has taken to obtain the
23 highest number of recruits possible for each new employee school. A report prepared under
24 this subsection must include, but is not limited to, all of the following information:

25 (a) Internal sources of recruitment, including transfers and promotions.

26 (b) External sources of recruitment, including advertisements.

27 (c) Job portals, social networking platforms, placement agencies, job fairs, campus
28 placements, or professional entities used for recruitment.

29 (d) Whether the department's website was used to advertise vacancies.

30 Sec. 4-314. The department shall submit a quarterly report on the number of overtime
31 hours worked by all custody staff, by facility. The report must include, for each facility,
32 the reasons for overtime hours worked and the average number of overtime hours worked by

1 active employees.

2 Sec. 4-315. From the funds appropriated in part 1, the department may establish
3 agreements and exchange offender data with local, state, and federal agencies, law
4 enforcement, community service and treatment providers, and research partners in order to
5 improve offender success, reduce recidivism risk, and enhance public safety. This data
6 sharing may include, but is not limited to, efforts to support all of the following:

7 (a) Providing continuing access to behavioral health, physical health, and medication
8 needs through community-based providers.

9 (b) Establishing assistance program eligibility and participation.

10 (c) Collaborating with community service providers for continued care and access to
11 services for offenders.

12 (d) Providing ongoing cognitive and behavioral treatment programming in the
13 community.

14 (e) Providing substance abuse testing and referrals for counseling services and
15 treatment.

16 (f) Providing vocational skill training, job placement support, and monitoring
17 employment attainment.

18 (g) Determining educational attainment and needs.

19 (h) Establishing accurate offender identification, criminal histories, and monitoring
20 new criminal activity.

21 (i) Measuring and evaluating treatment programs and services in support of evidence-
22 based practices.

23 Sec. 4-317. The department shall submit 3-year and 5-year prison population
24 projection updates not later than April 1, including explanations of the methodology and
25 assumptions used in developing the projection updates.

26 Sec. 4-318. The department shall provide an annual statistical report for the
27 immediately preceding calendar year not later than June 30. The report must include, but
28 not be limited to, the types of information as provided in the 2022 statistical report.

29 Sec. 4-319. The department shall report the reincarceration recidivism rates of
30 offenders based on available data.

31 Sec. 4-320. (1) The department shall administer a county jail reimbursement program
32 from the funds appropriated in part 1 for the purpose of reimbursing counties for housing

1 in jails certain felons who otherwise would have been sentenced to prison.

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

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

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

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

17 (3) State reimbursement under this section must be \$70.00 per diem per diverted
18 offender for offenders with a presumptive prison guideline score, \$60.00 per diem per
19 diverted offender for offenders with a straddle cell guideline for a group 1 crime, and
20 \$45.00 per diem per diverted offender for offenders with a straddle cell guideline for a
21 group 2 crime. Reimbursements must be paid for sentences up to a 1-year total.

22 (4) County jail reimbursement program expenditures must not exceed the amount
23 appropriated in part 1 for the county jail reimbursement program. Payments to counties
24 under the county jail reimbursement program must be made in the order in which properly
25 documented requests for reimbursements are received. A request is properly documented if it
26 meets departmental requirements for documentation. Not later than October 15, the
27 department shall distribute the documentation requirements to all counties.

28 (5) Any county that receives funding under this section for the purpose of housing in
29 jails certain felons who otherwise would have been sentenced to prison shall, as a
30 condition of receiving the funding, report not later than September 30 an annual average
31 jail capacity and annual average jail occupancy for the previous fiscal year.

32 (6) Not later than February 1, the department shall report all of the following

1 information:

2 (a) The number of inmates sentenced to the custody of the sheriff and eligible for
3 the county jail reimbursement program.

4 (b) The total amount paid to counties under the county jail reimbursement program.

5 (c) The total number of days inmates were in the custody of the sheriff and eligible
6 for the county jail reimbursement program.

7 (d) The number of inmates sentenced to the custody of the sheriff under each of the 3
8 categories: presumptive prison, group 1 crime, and group 2 crime in subsection (3).

9 (e) The total amount paid to counties under each of the 3 categories: presumptive
10 prison, group 1 crime, and group 2 crime in subsection (3).

11 (f) The total number of days inmates were in the custody of the sheriff under each of
12 the 3 categories: presumptive prison, group 1 crime, and group 2 crime in subsection (3).

13 (g) The estimated cost of housing inmates sentenced to the custody of the sheriff and
14 eligible for the county jail reimbursement program as inmates of a state prison.

15 (7) As used in this section:

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

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

26 (c) "In the custody of the sheriff" means that the convicted felon has been sentenced
27 to the county jail and either is housed in a county jail, is in custody but is being housed
28 at a hospital or medical facility for a medical or mental health purpose, or has been
29 released from jail and is being monitored through the use of the sheriff's electronic
30 monitoring system.

31 Sec. 4-321. (1) The department shall provide the following information on the
32 offender population in a monthly report:

1 (a) Prison population by facility and security level, including the population of
2 prisoners under the department's jurisdiction housed in county jails.

3 (b) Net operating capacity according to the most recent certification report.

4 (c) Electronic monitoring populations.

5 (d) Parole populations.

6 (e) Probation populations, with identification of the number of offenders in special
7 alternative incarceration.

8 (2) The department shall provide the following information on the offender population
9 in a quarterly report:

10 (a) The number of closed housing units and beds in those units, including the
11 security level of closed beds.

12 (b) The number of prisoners serving life sentences.

13 (c) The number of prisoners classified as past their earliest release date.

14 (d) The number of prisoner intakes during the previous quarter.

15 (e) The number of prisoner exits, including paroles, maximum discharges, and other
16 exits during the previous quarter.

17 (3) If the department knows it will not meet the reporting requirements under this
18 section, the department shall immediately issue a report that states that fact and that
19 lists the reasons for not meeting the reporting requirements.

20 Sec. 4-322. (1) On a quarterly basis, the department shall report on the following:

21 (a) A detailed accounting of all vacant positions that exist within the department.

22 (b) A detailed accounting of all correction officer positions at each correctional
23 facility, including positions that are filled and positions that are vacant by facility.

24 (c) A detailed accounting of all vacant positions that are health care related.

25 (d) A detailed accounting of vacant positions that are being held open for
26 temporarily nonactive employees.

27 (2) As used in this section, "vacant position" means any position that has not been
28 filled at any time during the past 6 calendar months.

29 Sec. 4-323. The department may charge fees and collect revenues in excess of
30 appropriations in part 1 not to exceed the cost of offender services and programming,
31 employee meals, parolee loans, academic/vocational services, custody escorts, compassionate
32 visits, union steward activities, and public works programs and services provided to local

1 units of government or private nonprofit organizations. The revenues and fees collected are
2 appropriated for all expenses associated with these services and activities.

3 Sec. 4-325. The department shall provide the state court administrative office data
4 sufficient to administer the swift and sure sanctions program.

5

6 **OFFENDER SUCCESS ADMINISTRATION**

7 Sec. 4-401. (1) The department shall provide a report not later than March 1 on
8 offender success expenditures, allocations, and performance. The report must include, but
9 not be limited to, details on prior-year expenditures, including amounts spent on each
10 project funded, itemized by service provided and service provider. Reported performance
11 factors must be reported by region and must include, but not be limited to, all of the
12 following:

13 (a) The number of individuals who received transitional housing services.

14 (b) The average length of stay in transitional housing.

15 (c) The number of individuals who received a referral for economic stability
16 assistance and the number of referred individuals who secured employment or enrolled in
17 education/training to increase economic stability.

18 (d) The number of referred individuals who maintained employment for 12 months or
19 more.

20 (e) The total amount of leveraged services secured by the contractor.

21 (2) As used in this section, "leveraged services" means services that benefit clients
22 that are not directly paid for by the department, such as educational scholarships or
23 grants, workforce training grants, or housing choice vouchers.

24 (3) The department may accept cash or in-kind donations to supplement funds for
25 prison education training, supplies, and materials necessary to complete the academic and
26 jobs skills related programs. All funds received are appropriated and may be expended by
27 the department. Any unexpended or unencumbered donations at the end of the fiscal year
28 shall not lapse to the general fund but shall be carried forward to the subsequent fiscal
29 year.

30 Sec. 4-404. (1) From the funds appropriated in part 1, the department shall design
31 services for offender success and vocational education programs, collaborating with the
32 department of labor and economic opportunity and local entities to the extent deemed

1 necessary by the director. The department shall ensure the program provides relevant
2 professional development opportunities to prisoners that are high quality, demand driven,
3 locally receptive, and responsive to the needs of communities where the prisoners are
4 expected to reside after their release from correctional facilities.

5 (2) Not later than March 1, the department shall provide a report detailing the
6 results of the workforce development program.

7 Sec. 4-405. Funds awarded for probation residential services in part 1 must provide
8 for all of the following:

9 (a) An initial client assessment reimbursement of \$200.00.

10 (b) A per diem reimbursement of not more than \$70.00.

11 Sec. 4-406. Allowable uses of community corrections comprehensive plans and services
12 funds must include reimbursing counties for transportation, treatment costs, and housing
13 drunk drivers during a period of assessment for treatment and case planning, in accordance
14 with an approved comprehensive plan. Reimbursements for housing during the assessment
15 process must be at the rate of \$43.50 per day per offender, up to a maximum of 5 days per
16 offender.

17 Sec. 4-407. (1) The department shall submit the following information for each county
18 and counties consolidated for community corrections comprehensive plans:

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

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

25 (c) Status of the community corrections information system and the jail population
26 information system.

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

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

32 (f) Data on the use of funding made available under the drunk driver jail reduction

1 and community treatment program.

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

4 Sec. 4-408. (1) From the funds appropriated in part 1 for public safety initiative,
5 the law enforcement agency receiving funding under part 1 shall submit quarterly
6 expenditure reports including a detailed listing of expenditures made, the purpose for
7 which the expenditures were made, specific services provided, and the number of individuals
8 served. Reports required under this section must be submitted to the standard report
9 recipients and to the department of corrections.

10 (2) As a condition of receiving funding appropriated for public safety initiative,
11 reports required in the previous fiscal year must be submitted before funds may be
12 disbursed for the current fiscal year.

13 Sec. 4-409. From the funds appropriated in part 1, the department shall establish and
14 maintain policies and procedures that assist prisoners with obtaining a birth certificate,
15 duplicate Social Security card, if eligible, DD Form 214 or other military documentation,
16 state identification card, and operator's license before parole or discharge.

17 Sec. 4-410. (1) Funds appropriated in part 1 for higher education in prison must be
18 used by the department in collaboration with accredited universities or colleges to provide
19 incarcerated individuals the opportunity to participate in comprehensive bachelor's degree
20 programs at no cost to the incarcerated individual. The funds must be used for eligible
21 expenses including staffing, supplies, and tuition.

22 (2) The department shall report not later than March 1 on the following for the
23 previous fiscal year:

24 (a) Expenditure of funds by university or college and correctional facility.

25 (b) Number of participants served by university or college and correctional facility.

26 (c) Enrollments, by race and gender, by university or college and correctional
27 facility.

28 (d) Number of participants who completed the program, by university or college and
29 correctional facility.

30 Sec. 4-411. From the funds appropriated in part 1 for enhanced food technology
31 program, the department shall maintain a program that provides on-the-job training in
32 prison kitchens that provides prisoners the opportunity to earn food service training

1 credentials recognized by the restaurant industry. The department shall use the funds
2 appropriated in part 1 for enhanced food technology program to collaborate with the
3 Michigan Restaurant and Lodging Association and other restaurant industry stakeholders to
4 provide job placement assistance to individuals on probation or parole.

5 Sec. 4-412. (1) From the funds appropriated in part 1 for offender success
6 programming, the department shall establish medication-assisted treatment offender success
7 pilot programs. A medication-assisted treatment offender success pilot program must provide
8 prerelease treatment and postrelease referral for opioid- or alcohol-addicted offenders who
9 voluntarily participate in a medication-assisted treatment offender success pilot program.
10 The department shall collaborate with residential and nonresidential substance use disorder
11 treatment providers and with community-based clinics to provide postrelease assessment and
12 treatment. The programs shall employ a multifaceted approach to treatment, including
13 various forms of medication-assisted treatment approved by the Food and Drug Administration
14 for the treatment of opioid use disorder or alcohol use disorder, counseling, and
15 postrelease referral to community-based providers. If clinically appropriate, the
16 department shall consider the use of long-acting injectable formulations of FDA-approved
17 medication-assisted treatment for alcohol and opioid use disorder when developing an
18 offender's release plan.

19 (2) The department shall submit a report not later than December 1 on the following:

20 (a) The number of offenders who received an injectable treatment for alcohol use
21 disorder.

22 (b) The number of offenders who received an injectable treatment for opioid use
23 disorder before release.

24 (c) The number of offenders who subsequently received treatment in the community for
25 a duration of not less than 3 months.

26 (d) The number of offenders who received injections and were subsequently returned to
27 prison during the previous fiscal year.

28 Sec. 4-413. From the funds appropriated in part 1, the department shall ensure that
29 any inmate with a diagnosed mental illness is referred to a local mental health care
30 provider that is able and willing to treat the inmate upon parole or discharge. Upon
31 referral, the department shall ensure that the provider is informed of the inmate's current
32 treatment plan including any medications that are currently prescribed to the inmate.

1 Sec. 4-414. (1) Funds appropriated in part 1 for Goodwill Flip the Script must be
2 distributed to a Michigan-chartered 501(c)(3) nonprofit corporation operating in a county
3 with greater than 1,500,000 people for administration and expansion of a program that
4 serves a population of individuals aged 16 to 39. The program must target individuals who
5 are entering the criminal justice system for the first or second time and must assist those
6 individuals through the following program types:

- 7 (a) Alternative sentencing programs in partnership with a local district or circuit
8 court.
- 9 (b) Educational recovery for special adult populations with high rates of illiteracy.
- 10 (c) Career development and continuing education.
- 11 (d) Financial counseling and coaching services.

12 (2) Not later than March 30, the selected program shall report on the following:

- 13 (a) Program performance measurements.
- 14 (b) The number of individuals diverted from incarceration.
- 15 (c) The number of individuals served.
- 16 (d) The outcomes of participants who completed the program.

17 Sec. 4-415. The department shall report not later than March 1 on academic and
18 vocational programs, including, but not limited to, all of the following:

- 19 (a) The number of instructors and the number of instructor vacancies, by program and
20 facility.
- 21 (b) The number of prisoners enrolled in each program, the number of prisoners
22 completing each program, the number of prisoners who do not complete each program, and the
23 number of prisoners on waiting lists for each program.
- 24 (c) The racial demographics of prisoners enrolled in each program.
- 25 (d) The steps the department has undertaken to improve programs, track records,
26 accommodate transfers and prisoners with health care needs, and reduce waiting lists.
- 27 (e) The number of prisoners paroled without a high school diploma or a high school
28 equivalency.
- 29 (f) The number of prisoners not paroled at their earliest release date because of a
30 lack of a high school equivalency and the reason those prisoners have not obtained a high
31 school equivalency.

32 Sec. 4-416. From the funds appropriated in part 1, priority may be given to funding

1 reentry or rehabilitation programs, including faith-based initiatives, that have been
2 demonstrated to reduce prison violence and recidivism.

3 Sec. 4-417. (1) Funds appropriated in part 1 for criminal justice reinvestment must
4 be used only to fund data collection and evidence-based programs designed to reduce
5 recidivism among probationers, parolees, and prisoners.

6 (2) Of the funds appropriated in part 1 for criminal justice reinvestment, not less
7 than \$600,000.00 must be allocated to an organization that has received a United States
8 Department of Labor training to work 2-adult reentry grant to provide county jail inmates
9 with programming and services to prepare them to get and keep jobs. Examples of eligible
10 programs and services include, but are not limited to: adult education, tutoring,
11 manufacturing skills training, participation in a simulated work environment, mentoring,
12 cognitive therapy groups, life skills classes, substance use disorder recovery groups,
13 fatherhood programs, classes in understanding the legal system, family literacy, health and
14 wellness, finance management, employer presentations, and classes on job retention.
15 Programming and support services should begin before release and continue after release
16 from the county jail. To be eligible for funding, an organization must show not less than 2
17 years of data that demonstrate program success.

18 Sec. 4-418. Revenues appropriated and collected for program and special equipment
19 funds must be considered state restricted revenue. Funding must be used for prisoner
20 programming, special equipment, and security projects. Not less than 75% of funding must be
21 used for prisoner programming. Unexpended funds remaining at the close of the fiscal year
22 must not lapse to the general fund but must be carried forward and made available for
23 appropriation in subsequent fiscal years.

24

25 **HEALTH CARE**

26 Sec. 4-601. Not later than April 1, the department shall provide a report on all of
27 the following:

28 (a) Physical and mental health care, pharmaceutical services, and durable medical
29 equipment for prisoners. A report under this section must detail previous fiscal year
30 expenditures itemized by vendor, allocations, status of payments from contractors to
31 vendors, and projected year-end expenditures from accounts. A report under this section
32 must include a breakdown of all payments to the integrated care provider and to other

1 providers itemized by physical health care, mental health care, pharmaceutical services,
2 and durable medical equipment expenditures.

3 (b) Pharmaceutical prescribing practices, including a detailed accounting of
4 expenditures on antipsychotic medications, and any changes that have been made to the
5 prescription drug formularies.

6 (c) A status report on efforts to develop measurable data and outcomes for physical
7 and mental health care within the prisoner population.

8 Sec. 4-602. (1) From the funds appropriated in part 1, the department shall provide
9 prisoners with a brochure that explains the purpose and importance of signing a medical
10 release of information form. The department shall ensure that all prisoners, upon any
11 health care treatment funded from appropriations in part 1, are given the opportunity to
12 sign a medical release of information form designating a family member or other individual
13 to whom the department shall release records and information regarding the prisoner upon
14 the request of the prisoner. The prisoner may elect to withdraw or amend the medical
15 release of information form at any time.

16 (2) The department shall ensure that a signed medical release of information form
17 follows a prisoner upon transfer to another department facility or to the supervision of a
18 parole officer.

19 (3) The medical release of information form must be placed online, on a public
20 website managed by the department.

21 Sec. 4-604. Funds appropriated in part 1 for Hepatitis C treatment must be used only
22 to purchase specialty medication for Hepatitis C treatment in the prison population. In
23 addition to the above appropriation, any rebates received from the medications used must be
24 used only to purchase specialty medication for Hepatitis C treatment. Not later than
25 February 15, the department shall provide a report for the previous fiscal year that
26 includes the following:

27 (a) The total amount spent on specialty medication for the treatment of Hepatitis C.

28 (b) The number of prisoners who were treated for Hepatitis C.

29 (c) The amount of any rebates that were received from the purchase of specialty
30 medication, and what, if any, outstanding rebates are expected to be received.

31 (d) The Hepatitis C status of all incoming prisoners, if known, and the number of
32 prisoners who are reinfected while incarcerated and require retreatment for Hepatitis C.

1 (e) The number of those treated and released and then retreated upon reincarceration.

2 Sec. 4-606. (1) From the funds appropriated in part 1 for mental health and substance
3 use disorder treatment, the department must maintain not less than 3 medication-assisted
4 treatment clinics at correctional facilities that allow the department to treat the highest
5 number of prisoners with opioid use disorder as possible. Funding must be used by the
6 department to support costs of staff, including nurses, qualified mental health
7 professionals, recovery coaches, and corrections officers, and costs of medication and
8 supplies. Participating prisoners must be provided with the option of receiving 1 injection
9 of medication immediately before being released from prison into the community.

10 (2) The department shall submit quarterly reports on the establishment and operation
11 of medication-assisted treatment clinics. A report under this subsection must include, but
12 not be limited to, the following:

13 (a) Clinic site locations.

14 (b) Staffing levels.

15 (c) Expenditures on staffing and supplies, including oral and injectable medications.

16 (d) Number of prisoners treated.

17 (e) Number of prisoners requiring treatment but not yet receiving treatment.

18 (3) Not later than March 1, the department shall report on the number of prisoners
19 who received medication-assisted therapies. The report must include, but not be limited to,
20 the following:

21 (a) The length of time each prisoner received those therapies.

22 (b) The number of prisoners who have discontinued treatment while incarcerated.

23 (c) A listing of the medications used in medication-assisted therapies.

24 (d) The number of prisoners prescribed each medication listed in subdivision (c).

25 (e) Details on the operation of medication-assisted treatment clinics, including
26 clinic site locations, staffing levels, and expenditures for staffing, supplies, and
27 medications.

28
29 **CORRECTIONAL FACILITIES AND ADMINISTRATION**

30 Sec. 4-701. The department shall report not later than January 15 on the following:

31 (a) Average per-meal cost for prisoner food service. Per-meal cost includes all costs
32 directly related to the provision of food for the prisoner population, including, but not

1 limited to, actual food costs, total compensation for all food service workers, including
2 benefits and legacy costs, and inspection and compliance costs for food service.

3 (b) Food service-related contracts, including goods or services to be provided and
4 the vendor.

5 (c) Major sanitation violations.

6 Sec. 4-702. Not later than January 15, department shall report the cost per prisoner
7 per day for each security custody level. This cost must include all actual direct and
8 indirect costs for the previous fiscal year. To calculate the cost per prisoner per day,
9 the department shall divide the prisoner-related costs by the total number of prisoner days
10 for each custody level and correctional facility. For multilevel facilities, costs that
11 cannot be accurately allocated to each custody level may be included in the calculation on
12 a per-prisoner basis for each facility. Prisoner-related costs must include all
13 expenditures for the following, from all fund sources:

- 14 (a) New custody staff training.
- 15 (b) Prison industries operations.
- 16 (c) Education/skilled trades/career readiness programs.
- 17 (d) Enhanced food technology program.
- 18 (e) Offender success programming.
- 19 (f) Central records.
- 20 (g) Correctional facilities administration.
- 21 (h) Housing inmates in federal institutions.
- 22 (i) Inmate legal services.
- 23 (j) Leased beds and alternatives to leased beds.
- 24 (k) Prison food service.
- 25 (l) Prison store operations.
- 26 (m) Transportation.
- 27 (n) Health care.
- 28 (o) Correctional facilities.
- 29 (p) Northern and southern region administration and support.

30 Sec. 4-703. Any local unit of government or private nonprofit organization that
31 contracts with the department for public works services is responsible for financing the
32 entire cost of such an agreement.

1 Sec. 4-704. The department shall allow the Michigan Braille transcribing fund program
2 to operate at designated locations. The department shall continue to encourage the Michigan
3 Braille transcribing fund program to produce high-quality materials for use by the visually
4 impaired.

5 Sec. 4-705. (1) The department shall report the following regarding critical
6 incidents by facility:

7 (a) Within 72 hours of occurrence, any critical incident occurring at a correctional
8 facility. The report must identify the facility at which the incident occurred.

9 (b) Not later than March 1, the number of critical incidents occurring each month at
10 each facility during the previous calendar year, categorized by type and severity of each
11 incident.

12 (2) As used in this section, "critical incident" includes a prisoner assault on staff
13 that results in a serious physical injury to staff, an escape or attempted escape, a
14 prisoner disturbance that causes facility operation concerns, a drug overdose or suspected
15 overdose that results in inpatient hospitalization, and an unexpected death of a prisoner.

16 Sec. 4-706. From the funds appropriated in part 1, the department shall report not
17 later than March 1 on the following ratios for each correctional facility:

18 (a) Corrections officers to prisoners.

19 (b) Shift command staff to line custody staff.

20 (c) Noncustody institutional staff to prisoners.

21 Sec. 4-707. (1) From the funds appropriated in part 1, the department shall focus on
22 providing required programming to prisoners as early as possible during the prisoner's
23 sentence in order to impact the prisoner's behavior while incarcerated. Programming
24 includes, but is not limited to, violence prevention programming, sexual abuse prevention
25 programming, substance use disorder programming, thinking for a change programming, and any
26 other programming that is required as a condition of parole. Nothing in this section makes
27 parole denial appealable in court.

28 (2) The department shall submit a quarterly report detailing enrollment in sex abuse
29 prevention programming, violence prevention programming, and thinking for a change
30 programming. At a minimum, the report must include all of the following:

31 (a) A full accounting, from the date of entrance to prison, of the number of
32 individuals who are required to complete the programming, but have not yet done so.

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

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

5 Sec. 4-709. From the funds appropriated in part 1, the department shall evaluate all
6 prisoners at intake for substance use disorders, serious developmental disorders, serious
7 mental illness, and other mental health disorders. Prisoners with serious mental illness or
8 serious developmental disorders must not be removed from the general population as a
9 punitive response to behavior caused by their serious mental illness or serious
10 developmental disorder. A prisoner with serious mental illness or serious developmental
11 disorder that is unresponsive to treatment who presents a persistent high violence risk or
12 engages in severe disruptive behavior may be placed in secure residential housing programs
13 that facilitate access to institutional programming and ongoing mental health services
14 funded from appropriations in part 1. A prisoner with serious mental illness or serious
15 developmental disorder who is confined in these specialized housing programs must be
16 evaluated or monitored by a medical professional at a frequency of not less than every 12
17 hours.

18 Sec. 4-710. (1) The department shall report not later than March 1 on the number of
19 prisoners during the previous fiscal year in administrative segregation and, of those, the
20 number who at any time during the current or previous prison term were diagnosed with
21 serious mental illness or have a developmental disorder and the number of days each of the
22 prisoners with serious mental illness or a developmental disorder have been confined to
23 administrative segregation.

24 (2) The report required in subsection (1) must include a chart listing the number of
25 prisoners housed in administrative segregation for each of the following time periods:

26 (a) A continuous period exceeding 3 months but less than 6 months.

27 (b) A continuous period exceeding 6 months but less than 12 months.

28 (c) A continuous period exceeding 12 months or longer.

29 (3) For any prisoner housed in administrative segregation for 12 months or longer, an
30 explanation of the circumstances surrounding the prisoner's placement in administrative
31 segregation.

32 Sec. 4-711. From the funds appropriated in part 1, the department shall do all of the

1 following:

2 (a) Ensure that any inmate care and control staff in contact with prisoners less than
3 18 years of age are adequately trained with regard to the developmental and mental health
4 needs of prisoners less than 18 years of age. Not later than April 1, the department shall
5 report on the training curriculum used and the number and types of staff receiving annual
6 training under that curriculum.

7 (b) Provide appropriate placement for prisoners less than 18 years of age who have
8 serious mental illness, serious emotional disturbance, or a serious developmental disorder
9 and need to be housed separately from the general population. Prisoners less than 18 years
10 of age who have serious mental illness, serious emotional disturbance, or a serious
11 developmental disorder must not be removed from an existing placement as a punitive
12 response to behavior caused by their serious mental illness, serious emotional disturbance,
13 or a serious developmental disorder. A prisoner who is less than 18 years of age with
14 serious mental illness or a serious developmental disorder that is unresponsive to
15 treatment who presents a persistent high violence risk or engages in severe disruptive
16 behavior may be placed in secure residential housing programs that facilitate access to
17 institutional programming and ongoing mental health services. A prisoner less than 18 years
18 of age with serious mental illness, serious emotional disturbance, or a serious
19 developmental disorder who is confined in these specialized housing programs must be
20 evaluated or monitored by a medical professional at a frequency of not less than every 12
21 hours.

22 (c) Implement a specialized offender success program that recognizes the needs of
23 prisoners less than 18 years of age for supervised offender success.

24 Sec. 4-712. The department shall submit quarterly reports on the number of youth in
25 prison. The report must include, but not be limited to, the following information:

26 (a) The total number of inmates less than 18 years of age who are not on Holmes
27 youthful trainee act status.

28 (b) The total number of inmates less than 18 years of age who are on Holmes youthful
29 trainee act status.

30 (c) The total number of inmates aged 18 to 23 who are on Holmes youthful trainee act
31 status.

32 Sec. 4-713. Not later than November 15, the department shall submit a report on the

1 number of prisoners who lost visiting privileges during the previous fiscal year. The
2 report must include the following:

3 (a) The number of prisoners who lost visiting privileges by race and by violation
4 type.

5 (b) The number of prisoners who applied to have visiting privileges restored.

6 (c) The number of prisoners who had visiting privileges restored.

7 (d) The number of prisoners who had visiting restrictions extended.

8 Sec. 4-716. From the funds appropriated in part 1, the department shall consult with
9 the legislature and other appropriate state agencies to develop a framework to provide
10 investment in communities that have formerly operational state correctional facilities that
11 have been closed. This framework must include plans to ensure that vacant state
12 correctional facilities do not become a nuisance or danger to the community.

13 Sec. 4-717. From the funds appropriated in part 1, the department shall make an
14 information packet for the families of incoming prisoners available on the department's
15 website. The information packet must be reviewed not later than February 1 and updated as
16 necessary. The department may partner with external advocacy groups and actual families of
17 prisoners in the packet-writing process to ensure that the information is useful and
18 complete. The packet must provide information on topics including, but not limited to, all
19 of the following:

20 (a) How to put money into prisoner accounts.

21 (b) How to make telephone calls or create Jpay email accounts.

22 (c) How to visit in person.

23 (d) Proper procedures for filing complaints or grievances.

24 (e) The rights of prisoners to physical and mental health care.

25 (f) The purpose and importance of prisoners signing a medical release of information
26 form.

27 (g) How to utilize the offender tracking information system (OTIS).

28 (h) Truth in sentencing and how it applies to minimum sentences.

29 (i) The parole process.

30 (j) Guidance on the importance of the role of families in the reentry process.

31 Sec. 4-718. From the funds appropriated in part 1, the department must pursue all
32 opportunities to reduce costs for prisoners and prisoners' families for financial deposit

1 fees and commissary fees when the department negotiates or renews any contract to provide
2 these services.

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Article 5

DEPARTMENT OF EDUCATION

PART 1

LINE-ITEM APPROPRIATIONS AND ANTICIPATED APPROPRIATIONS

Sec. 5-101. Subject to the conditions set forth in this article, the amounts listed in this part for the department of education are appropriated for the fiscal year ending September 30, 2026, and are anticipated to be appropriated for the fiscal year ending September 30, 2027, from the funds indicated in this part. The following is a summary of the appropriations and anticipated appropriations in this part:

For Fiscal
Year Ending
Sept. 30, 2026

For Fiscal
Year Ending
Sept. 30, 2027

1	DEPARTMENT OF EDUCATION		
2	APPROPRIATION SUMMARY		
3	Full-time equated unclassified positions.....	6.0	6.0
4	Full-time equated classified positions.....	581.5	581.5
5	GROSS APPROPRIATION	\$ 164,922,700	\$ 164,922,700
6	Total interdepartmental grants and intradepartmental		
7	transfers	0	0
8	ADJUSTED GROSS APPROPRIATION	\$ 164,922,700	\$ 164,922,700
9	Total federal revenues	83,575,100	83,575,100
10	Total local revenues	5,884,200	5,884,200
11	Total private revenues	2,547,500	2,547,500
12	Total other state restricted revenues	10,193,800	10,193,800
13	State general fund/general purpose	\$ 62,722,100	\$ 62,722,100
14	<i>State general fund/general purpose schedule:</i>		
15	<i>Ongoing state general fund/general purpose</i>	<i>62,722,100</i>	<i>62,722,100</i>
16	<i>One-time state general fund/general purpose</i>	<i>0</i>	<i>0</i>
17	Sec. 5-102. STATE BOARD OF EDUCATION/OFFICE OF THE SUPERINTENDENT		
18	Full-time equated unclassified positions.....	6.0	6.0
19	Full-time equated classified positions.....	11.0	11.0
20	Unclassified salaries-6.0 FTE positions	\$ 1,190,300	\$ 1,190,300
21	Education commission of the states	120,800	120,800
22	State board of education, per diem payments	24,400	24,400
23	State board/superintendent operations-11.0 FTE		
24	positions	<u>2,534,100</u>	<u>2,534,100</u>
25	GROSS APPROPRIATION	\$ 3,869,600	\$ 3,869,600
26	Appropriated from:		
27	Federal revenues:		
28	Other federal revenues	313,400	313,400
29	Special revenue funds:		
30	Private revenues	80,000	80,000
31	Other state restricted revenues	842,200	842,200
32	State general fund/general purpose	\$ 2,634,000	\$ 2,634,000

	For Fiscal Year Ending Sept. 30, 2026	For Fiscal Year Ending Sept. 30, 2027
1	Sec. 5-103. DEPARTMENTAL ADMINISTRATION AND SUPPORT	
2	Full-time equated classified positions.....	44.6 44.6
3	Central support operations-41.6 FTE positions	\$ 6,823,100 \$ 6,823,100
4	Federal and private grants	3,005,300 3,005,300
5	Grant and contract operations-3.0 FTE positions	1,902,400 1,902,400
6	Property management	4,165,000 4,165,000
7	Terminal leave payments	353,300 353,300
8	Training and orientation workshops	150,000 150,000
9	Worker's compensation	<u>7,500 7,500</u>
10	GROSS APPROPRIATION	\$ 16,406,600 \$ 16,406,600
11	Appropriated from:	
12	Federal revenues:	
13	Other federal revenues	7,799,700 7,799,700
14	Special revenue funds:	
15	Private revenues	1,005,300 1,005,300
16	Other state restricted revenues	864,400 864,400
17	State general fund/general purpose	\$ 6,737,200 \$ 6,737,200
18	Sec. 5-104. INFORMATION TECHNOLOGY	
19	Information technology services and projects	\$ <u>4,933,200 \$ 4,933,200</u>
20	GROSS APPROPRIATION	\$ 4,933,200 \$ 4,933,200
21	Appropriated from:	
22	Federal revenues:	
23	Other federal revenues	2,569,100 2,569,100
24	Special revenue funds:	
25	Other state restricted revenues	1,008,400 1,008,400
26	State general fund/general purpose	\$ 1,355,700 \$ 1,355,700
27	Sec. 5-105. SPECIAL EDUCATION SERVICES	
28	Full-time equated classified positions.....	47.0 47.0
29	Special education operations-47.0 FTE positions	\$ <u>9,831,500 \$ 9,831,500</u>
30	GROSS APPROPRIATION	\$ 9,831,500 \$ 9,831,500
31	Appropriated from:	
32	Federal revenues:	

	For Fiscal Year Ending Sept. 30, 2026	For Fiscal Year Ending Sept. 30, 2027
1 Other federal revenues	9,026,500	9,026,500
2 Special revenue funds:		
3 Private revenues	111,800	111,800
4 Other state restricted revenues	50,000	50,000
5 State general fund/general purpose	\$ 643,200	\$ 643,200
6 Sec. 5-106. MICHIGAN SCHOOLS FOR THE DEAF AND BLIND		
7 Full-time equated classified positions.....	82.0	82.0
8 ASL literacy resource	\$ 500,000	\$ 500,000
9 Camp Tuhsmebeta-1.0 FTE position	1,000,400	1,000,400
10 Low incidence outreach program	1,000,000	1,000,000
11 Michigan schools for the deaf and blind operations-81.0		
12 FTE positions	16,562,900	16,562,900
13 Private gifts - blind	200,000	200,000
14 Private gifts - deaf	<u>150,000</u>	<u>150,000</u>
15 GROSS APPROPRIATION	\$ 19,413,300	\$ 19,413,300
16 Appropriated from:		
17 Federal revenues:		
18 Other federal revenues	7,672,200	7,672,200
19 Special revenue funds:		
20 Local revenues	5,884,200	5,884,200
21 Private revenues	1,350,400	1,350,400
22 Other state restricted revenues	1,206,100	1,206,100
23 State general fund/general purpose	\$ 3,300,400	\$ 3,300,400
24 Sec. 5-107. EDUCATOR EXCELLENCE		
25 Full-time equated classified positions.....	53.0	53.0
26 Educator excellence operations-52.0 FTE positions	\$ 10,535,800	\$ 10,535,800
27 Educator recruitment and preparation programs-1.0 FTE		
28 position	1,221,300	1,221,300
29 Teacher license renewals	<u>280,000</u>	<u>280,000</u>
30 GROSS APPROPRIATION	\$ 12,037,100	\$ 12,037,100
31 Appropriated from:		
32 Federal revenues:		

	For Fiscal Year Ending Sept. 30, 2026	For Fiscal Year Ending Sept. 30, 2027
1 Other federal revenues	3,173,000	3,173,000
2 Special revenue funds:		
3 Other state restricted revenues	4,411,400	4,411,400
4 State general fund/general purpose	\$ 4,452,700	\$ 4,452,700
5 Sec. 5-108. SYSTEMS, EVALUATION, AND TECHNOLOGY		
6 Full-time equated classified positions.....	18.0	18.0
7 Office of systems, evaluation, and technology operations-		
8 18.0 FTE positions	\$ <u>3,670,100</u>	\$ <u>3,670,100</u>
9 GROSS APPROPRIATION	\$ 3,670,100	\$ 3,670,100
10 Appropriated from:		
11 Federal revenues:		
12 Other federal revenues	2,318,100	2,318,100
13 Special revenue funds:		
14 Other state restricted revenues	11,200	11,200
15 State general fund/general purpose	\$ 1,340,800	\$ 1,340,800
16 Sec. 5-109. STRATEGIC PLANNING AND IMPLEMENTATION		
17 Full-time equated classified positions.....	6.0	6.0
18 Strategic planning and implementation operations-6.0		
19 FTE positions	\$ <u>1,208,400</u>	\$ <u>1,208,400</u>
20 GROSS APPROPRIATION	\$ 1,208,400	\$ 1,208,400
21 Appropriated from:		
22 Federal revenues:		
23 Other federal revenues	647,100	647,100
24 Special revenue funds:		
25 State general fund/general purpose	\$ 561,300	\$ 561,300
26 Sec. 5-110. ADMINISTRATIVE LAW SERVICES		
27 Full-time equated classified positions.....	2.0	2.0
28 Administrative law operations-2.0 FTE positions	\$ <u>1,426,800</u>	\$ <u>1,426,800</u>
29 GROSS APPROPRIATION	\$ 1,426,800	\$ 1,426,800
30 Appropriated from:		
31 Federal revenues:		
32 Other federal revenues	573,300	573,300

	For Fiscal Year Ending Sept. 30, 2026	For Fiscal Year Ending Sept. 30, 2027
1	Special revenue funds:	
2	Other state restricted revenues	747,700 747,700
3	State general fund/general purpose	\$ 105,800 \$ 105,800
4	Sec. 5-111. ACCOUNTABILITY SERVICES	
5	Full-time equated classified positions.....	63.6 63.6
6	Accountability services operations-63.6 FTE positions	\$ <u>15,023,800</u> \$ <u>15,023,800</u>
7	GROSS APPROPRIATION	\$ 15,023,800 \$ 15,023,800
8	Appropriated from:	
9	Federal revenues:	
10	Other federal revenues	13,066,500 13,066,500
11	Special revenue funds:	
12	State general fund/general purpose	\$ 1,957,300 \$ 1,957,300
13	Sec. 5-112. SCHOOL SUPPORT SERVICES	
14	Full-time equated classified positions.....	90.6 90.6
15	Adolescent and school health	\$ 334,400 \$ 334,400
16	Office of health and safety-22.0 FTE positions	1,465,300 1,465,300
17	Office of nutrition services-68.6 FTE positions	<u>14,517,100</u> <u>14,517,100</u>
18	GROSS APPROPRIATION	\$ 16,316,800 \$ 16,316,800
19	Appropriated from:	
20	Federal revenues:	
21	Other federal revenues	13,265,200 13,265,200
22	Special revenue funds:	
23	Other state restricted revenues	150,000 150,000
24	State general fund/general purpose	\$ 2,901,600 \$ 2,901,600
25	Sec. 5-113. EDUCATIONAL SUPPORTS	
26	Full-time equated classified positions.....	90.7 90.7
27	Educational supports operations-90.7 FTE positions ...	\$ 18,809,500 \$ 18,809,500
28	Michigan core curriculum	750,000 750,000
29	School board member training	<u>150,000</u> <u>150,000</u>
30	GROSS APPROPRIATION	\$ 19,709,500 \$ 19,709,500
31	Appropriated from:	
32	Federal revenues:	

	For Fiscal Year Ending Sept. 30, 2026	For Fiscal Year Ending Sept. 30, 2027
1 Other federal revenues	13,285,600	13,285,600
2 Special revenue funds:		
3 Other state restricted revenues	602,400	602,400
4 State general fund/general purpose	\$ 5,821,500	\$ 5,821,500
5 Sec. 5-114. CAREER AND TECHNICAL EDUCATION		
6 Full-time equated classified positions.....	27.0	27.0
7 Career and technical education operations-27.0		
8 FTE positions	\$ <u>6,045,700</u>	\$ <u>6,045,700</u>
9 GROSS APPROPRIATION	\$ 6,045,700	\$ 6,045,700
10 Appropriated from:		
11 Federal revenues:		
12 Other federal revenues	4,120,300	4,120,300
13 Special revenue funds:		
14 State general fund/general purpose	\$ 1,925,400	\$ 1,925,400
15 Sec. 5-115. LIBRARY OF MICHIGAN		
16 Full-time equated classified positions.....	33.0	33.0
17 Library of Michigan operations-31.0 FTE positions	\$ 5,122,200	\$ 5,122,200
18 Library services and technology program-1.0		
19 FTE position	5,630,600	5,630,600
20 Michigan eLibrary-1.0 FTE position	1,743,200	1,743,200
21 Michigan's poet laureate	100,000	100,000
22 Renaissance zone reimbursements	2,200,000	2,200,000
23 State aid to libraries	<u>16,567,700</u>	<u>16,567,700</u>
24 GROSS APPROPRIATION	\$ 31,363,700	\$ 31,363,700
25 Appropriated from:		
26 Federal revenues:		
27 Other federal revenues	5,630,600	5,630,600
28 Special revenue funds:		
29 Other state restricted revenues	300,000	300,000
30 State general fund/general purpose	\$ 25,433,100	\$ 25,433,100
31 Sec. 5-116. PARTNERSHIP DISTRICT SUPPORT		
32 Full-time equated classified positions.....	13.0	13.0

	For Fiscal Year Ending Sept. 30, 2026	For Fiscal Year Ending Sept. 30, 2027
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Partnership district support operations-13.0		
FTE positions	\$ 3,666,600	\$ 3,666,600
GROSS APPROPRIATION	\$ 3,666,600	\$ 3,666,600
Appropriated from:		
Federal revenues:		
Other federal revenues	114,500	114,500
Special revenue funds:		
State general fund/general purpose	\$ 3,552,100	\$ 3,552,100

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FISCAL YEAR 2026

GENERAL SECTIONS

Sec. 5-201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state sources under part 1 for the fiscal year 2026 is \$72,915,900.00 and state spending from state sources to be paid to local units of government for fiscal year 2026 is \$18,917,700.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF EDUCATION

School board member training.....	\$	150,000
Renaissance zone reimbursements.....		2,200,000
State aid to libraries.....		<u>16,567,700</u>
TOTAL	\$	18,917,700

Sec. 5-202. The appropriations under this part and part 1 are subject to the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

Sec. 5-203. As used in this article:

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

(b) "DHHS" means the department of health and human services.

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

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

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

3 (f) "Standard report recipients" means the senate and house appropriations
4 subcommittees on the department, the senate and house fiscal agencies, the senate and house
5 policy offices, and the state budget office.

6 Sec. 5-204. A department or agency shall use the internet to fulfill the reporting
7 requirements of this part. This requirement includes transmitting reports to the standard
8 report recipients and any other required recipients by email and posting the reports on an
9 internet site.

10 Sec. 5-205. To the extent permissible under section 261 of the management and budget
11 act, 1984 PA 431, MCL 18.1261, all of the following apply to the expenditure of funds
12 appropriated in part 1:

13 (a) The funds must not be used for the purchase of foreign goods or services, or
14 both, if competitively priced and of comparable quality American goods or services, or
15 both, are available.

16 (b) Preference must be given to goods or services, or both, manufactured or provided
17 by Michigan businesses, if they are competitively priced and of comparable quality.

18 (c) Preference must be given to goods or services, or both, that are manufactured or
19 provided by Michigan businesses owned and operated by veterans, if they are competitively
20 priced and of comparable quality.

21 Sec. 5-207. Consistent with section 217 of the management and budget act, 1984 PA
22 431, MCL 18.1217, each department and agency receiving appropriations in part 1 shall
23 prepare a report on out of state travel expenses not later than January 1. The report must
24 list all travel by classified and unclassified employees outside this state in the previous
25 fiscal year that was funded in whole or in part with funds appropriated in the department's
26 or agency's budget. The department or agency shall submit the report to the standard report
27 recipients and to the house of representatives and senate appropriations committees. The
28 report must include all of the following information:

29 (a) The dates of each travel occurrence.

30 (b) The total transportation and related expenses of each travel occurrence and the
31 proportions funded with state general fund/general purpose revenues, state restricted
32 revenues, federal revenues, and other revenues.

1 Sec. 5-208. A principal executive department, state agency, or authority shall not
2 use funds appropriated in part 1 to hire a person to provide legal services that are the
3 responsibility of the attorney general. This section does not apply to legal services for
4 bonding activities or to outside legal services that the attorney general authorizes.

5 Sec. 5-209. Not later than December 15, the state budget office shall prepare and
6 submit a report that provides for estimates of the total general fund/general purpose
7 appropriation lapses at the close of the previous fiscal year. The report must summarize
8 the projected year-end general fund/general purpose appropriation lapses by major
9 departmental program or program areas. The state budget office shall submit the report to
10 the standard report recipients and the chairpersons of the senate and house of
11 representatives appropriations committees.

12 Sec. 5-210. (1) In addition to the funds appropriated in part 1, there is
13 appropriated an amount not to exceed \$5,000,000.00 for federal contingency funds. These
14 funds are not available for expenditure until they have been transferred to another line
15 item in this article under section 393(2) of the management and budget act, 1984 PA 431,
16 MCL 18.1393.

17 (2) In addition to the funds appropriated in part 1, there is appropriated an amount
18 not to exceed \$400,000.00 for state restricted contingency funds. These funds are not
19 available for expenditure until they have been transferred to another line item in this
20 article under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

21 (3) In addition to the funds appropriated in part 1, there is appropriated an amount
22 not to exceed \$250,000.00 for local contingency funds. These funds are not available for
23 expenditure until they have been transferred to another line item in this article under
24 section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

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

29 Sec. 5-211. A department or agency shall cooperate with the department of technology,
30 management and budget to maintain a searchable website accessible by the public at no cost
31 that includes, but is not limited to, all of the following for each department or agency:

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

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

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

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

5 (e) Job specifications and wage rates.

6 Sec. 5-214. To the extent permissible under the management and budget act, 1984 PA
7 431, MCL 18.1101 to 18.1594, the state superintendent of public instruction shall take all
8 reasonable steps to ensure that geographically disadvantaged business enterprises compete
9 for and perform contracts to provide services, supplies, or both. The state superintendent
10 of public instruction shall strongly encourage firms with which the department contracts to
11 subcontract with certified geographically disadvantaged business enterprises for services,
12 supplies, or both. As used in this section, "geographically disadvantaged business
13 enterprises" means that term as defined in Executive Directive No. 2023-1.

14 Sec. 5-215. On a quarterly basis, a department or agency receiving appropriations in
15 part 1 shall report on the number of FTEs in pay status by type of staff and civil service
16 classification, including comparison by line item of the number of FTEs authorized from
17 funds appropriated in part 1 to the actual number of FTE positions employed by the
18 department or agency at the end of the reporting period. The report must be submitted to
19 the senate and house appropriations committees and to the standard report recipients.

20 Sec. 5-221. (1) Funds appropriated in part 1 must not be used to restrict or impede a
21 marginalized community's access to government resources, programs, or facilities.

22 (2) From the funds appropriated in part 1, local governments shall report any action
23 or policy that attempts to restrict or interfere with the duties of a local health officer.
24

25 **DEPARTMENT-SPECIFIC GENERAL SECTIONS**

26 Sec. 5-301. From the funds appropriated in part 1, the department shall provide
27 through the internet the state board of education agenda and all supporting documents, and
28 shall notify the state budget director and the senate and house fiscal agencies that the
29 agenda and supporting documents are available on the internet, at the time the agenda and
30 supporting documents are provided to state board of education members.

31 Sec. 5-302. From the funds appropriated in part 1, the department may assist DHHS,
32 other departments, intermediate school districts, and local school districts to secure

1 reimbursement for eligible services provided in Michigan schools from the federal Medicaid
2 program. The department may submit reports of direct expenses related to this effort to
3 DHHS for reimbursement.

4 Sec. 5-303. From the funds appropriated in part 1, the department shall do both of
5 the following:

6 (a) Post on its website a link to the federal Institute of Education Sciences' What
7 Works Clearinghouse.

8 (b) Disseminate knowledge about the What Works Clearinghouse to districts and
9 intermediate school districts so that it may be used to improve reading proficiency for
10 pupils in grades K to 3.

11 Sec. 5-304. From the funds appropriated in part 1, the department shall coordinate
12 with the other departments to streamline state services and resources, reduce duplication,
13 and increase efficiency, including, but not limited to, all of the following:

14 (a) Working with the department of treasury to coordinate with the financial
15 independence team and overseeing deficit districts.

16 (b) Working with DHHS and the department of lifelong education, advancement, and
17 potential to coordinate with early childhood programs and overseeing child care providers.

18 Sec. 5-305. (1) As a condition of receiving appropriations in part 1, the department
19 shall, in collaboration with DHHS, promote and support initiatives in schools and other
20 educational organizations that include, but are not limited to, training for educators,
21 teachers, and other personnel in school settings for all of the following:

22 (a) Using trauma-informed practices.

23 (b) Age-appropriate education and information on human trafficking.

24 (c) Age-appropriate education and information on sexual abuse prevention.

25 (2) If requested by the department, the department of state police and the department
26 of attorney general shall consult with the department in the promotion and support of
27 initiatives in schools and other educational organizations under subsection (1).

28 Sec. 5-306. From the funds appropriated in part 1, the department shall ensure that
29 the most recently issued report of regional in-demand occupations issued by the department
30 of technology, management, and budget is distributed in electronic or paper form to all
31 high schools in each school district, intermediate school district, and public school
32 academy.

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STATE BOARD OF EDUCATION/OFFICE OF THE SUPERINTENDENT

Sec. 5-351. (1) The department may use the appropriations from the state board of education, per diem payments in part 1 for per diem payments to the state board members for meetings at which a quorum is present or for performing official business authorized by the state board. The per diem payments are set at the following rates:

- (a) State board of education - president - \$110.00 per day.
- (b) State board of education - member other than president - \$100.00 per day.

(2) The department shall not pay a state board of education member a per diem for more than 30 days per year.

SPECIAL EDUCATION SERVICES

Sec. 5-401. From the funds appropriated in part 1 for special education operations, the department shall use \$100,000.00 to design and distribute to all parents and legal guardians of a student with a disability the following information:

- (a) Federal and state mandates regarding the rights and protections of students with disabilities, including, but not limited to, individualized education programs to ensure that parents and legal guardians are fully informed about laws, rules, procedural safeguards, and problem-solving options.
- (b) Any other information the department determines is necessary to allow parents and legal guardians to provide meaningful input in collaboration with districts to develop and implement an individualized education program.

MICHIGAN SCHOOLS FOR THE DEAF AND BLIND

Sec. 5-451. From the funds appropriated in part 1, the employees at the Michigan Schools for the Deaf and Blind who work on a school-year basis are considered annual employees for purposes of service credits, retirement, and insurance benefits.

Sec. 5-452. For each student enrolled at the Michigan Schools for the Deaf and Blind, the department shall assess the intermediate school district of residence 100% of the cost of operating the student's instructional program, excluding room and board related costs and the cost of weekend transportation between the school and the student's home.

Sec. 5-456. (1) From the funds appropriated in part 1, the Michigan Schools for the

1 Deaf and Blind may promote its residential program as a possible appropriate option for
2 children who are deaf or hard of hearing or who are blind or visually impaired. From the
3 funds appropriated in part 1, the Michigan Schools for the Deaf and Blind shall distribute
4 information detailing its services to all intermediate school districts in this state.

5 (2) If an intermediate school district knows that a child in the district is deaf or
6 hard of hearing or blind or visually impaired, the intermediate school district shall
7 provide to the parents of the child the literature distributed by the Michigan Schools for
8 the Deaf and Blind to intermediate school districts under subsection (1).

9 (3) Parents will continue to have a choice regarding the educational placement of
10 their deaf or hard-of-hearing children.

11 Sec. 5-457. Revenue received by the Michigan Schools for the Deaf and Blind from
12 gifts, bequests, and donations that is unexpended at the end of the state fiscal year may
13 be carried over to the succeeding fiscal year and does not revert to the general fund.

14 Sec. 5-458. (1) The funds appropriated in part 1 for the low incidence outreach fund
15 are appropriated from money collected by the Michigan Schools for the Deaf and Blind and
16 the low incidence outreach program for providing qualified services and may be used for any
17 expenses necessary to provide the qualified services. Any money that is unexpended at the
18 end of the current fiscal year does not revert to the general fund and may be carried
19 forward into the succeeding fiscal year.

20 (2) As used in this section, "qualified services" means any of the following:

21 (a) Document reproduction and services.

22 (b) Conducting conferences, workshops, and training classes.

23 (c) Providing specialized equipment, facilities, and software.

24 Sec. 5-459. When conducting a due process hearing resulting from a parent's appeal of
25 that parent's child's individualized education program team's decision on the child's
26 educational placement, a state administrative law judge shall consider designating the
27 Michigan School for the Deaf as 1 of the options for the least restrictive environment
28 under federal law for the parent's child who is deaf, deafblind, or hard of hearing.

29 Sec. 5-460. From the funds appropriated in part 1 for ASL literacy resources, the
30 department shall expend the funds to comply with all requirements in section 1705 of the
31 revised school code, 1976 PA 451, MCL 380.1705.

32

1 **EDUCATOR EXCELLENCE**

2 Sec. 5-501. From the funds appropriated in part 1 for educator excellence, the
3 department shall maintain certificate revocation and felony conviction files of educational
4 personnel.

5 Sec. 5-502. From the funds appropriated in part 1 for teacher license renewals, the
6 department shall implement a program to waive fees or associated costs for the recruitment
7 and retention of educators.

8 Sec. 5-503. From the funds appropriated in part 1, the department shall, if requested
9 by the Michigan Virtual Learning Research Institute, consult with the Michigan Virtual
10 Learning Research Institute and external stakeholders in connection with the department's
11 implementation and administration of professional development training described in section
12 35a of the state school aid act of 1979, 1979 PA 94, MCL 388.1635a, including, but not
13 limited to, the online training of educators of pupils in grades K to 3 described in that
14 section.

15 Sec. 5-504. From the funds appropriated in part 1 for educator recruitment and
16 preparation programs, the department shall award \$540,000.00 to districts for both of the
17 following:

18 (a) Educator preparation program tuition, program fees, testing fees, and substitute
19 permit costs for any individual employed in grades pre-k to 12 working toward certification
20 or an additional endorsement.

21 (b) Program costs associated with hands-on learning experiences for students in
22 grades 6 to 12 interested in the field of education, with supervision and mentoring from
23 educators who are champions of, and committed to, the success of the profession.

24 Sec. 5-505. From the funds appropriated in part 1 for educator recruitment and
25 preparation programs, not less than \$190,000.00 and not fewer than 1.0 FTE position is
26 allocated for educator recruitment and preparation programs.

27 Sec. 5-506. Revenue received from teacher testing fees that is unexpended at the end
28 of the current fiscal year may be carried over to the succeeding fiscal year and does not
29 revert to the general fund.

30 Sec. 5-507. From the funds appropriated in part 1, the department shall adopt a
31 teacher certification test that ensures that all newly certified elementary teachers have
32 the skills to deliver evidence-based literacy instruction grounded in the science of

1 reading. The department may use teacher certification or teacher testing fee revenue to the
2 extent allowable under law to implement this section, or may pass along increased testing
3 fees to teachers as allowable and appropriate.

4

5 **SCHOOL SUPPORT SERVICES**

6 Sec. 5-601. From the funds appropriated in part 1 for adolescent and school health,
7 the department shall use the funds to replace federal funding reductions from the HHS -
8 Centers for Disease Control and Prevention to the department and section 39a(2)(a) of the
9 state school aid act of 1979, 1979 PA 94, MCL 388.1639a.

10 Sec. 5-602. (1) From the funds appropriated in part 1 for school board member
11 training, there is appropriated \$150,000.00 for school board member training. The
12 department shall approve 1 or more training programs for school board members that include
13 courses of instruction for school board members in 1 or more of the following topic areas:

14 (a) Conflicts of interest, including, but not limited to, the application of section
15 1203 of the revised school code, 1976 PA 451, MCL 380.1203.

16 (b) Labor relations, including, but not limited to, a school board's role in
17 collective bargaining agreements in 1947 PA 336, MCL 423.201 to 423.217, and in other laws
18 related to employment.

19 (c) Education law, including, but not limited to, the revised school code, 1976 PA
20 451, MCL 380.1 to 380.1852, the state school aid act of 1979, 1979 PA 94, MCL 388.1601 to
21 388.1896, the open meetings act, 1976 PA 267, MCL 15.261 to 15.275, and 1937 (Ex Sess) PA
22 4, MCL 38.71 to 38.191, dealing with teacher tenure.

23 (d) School finance, including, but not limited to, the creation and management of
24 school district budgets.

25 (e) Board governance, including, but not limited to, roles and responsibilities,
26 parliamentary procedure, and best practices.

27 (f) Implicit bias training.

28 (g) Rater reliability training.

29 (2) On completion of an eligible training program, a school board member may apply
30 for reimbursement for the cost of the eligible training program through the board member's
31 local district, up to \$100.00 per course. The department may determine the form and manner
32 of the application to reimburse the district for the cost.

1 (3) The department shall create a process for the provider of a course in a topic
2 listed in subsection (1) to apply to the department to have the course approved and be
3 eligible for a school board member to be reimbursed for completing that course as provided
4 under subsection (2).

5 (4) As used in this section:

6 (a) "Eligible training program" means a training program that is approved under
7 subsection (1).

8 (b) "School board member" means a member of the board of a school district or
9 intermediate school district or a member of the board of directors of a public school
10 academy in this state.

11 Sec. 5-604. (1) From the funds appropriated in part 1 for school support services,
12 not less than \$159,500.00 and not fewer than 1.0 FTE position shall provide technical
13 assistance to all eligible districts including but not limited to make them effective at
14 using Medicaid dollars for mental health.

15 (2) As used in this section, "eligible district" means a school district or
16 intermediate school district that receives funding under section 31n of the state school
17 aid act of 1979, 1979 PA 94, MCL 388.1631n.

18

19 **EDUCATIONAL SUPPORTS**

20 Sec. 5-701. (1) From the funds appropriated in part 1 for educational supports, the
21 department shall produce a report detailing the progress made by districts with grades K to
22 12 receiving at-risk funding under section 31a of the state school aid act of 1979, 1979 PA
23 94, MCL 388.1631a, in doing both of the following:

24 (a) Implementing multitiered systems of supports in the previous school fiscal year
25 for grades K to 12.

26 (b) Providing reading intervention services described in section 1280f of the revised
27 school code, 1976 PA 451, MCL 380.1280f, for pupils in grades K to 12.

28 (2) The department shall include, at a minimum, all of the following in the report
29 described in subsection (1):

30 (a) A description of the training, coaching, and technical assistance offered by the
31 department to districts to support the implementation of effective multitiered systems of
32 supports and reading intervention programs.

1 (b) A list of districts determined by the department to have successfully implemented
2 multitiered systems of supports and reading intervention programs.

3 (c) A list of best practices that the department has identified that may be used by
4 districts to implement multitiered systems of supports and reading intervention programs.

5 (d) Other information the department determines would be useful to understanding the
6 status of districts' implementation of effective multitiered systems of supports and
7 reading intervention programs.

8 (3) The department shall provide the report described in subsection (1) to the state
9 budget director, the house and senate subcommittees that oversee the department and school
10 aid budgets, and the house and senate fiscal agencies by September 30 of the current fiscal
11 year.

12 Sec. 5-702. From the funds appropriated in part 1, there is appropriated an amount
13 not less than \$1,000,000.00 for implementation costs associated with programs for early
14 childhood literacy funded under section 35a of the state school aid act of 1979, 1979 PA
15 94, MCL 388.1635a.

16 Sec. 5-703. From the funds appropriated in part 1 for Michigan core curriculum, the
17 department shall, in collaboration with the confederation of Michigan tribal education
18 department, continuously design, implement, and evaluate professional learning and optional
19 curriculum modules for the purpose of teaching Michigan Indigenous tribal history including
20 the history of Indian boarding schools in Michigan as described in the Michigan core
21 curriculum standards for grades 8 to 12.

22

23 **LIBRARY OF MICHIGAN**

24 Sec. 5-801. (1) The funds appropriated in part 1 for library fees are appropriated
25 from money collected by the library of Michigan for providing qualified services and may be
26 used for any expenses necessary to provide the qualified services. Any money that is
27 unexpended at the end of the current fiscal year does not lapse to the general fund and may
28 be carried forward into the succeeding fiscal year.

29 (2) As used in this section, "qualified services" means any of the following:

30 (a) Document reproduction and services.

31 (b) Conducting conferences, workshops, and training classes.

32 (c) Providing specialized equipment, facilities, and software.

1 Sec. 5-804. (1) The department shall use the funds appropriated in part 1 for
2 renaissance zone reimbursements to reimburse public libraries under section 12 of the
3 Michigan renaissance zone act, 1996 PA 376, MCL 125.2692, for taxes levied in 2025. The
4 department shall allocate the funds not later than 60 days after the department of treasury
5 certifies to the department and to the state budget director that the department of
6 treasury has received all necessary information to properly determine the amounts due to
7 each eligible recipient.

8 (2) If the amount appropriated under this section is not sufficient to fully pay
9 obligations under this section, the department shall prorate payments on an equal basis
10 among all eligible recipients.

11 Sec. 5-805. From the funds appropriated in part 1 for Michigan's poet laureate, there
12 is appropriated \$100,000.00 for Michigan's poet laureate to support the Michigan poet
13 laureate program to promote poetry, the spoken word, and literary arts across this state.

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Article 6

DEPARTMENT OF ENVIRONMENT, GREAT LAKES, AND ENERGY

PART 1

LINE-ITEM APPROPRIATIONS AND ANTICIPATED APPROPRIATIONS

Sec. 6-101. Subject to the conditions set forth in this article, the amounts listed in this part for the department of environment, great lakes, and energy are appropriated for the fiscal year ending September 30, 2026, and are anticipated to be appropriated for the fiscal year ending September 30, 2027, from the funds indicated in this part. The following is a summary of the appropriations and anticipated appropriations in this part:

For Fiscal
Year Ending
Sept. 30, 2026

For Fiscal
Year Ending
Sept. 30, 2027

1 DEPARTMENT OF ENVIRONMENT, GREAT LAKES, AND ENERGY

2 APPROPRIATION SUMMARY

3	Full-time equated unclassified positions.....	6.0	6.0
4	Full-time equated classified positions.....	1,780.0	1,780.0
5	GROSS APPROPRIATION	\$ 1,186,823,100	\$ 1,080,823,100
6	Total interdepartmental grants and intradepartmental		
7	transfers	4,129,100	4,129,100
8	ADJUSTED GROSS APPROPRIATION	\$ 1,182,694,000	\$ 1,076,694,000
9	Total federal revenues	464,268,500	464,268,500
10	Total local revenues	0	0
11	Total private revenues	1,404,200	1,404,200
12	Total other state restricted revenues	420,631,500	420,631,500
13	State general fund/general purpose	\$ 296,389,800	\$ 190,389,800
14	<i>State general fund/general purpose schedule:</i>		
15	<i>Ongoing state general fund/general purpose</i>	<i>190,389,800</i>	<i>190,389,800</i>
16	<i>One-time state general fund/general purpose</i>	<i>106,000,000</i>	<i>0</i>
17	Sec. 6-102. DEPARTMENTAL ADMINISTRATION AND SUPPORT		
18	Full-time equated unclassified positions.....	6.0	6.0
19	Full-time equated classified positions.....	106.0	106.0
20	Unclassified salaries-6.0 FTE positions	\$ 993,100	\$ 993,100
21	Accounting service center	1,576,900	1,576,900
22	Administrative hearings officers	906,600	906,600
23	Environmental investigations-12.0 FTE positions	2,459,400	2,459,400
24	Environmental support-56.0 FTE positions	9,465,700	9,465,700
25	Executive direction-20.0 FTE positions	4,480,800	4,480,800
26	Facilities management	1,000,000	1,000,000
27	Financial support-18.0 FTE positions	10,890,700	10,890,700
28	Michigan geological survey	3,000,000	3,000,000
29	Property management	8,098,900	8,098,900
30	GROSS APPROPRIATION	\$ 42,872,100	\$ 42,872,100

31 Appropriated from:

32 Interdepartmental grant revenues:

	For Fiscal Year Ending Sept. 30, 2026	For Fiscal Year Ending Sept. 30, 2027	
1	IDG from department of state police	82,800	82,800
2	IDG from department of transportation	108,400	108,400
3	Federal revenues:		
4	Other federal revenues	766,700	766,700
5	Special revenue funds:		
6	Private revenues	711,600	711,600
7	Other state restricted revenues	28,851,100	28,851,100
8	State general fund/general purpose	\$ 12,351,500	\$ 12,351,500
9	Sec. 6-103. WATER RESOURCES DIVISION		
10	Full-time equated classified positions.....	449.0	449.0
11	Aquatic nuisance control program-6.0 FTE positions ...	\$ 1,000,700	\$ 1,000,700
12	Federal - Great Lakes remedial action plan grants	583,800	583,800
13	Fish contaminant monitoring	316,100	316,100
14	Great Lakes restoration initiative-9.0 FTE positions .	11,288,300	11,288,300
15	Nonpoint source pollution prevention and control		
16	project program	4,083,300	4,083,300
17	Technology advancements for water monitoring	500,000	500,000
18	Water quality programs-236.0 FTE positions	38,643,100	38,643,100
19	Water quality protection grants	100,000	100,000
20	Water resource programs-198.0 FTE positions	33,889,600	33,889,600
21	Watershed council grants	600,000	600,000
22	GROSS APPROPRIATION	\$ 91,004,900	\$ 91,004,900
23	Appropriated from:		
24	Interdepartmental grant revenues:		
25	IDG from department of transportation	2,056,400	2,056,400
26	Federal revenues:		
27	Other federal revenues	35,144,300	35,144,300
28	Special revenue funds:		
29	Other state restricted revenues	22,665,700	22,665,700
30	State general fund/general purpose	\$ 31,138,500	\$ 31,138,500
31	Sec. 6-104. AIR QUALITY DIVISION		
32	Full-time equated classified positions.....	228.0	228.0

	For Fiscal Year Ending Sept. 30, 2026	For Fiscal Year Ending Sept. 30, 2027
1 Air quality programs-228.0 FTE positions	\$ <u>39,730,000</u>	\$ <u>39,730,000</u>
2 GROSS APPROPRIATION	\$ 39,730,000	\$ 39,730,000
3 Appropriated from:		
4 Federal revenues:		
5 Other federal revenues	7,762,700	7,762,700
6 Special revenue funds:		
7 Other state restricted revenues	15,941,600	15,941,600
8 State general fund/general purpose	\$ 16,025,700	\$ 16,025,700
9 Sec. 6-105. REMEDIATION AND REDEVELOPMENT DIVISION		
10 Full-time equated classified positions.....	327.0	327.0
11 Contaminated site remediation and redevelopment		
12 programs- 327.0 FTE positions	\$ 123,730,300	\$ 123,730,300
13 Emergency cleanup actions	2,000,000	2,000,000
14 Environmental cleanup and redevelopment program	27,600,000	27,600,000
15 Superfund cleanup	<u>9,000,000</u>	<u>9,000,000</u>
16 GROSS APPROPRIATION	\$ 162,330,300	\$ 162,330,300
17 Appropriated from:		
18 Federal revenues:		
19 Other federal revenues	16,759,200	16,759,200
20 Special revenue funds:		
21 Other state restricted revenues	145,276,500	145,276,500
22 State general fund/general purpose	\$ 294,600	\$ 294,600
23 Sec. 6-106. UNDERGROUND STORAGE TANK AUTHORITY		
24 Full-time equated classified positions.....	12.0	12.0
25 Underground storage tank cleanup program-12.0		
26 FTE positions	<u>32,139,200</u>	<u>32,139,200</u>
27 GROSS APPROPRIATION	\$ 32,139,200	\$ 32,139,200
28 Appropriated from:		
29 Special revenue funds:		
30 Other state restricted revenues	32,139,200	32,139,200
31 State general fund/general purpose	\$ 0	\$ 0
32 Sec. 6-107. RENEWING MICHIGAN'S ENVIRONMENT		

	For Fiscal Year Ending Sept. 30, 2026	For Fiscal Year Ending Sept. 30, 2027
1 Full-time equated classified positions.....	171.0	171.0
2 Information management-25.0 FTE positions	\$ 7,351,500	\$ 7,351,500
3 Renew Michigan program-146.0 FTE positions	<u>70,737,200</u>	<u>70,737,200</u>
4 GROSS APPROPRIATION	\$ 78,088,700	\$ 78,088,700
5 Appropriated from:		
6 Interdepartmental grant revenues:		
7 IDG from department of state police	6,800	6,800
8 IDG from department of transportation	6,300	6,300
9 Federal revenues:		
10 Other federal revenues	5,800	5,800
11 Special revenue funds:		
12 Other state restricted revenues	72,265,400	72,265,400
13 State general fund/general purpose	\$ 5,804,400	\$ 5,804,400
14 Sec. 6-108. INFORMATION TECHNOLOGY		
15 Information technology services and projects	<u>10,439,700</u>	<u>10,439,700</u>
16 GROSS APPROPRIATION	\$ 10,439,700	\$ 10,439,700
17 Appropriated from:		
18 Interdepartmental grant revenues:		
19 IDG from department of state police	23,700	23,700
20 IDG from department of transportation	31,100	31,100
21 Federal revenues:		
22 Other federal revenues	2,062,300	2,062,300
23 Special revenue funds:		
24 Other state restricted revenues	5,975,100	5,975,100
25 State general fund/general purpose	\$ 2,347,500	\$ 2,347,500
26 Sec. 6-109. DRINKING WATER AND ENVIRONMENTAL HEALTH		
27 Full-time equated classified positions.....	192.0	192.0
28 Drinking water and environmental health-192.0		
29 FTE positions	<u>46,714,600</u>	<u>46,714,600</u>
30 GROSS APPROPRIATION	\$ 46,714,600	\$ 46,714,600
31 Appropriated from:		
32 Federal revenues:		

	For Fiscal Year Ending Sept. 30, 2026	For Fiscal Year Ending Sept. 30, 2027
1 Other federal revenues	13,755,900	13,755,900
2 Special revenue funds:		
3 Other state restricted revenues	7,917,300	7,917,300
4 State general fund/general purpose	\$ 25,041,400	\$ 25,041,400
5 Sec. 6-110. MATERIALS MANAGEMENT DIVISION		
6 Full-time equated classified positions.....	189.0	189.0
7 Energy programs-15.0 FTE positions	\$ 6,677,200	\$ 6,677,200
8 Material management programs-174.0 FTE positions	<u>69,484,200</u>	<u>69,484,200</u>
9 GROSS APPROPRIATION	\$ 76,161,400	\$ 76,161,400
10 Appropriated from:		
11 Interdepartmental grant revenues:		
12 IDG from department of state police	1,590,500	1,590,500
13 Federal revenues:		
14 Other federal revenues	7,353,300	7,353,300
15 Special revenue funds:		
16 Private revenues	652,600	652,600
17 Other state restricted revenues	65,363,000	65,363,000
18 State general fund/general purpose	\$ 1,202,000	\$ 1,202,000
19 Sec. 6-111. GEOLOGICAL RESOURCES MANAGEMENT DIVISION		
20 Full-time equated classified positions.....	76.0	76.0
21 Geologic resources management-76.0 FTE positions	<u>\$ 26,996,600</u>	<u>\$ 26,996,600</u>
22 GROSS APPROPRIATION	\$ 26,996,600	\$ 26,996,600
23 Appropriated from:		
24 Interdepartmental grant revenues:		
25 IDG from department of licensing and regulatory		
26 affairs	223,100	223,100
27 Federal revenues:		
28 Other federal revenues	5,308,500	5,308,500
29 Special revenue funds:		
30 Private revenues	40,000	40,000
31 Other state restricted revenues	8,462,300	8,462,300
32 State general fund/general purpose	\$ 12,962,700	\$ 12,962,700

	For Fiscal Year Ending Sept. 30, 2026	For Fiscal Year Ending Sept. 30, 2027
Sec. 6-112. WATER INFRASTRUCTURE		
Full-time equated classified positions.....	30.0	30.0
Municipal assistance-30.0 FTE positions	\$ 6,744,300	\$ 6,744,300
Water Infrastructure	43,601,300	43,601,300
Water state revolving funds	<u>424,000,000</u>	<u>424,000,000</u>
GROSS APPROPRIATION	\$ 474,345,600	\$ 474,345,600
Appropriated from:		
Federal revenues:		
Other federal revenues	375,349,800	375,349,800
Special revenue funds:		
Other state restricted revenues	15,774,300	15,774,300
State general fund/general purpose	\$ 83,221,500	\$ 83,221,500
Sec. 6-113. ONE-TIME APPROPRIATIONS		
Drinking water infrastructure	\$ 50,000,000	\$ 0
Electric charging infrastructure	10,000,000	0
Information management initiative	39,000,000	0
Septic system database	<u>7,000,000</u>	<u>0</u>
GROSS APPROPRIATION	\$ 106,000,000	\$ 0
Appropriated from:		
Special revenue funds:		
State general fund/general purpose	\$ 106,000,000	\$ 0

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FISCAL YEAR 2026

GENERAL SECTIONS

Sec. 6-201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state sources under part 1 for the fiscal year 2026 is \$717,021,300.00 and state spending from state sources to be paid to local units of government for fiscal year 2026 is \$105,673,300.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

1	DEPARTMENT OF ENVIRONMENT, GREAT LAKES, AND ENERGY	
2	Technology advancements for water monitoring.....	\$ 500,000
3	Water quality programs.....	200,000
4	Brownfield grants.....	1,000,000
5	Emergency cleanup actions.....	116,000
6	Drinking water and environmental health.....	8,786,000
7	Energy programs.....	200,000
8	Material management programs.....	1,270,000
9	Water Infrastructure.....	43,601,300
10	Drinking water infrastructure.....	<u>50,000,000</u>
11	TOTAL	\$ 105,673,300

12 Sec. 6-202. The appropriations under this part and part 1 are subject to the
13 management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

14 Sec. 6-203. As used in this article:

15 (a) "Department" means the department of environment, Great Lakes, and energy.

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

17 (c) "FTE" means full-time equated.

18 (d) "IDG" means interdepartmental grant.

19 (e) "NPDES" means the national pollutant discharge elimination system.

20 (f) "Standard report recipients" means the senate and house appropriations
21 subcommittees on the department, the senate and house fiscal agencies, the senate and house
22 policy offices, and the state budget office.

23 Sec. 6-204. A department or agency shall use the internet to fulfill the reporting
24 requirements of this part. This requirement includes transmitting reports to the standard
25 report recipients and any other required recipients by email and posting the reports on an
26 internet site.

27 Sec. 6-205. To the extent permissible under section 261 of the management and budget
28 act, 1984 PA 431, MCL 18.1261, all of the following apply to the expenditure of funds
29 appropriated in part 1:

30 (a) The funds must not be used for the purchase of foreign goods or services, or
31 both, if competitively priced and of comparable quality American goods or services, or
32 both, are available.

1 (b) Preference must be given to goods or services, or both, manufactured or provided
2 by Michigan businesses, if they are competitively priced and of comparable quality.

3 (c) Preference must be given to goods or services, or both, that are manufactured or
4 provided by Michigan businesses owned and operated by veterans, if they are competitively
5 priced and of comparable quality.

6 Sec. 6-207. Consistent with section 217 of the management and budget act, 1984 PA
7 431, MCL 18.1217, each department and agency receiving appropriations in part 1 shall
8 prepare a report on out of state travel expenses not later than January 1. The report must
9 list all travel by classified and unclassified employees outside this state in the previous
10 fiscal year that was funded in whole or in part with funds appropriated in the department's
11 or agency's budget. The department or agency shall submit the report to the standard report
12 recipients and to the house of representatives and senate appropriations committees. The
13 report must include all of the following information:

14 (a) The dates of each travel occurrence.

15 (b) The total transportation and related expenses of each travel occurrence and the
16 proportions funded with state general fund/general purpose revenues, state restricted
17 revenues, federal revenues, and other revenues.

18 Sec. 6-208. A principal executive department, state agency, or authority shall not
19 use funds appropriated in part 1 to hire a person to provide legal services that are the
20 responsibility of the attorney general. This section does not apply to legal services for
21 bonding activities or to outside legal services that the attorney general authorizes.

22 Sec. 6-209. Not later than December 15, the state budget office shall prepare and
23 submit a report that provides for estimates of the total general fund/general purpose
24 appropriation lapses at the close of the previous fiscal year. The report must summarize
25 the projected year-end general fund/general purpose appropriation lapses by major
26 departmental program or program areas. The state budget office shall submit the report to
27 the standard report recipients and the chairpersons of the senate and house of
28 representatives appropriations committees.

29 Sec. 6-210. (1) In addition to the funds appropriated in part 1, there is
30 appropriated an amount not to exceed \$100,000,000.00 for federal contingency funds. These
31 funds are not available for expenditure until they have been transferred to another line
32 item in this article under section 393(2) of the management and budget act, 1984 PA 431,

1 MCL 18.1393.

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

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

10 Sec. 6-211. A department or agency shall cooperate with the department of technology,
11 management and budget to maintain a searchable website accessible by the public at no cost
12 that includes, but is not limited to, all of the following for each department or agency:

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

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

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

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

18 (e) Job specifications and wage rates.

19 Sec. 6-214. To the extent permissible under the management and budget act, 1984 PA
20 431, MCL 18.1101 to 18.1594, the director of each department or agency receiving
21 appropriations in part 1 shall take all reasonable steps to ensure geographically
22 disadvantaged business enterprises compete for and perform contracts to provide services or
23 supplies, or both. Each director shall strongly encourage firms with which the department
24 or agency contracts to subcontract with certified geographically disadvantaged business
25 enterprises for services, supplies, or both. As used in this section, "geographically-
26 disadvantaged" business enterprises means that term as defined in Executive Directive No.
27 2023-1.

28 Sec. 6-215. On a quarterly basis, a department or agency receiving appropriations in
29 part 1 shall report on the number of FTEs in pay status by type of staff and civil service
30 classification, including comparison by line item of the number of FTEs authorized from
31 funds appropriated in part 1 to the actual number of FTE positions employed by the
32 department or agency at the end of the reporting period. The report must be submitted to

1 the senate and house appropriations committees and to the standard report recipients.

2 Sec. 6-221. (1) Funds appropriated in part 1 must not be used to restrict or impede a
3 marginalized community's access to government resources, programs, or facilities.

4 (2) From the funds appropriated in part 1, local governments shall report any action
5 or policy that attempts to restrict or interfere with the duties of a local health officer.

6 Sec. 6-227. (1) The department may expend amounts remaining from the current and
7 prior fiscal year appropriations to meet funding needs of the environmental cleanup and
8 redevelopment program, environmental cleanup support, contaminated site remediation and
9 redevelopment programs, contaminated site cleanup, contaminated site cleanup contingency
10 reserve, premcors remediation activities, PFAS remediation grant program, the renew Michigan
11 program, the refined petroleum product cleanup program, brownfield grants and loans,
12 waterfront grants, and the environmental bond site reclamation program.

13 (2) Unexpended and unencumbered amounts remaining from appropriations from the clean
14 Michigan initiative fund - response activities contained in PA 63 of 2011, PA 59 of 2013,
15 PA 252 of 2014, PA 84 of 2015, PA 268 of 2016, and PA 107 of 2017, are appropriated for
16 expenditure.

17 (3) Unexpended and unencumbered amounts remaining from appropriations from the
18 refined petroleum fund activities contained in PA 59 of 2013, PA 252 of, PA 84 of 2015, PA
19 268 of 2016, PA 107 of 2017, PA 207 of 2018, PA 57 of 2019, PA 166 of 2020, PA 87 of 2021,
20 PA 166 of 2022, PA 119 of 2023, and PA 121 of 2024 are appropriated for expenditure.

21 (4) Unexpended and unencumbered amounts remaining from the appropriations from the
22 strategic water quality initiatives fund contained in PA 50 of 2011, PA 63 of 2011, PA 200
23 of 2012, PA 59 of 2013, PA 252 of 2014, PA 84 of 2015, PA 268 of 2016, and PA 107 of 2017,
24 and PA 207 of 2018, are appropriated for expenditure.

25 (5) For the strategic water quality initiatives fund, funds not yet disbursed are
26 appropriated for expenditure for the same program under sections 5201, 5202, and 5204e of
27 the natural resources and environmental protection act, 1994 PA 451, MCL 324.5201,
28 324.5202, and 324.5204e.

29 (6) Unexpended and unencumbered amounts remaining from the appropriations from the
30 renew Michigan fund contained in PA 207 of 2018, PA 57 of 2019, PA 166 of 2020, PA 87 of
31 2021, PA 166 of 2022, PA 119 of 2023, and PA 121 of 2024 are appropriated for expenditure.

32 (7) Unexpended and unencumbered amounts remaining from the appropriations from the

1 contaminated site cleanup contingency fund contained in PA 87 of 2021 and PA 166 of 2022,
2 are appropriated for expenditure.

3 (8) Unexpended and unencumbered amounts remaining from the appropriations from the
4 cleanup and redevelopment fund contained in PA 166 of 2022, and PA 119 of 2023 are
5 appropriated for expenditure.

6 Sec. 6-228. Revenues that remain in the settlements fund at the end of the fiscal
7 year carry forward into the succeeding fiscal year.

8 Sec. 6-235. (1) Semiannually, the department shall prepare a report that contains
9 information regarding all remediation and redevelopment efforts funded from part 1.

10 (2) The report must contain the following information:

11 (a) List of sites where work is planned to occur, including the county for each site.

12 (b) The type of site, whether refined petroleum cleanup, nonrefined petroleum
13 cleanup, brownfield, or a combination of types.

14 (c) A brief description of how the issue will be addressed, including whether
15 contractors will be utilized.

16 (d) The estimated date for project completion.

17 (e) The amount and funding source or sources allocated to the site.

18 (3) The report must be submitted to the senate and house subcommittees on the
19 environment, Great Lakes, and energy and the state budget director.

20 Sec. 6-238. The department shall submit a report to the senate and house standing
21 committees and appropriations subcommittees with primary responsibility for issues under
22 the jurisdiction of the department that details departmental activities of the most recent
23 fiscal year in administering permitting programs. The report must include, at a minimum,
24 all of the following:

25 (a) The number of FTEs assigned to each permitting program and the number of unfilled
26 positions at the beginning and end of the most recent fiscal year.

27 (b) The number of permit applications received by the department in the preceding
28 year, including applications for new and increased uses and reissuances.

29 (c) The number of permits for each program approved.

30 (d) The number of permits for each program denied.

31 (e) The percentage and number of permit applications that were reviewed for
32 administrative completeness within statutory time frames.

1 (f) The percentage and number of permit applications for which a final action was
2 taken by the department within statutory time frames for new and increased uses and
3 reissuances.

4 (g) Activities to reduce any backlog of permits that exceed the statutory time frames
5 and the average time frame for permit approvals for each program.

6 (h) Activities to reduce the percentage of permit applications submitted as
7 incomplete, in need of modification, or additional information before final determination.

8 (i) Under conditions in which the department states a permit is incomplete or denied,
9 the department shall provide an explanation as to the reason or reasons the permit is
10 insufficient and how the permit can be strengthened or made complete.

11 Sec. 6-242. If the department responds to a significant incident to protect life or
12 property, as soon as possible and within 24 hours after the department responds to the
13 significant incident, the department shall notify, in writing, the senate and house members
14 whose district includes the site.

15 Sec. 6-244. In expending federal funds, the department shall comply with the
16 requirements of the Justice40 Initiative, where applicable.

17
18 **REMEDICATION AND REDEVELOPMENT DIVISION**

19 Sec. 6-301. Revenues remaining in the laboratory services fees fund at the end of the
20 fiscal year carry forward into the succeeding fiscal year.

21 Sec. 6-302. The unexpended funds appropriated in part 1 for contaminated remediation
22 and redevelopment programs emergency cleanup actions, and environmental cleanup and
23 redevelopment programs are designated as work project appropriations, and any unencumbered
24 or unallotted funds shall not lapse at the end of the fiscal year and shall be available
25 for expenditures for projects under this section until the projects have been completed.
26 The following is in compliance with section 451a of the management and budget act, 1984 PA
27 431, MCL 18.1451a:

28 (a) The purpose of the projects is to provide contaminated site cleanup.

29 (b) The projects will be accomplished by utilizing contracts with service providers.

30 (c) The total estimated cost of all projects is identified in each line-item
31 appropriation.

32 (d) The tentative completion date is September 30, 2030.

1 Sec. 6-304. (1) In addition to the money appropriated in part 1, the department may
2 receive and expend money from the subaccounts of the cleanup and redevelopment fund as
3 described under section 20108 of the natural resources and environmental protection act,
4 1994 PA 451, MCL 324.20108, including the environmental response fund or the natural
5 resource damages fund, to provide funding for actions by the department that are authorized
6 by a court of competent jurisdiction and set forth in a final court order or judgment in an
7 action to which the department is a party.

8 (2) By January 30, the department shall submit a report to the appropriations
9 subcommittees, the fiscal agencies, and the state budget office that provides a summary of
10 the expenditures incurred under this section during the preceding fiscal year.

11

12 **WATER RESOURCES DIVISION**

13 Sec. 6-405. If a certified health department does not exist in a city, county, or
14 district or does not fulfill its responsibilities under part 117 of the natural resources
15 and environmental protection act, 1994 PA 451, MCL 324.11701 to 324.11721, then the
16 department may spend funds appropriated in part 1 for drinking water and environmental
17 health in accordance with section 11716 of the natural resources and environmental
18 protection act, 1994 PA 451, MCL 324.11716.

19 Sec. 6-410. From the funds appropriated in part 1, the department shall compile a
20 report by November 1 of every fiscal year ending in an odd number on the status of the
21 implementation plan for the western Lake Erie basin collaborative agreement. In an effort
22 to learn more about the presence and timing of harmful algal blooms, the report shall
23 contain all of the following:

24 (a) An estimated cost of removal of total phosphorus per pound at the 4 major
25 wastewater treatment plants.

26 (b) A description of the grants that have been awarded.

27 (c) A description of the work that has commenced on the issue of dissolved reactive
28 phosphorus, the expected objectives and outcomes of that work, and a list of the parties
29 involved in that effort.

30 (d) A description of the efforts and outcomes aimed at the total phosphorus reduction
31 for the River Raisin watershed.

32

1 **UNDERGROUND STORAGE TANK AUTHORITY**

2 Sec. 6-701. The unexpended funds appropriated in part 1 for the underground storage
3 tank cleanup program are designated as a work project appropriation, and any unencumbered
4 or unallotted funds shall not lapse at the end of the fiscal year and shall be available
5 for expenditures for projects under this section until the projects have been completed.
6 The following is in compliance with section 451a of the management and budget act, 1984 PA
7 431, MCL 18.1451a:

- 8 (a) The purpose of the project is to provide underground storage tank cleanup.
- 9 (b) The project will be accomplished by utilizing contracts with service providers.
- 10 (c) The total estimated cost of the project is \$20,000,000.00.
- 11 (d) The tentative completion date is September 30, 2030.

12

13 **RENEWING MICHIGAN'S ENVIRONMENT**

14 Sec. 6-801. The unexpended funds appropriated in part 1 for the renewing Michigan's
15 environment program are designated as a work project appropriation, and any unencumbered or
16 unallotted funds shall not lapse at the end of the fiscal year and shall be available for
17 expenditures for projects under this section until the projects have been completed. The
18 following is in compliance with section 451a of the management and budget act, 1984 PA 431,
19 MCL 18.1451a:

- 20 (a) The purpose of the project is for environmental cleanup and redevelopment, waste
21 management, and recycling.
- 22 (b) The project will be accomplished by utilizing state employees or contracts with
23 service providers, or both.
- 24 (c) The total estimated cost of the project is \$70,495,800.00.
- 25 (d) The tentative completion date is September 30, 2030.

26

27 **MATERIALS MANAGEMENT DIVISION**

28 Sec. 6-901. In addition to the money appropriated in part 1, the department may
29 receive and expend money from the Volkswagen Environmental Mitigation Trust Agreement to
30 provide funding for activities as outlined within the State's Mitigation Plan. The
31 department shall prepare a report to the appropriations subcommittees, the fiscal agencies,
32 and the state budget office by February 1, 2027 of the expenditures incurred under this

1 section during the fiscal year ending September 30, 2026.

2 Sec. 6-902. (1) The community surcharge reimbursement fund is created within the
3 state treasury.

4 (2) The state treasurer shall deposit money and other assets received from any source
5 into the fund. The state treasurer shall direct the investment of money in the fund and
6 shall credit interest and earnings from the investments to the fund.

7 (3) The department is the administrator of the fund for auditing purposes.

8 (4) Fees and other revenues generated from the solid waste surcharge must be
9 deposited in the local community waste management fund. Money in the fund is available for
10 expenditure for the support of program operations as appropriated in part 1.

11 (5) Money remaining in the fund at the close of the fiscal year remains in the fund
12 and does not lapse to the general fund.

13 Sec. 6-903. 1) The host community grants fund is created within the state treasury.

14 (2) The state treasurer shall deposit money and other assets received from any source
15 into the fund. The state treasurer shall direct the investment of money in the fund and
16 shall credit interest and earnings from the investments to the fund.

17 (3) The department is the administrator of the fund for auditing purposes.

18 (4) Fees and other revenues generated from the solid waste surcharge must be
19 deposited in the host community grants fund. Money in the fund is available for expenditure
20 for the support of program operations as appropriated in part 1.

21 (5) Money remaining in the fund at the close of the fiscal year remains in the fund
22 and does not lapse to the general fund.

23 Sec. 6-904. (1) The materials management planning fund is created within the state
24 treasury.

25 (2) The state treasurer shall deposit money and other assets received from any source
26 into the fund. The state treasurer shall direct the investment of money in the fund and
27 shall credit interest and earnings from the investments to the fund.

28 (3) The department is the administrator of the fund for auditing purposes.

29 (4) Fees and other revenues generated from the solid waste surcharge must be
30 deposited in the materials management planning fund. Money in the fund is available for
31 expenditure for the support of program operations as appropriated in part 1.

32 (5) Money remaining in the fund at the close of the fiscal year remains in the fund

1 and does not lapse to the general fund.

2

3 **WATER INFRASTRUCTURE**

4 Sec. 6-951. The funds appropriated in part 1 for water infrastructure must be used to
5 support water infrastructure projects, including but not limited to, lead service line
6 replacement and associated activities, drinking water projects, wastewater management, or
7 storm water management to promote coordinated water infrastructure work in overburdened and
8 significantly overburdened communities, as those terms are defined by the department in
9 accordance with the requirements under parts 53 and 54 of the natural resources and
10 environmental protection act, 1994 PA 451, MCL 324.5301 to 324.5316 and 324.5401 to
11 324.5418.

12

13 **ONE-TIME APPROPRIATIONS**

14 Sec. 6-1001. (1) The funds appropriated in part 1 for electric charging
15 infrastructure shall be used for grants to support the deployment of electric vehicle
16 charging stations and hydrogen fueling infrastructure.

17 (2) Grants awarded under this section may be used for, but not limited to, any of the
18 following activities:

19 (a) Filling gaps in fast charging systems outside of the state's identified
20 alternative fuel corridors.

21 (b) Deploying non-publicly available charging and fueling stations, including but not
22 limited to medium-and-heavy duty fleet lots and transit systems.

23 (c) Deploying non-publicly available charging and fueling stations and supporting
24 enabling upgrades to support deployment at single and multifamily housing units.

25 (3) The department shall utilize assessments and tools to identify the most
26 appropriate locations to deploy clean fuel and charging infrastructure supported by this
27 appropriation.

28 (4) The unexpended funds appropriated in part 1 for electric charging infrastructure
29 are designated as a work project appropriation, and any unencumbered or unallotted funds
30 shall not lapse at the end of the fiscal year and shall be available for expenditures for
31 the projects under this section until the project has been completed. The following is in
32 compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

1 (a) The purpose of the project is to support the installation of charging and clean
2 fuel infrastructure.

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

5 (c) The total estimated cost of the project is \$10,000,000.00.

6 (d) The tentative completion date is September 30, 2030.

7 Sec. 6-1002. (1) The funds appropriated in part 1 for drinking water infrastructure
8 must be used to support lead line replacement and associated activities, including, but not
9 limited to, water main replacement, to promote coordinated water infrastructure work in
10 overburdened and significantly overburdened communities, as those terms are defined by the
11 department in accordance with the requirements under parts 53 and 54 of the natural
12 resources and environmental protection act, 1994 PA 451, MCL 324.5301 to 324.5316 and
13 324.5401 to 324.5418.

14 (2) The unexpended funds appropriated in part 1 for drinking water infrastructure are
15 designated as a work project appropriation, and any unencumbered or unallotted funds shall
16 not lapse at the end of the fiscal year and shall be available for expenditures for the
17 projects under this section until the project has been completed. The following is in
18 compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

19 (a) The purpose of the project is to support the upgrade or replacement of water
20 infrastructure.

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

23 (c) The total estimated cost of the project is \$50,000,000.00.

24 (d) The tentative completion date is September 30, 2030.

25 Sec. 6-1003. The unexpended funds appropriated in part 1 for information management
26 initiative are designated as a work project appropriation, and any unencumbered or
27 unallotted funds shall not lapse at the end of the fiscal year and shall be available for
28 expenditures for the projects under this section until the project has been completed. The
29 following is in compliance with section 451a of the management and budget act, 1984 PA 431,
30 MCL 18.1451a:

31 (a) The purpose of the project is to support the digitization and indexing of
32 department records.

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

3 (c) The total estimated cost of the project is \$39,000,000.00.

4 (d) The tentative completion date is September 30, 2030.

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Article 7

EXECUTIVE OFFICE

PART 1

LINE-ITEM APPROPRIATIONS AND ANTICIPATED APPROPRIATIONS

Sec. 7-101. Subject to the conditions set forth in this article, the amounts listed in this part for the executive office are appropriated for the fiscal year ending September 30, 2026, and are anticipated to be appropriated for the fiscal year ending September 30, 2027, from the funds indicated in this part. The following is a summary of the appropriations and anticipated appropriations in this part:

1 **EXECUTIVE OFFICE**

2 **APPROPRIATION SUMMARY**

3	Full-time equated unclassified positions.....	10.0		10.0
4	Full-time equated classified positions.....	86.2		86.2
5	GROSS APPROPRIATION	\$ 9,609,200	\$	9,609,200
6	Total interdepartmental grants and intradepartmental			
7	transfers	0		0
8	ADJUSTED GROSS APPROPRIATION	\$ 9,609,200	\$	9,609,200
9	Total federal revenues	0		0
10	Total local revenues	0		0
11	Total private revenues	0		0
12	Total other state restricted revenues	0		0
13	State general fund/general purpose	\$ 9,609,200	\$	9,609,200
14	<i>State general fund/general purpose schedule:</i>			
15	<i>Ongoing state general fund/general purpose</i>	<i>9,609,200</i>		<i>9,609,200</i>
16	<i>One-time state general fund/general purpose</i>	<i>0</i>		<i>0</i>
17	Sec. 7-102. DEPARTMENTAL ADMINISTRATION AND SUPPORT			
18	Full-time equated unclassified positions.....	10.0		10.0
19	Full-time equated classified positions.....	86.2		86.2
20	Governor-1.0 FTE position	\$ 159,300	\$	159,300
21	Lieutenant governor-1.0 FTE position	111,600		111,600
22	Unclassified salaries-8.0 FTE positions	1,670,500		1,670,500
23	Executive office-86.2 FTE positions	<u>7,667,800</u>		<u>7,667,800</u>
24	GROSS APPROPRIATION	\$ 9,609,200	\$	9,609,200
25	Appropriated from:			
26	Special revenue funds:			
27	State general fund/general purpose	\$ 9,609,200	\$	9,609,200

29 PART 2

30 PROVISIONS CONCERNING APPROPRIATIONS

31 FISCAL YEAR 2026

1 **GENERAL SECTIONS**

2 Sec. 7-201. Pursuant to section 30 of article IX of the state constitution of 1963,
3 total state spending from state sources under part 1 for the fiscal year 2026 is
4 \$9,609,200.00 and state spending from state sources to be paid to local units of government
5 for fiscal year 2026 is \$0.00.

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Article 8

DEPARTMENT OF HEALTH AND HUMAN SERVICES

PART 1

LINE-ITEM APPROPRIATIONS AND ANTICIPATED APPROPRIATIONS

Sec. 8-101. Subject to the conditions set forth in this article, the amounts listed in this part for the department of health and human services are appropriated for the fiscal year ending September 30, 2026, and are anticipated to be appropriated for the fiscal year ending September 30, 2027, from the funds indicated in this part. The following is a summary of the appropriations and anticipated appropriations in this part:

1 **DEPARTMENT OF HEALTH AND HUMAN SERVICES**

2 **APPROPRIATION SUMMARY**

3	Full-time equated unclassified positions.....	6.0	6.0
4	Full-time equated classified positions.....	16,358.5	16,360.5
5	GROSS APPROPRIATION	\$ 39,151,858,800	\$ 39,075,220,700
6	Total interdepartmental grants and intradepartmental		
7	transfers	15,448,000	15,448,000
8	ADJUSTED GROSS APPROPRIATION	\$ 39,136,410,800	\$ 39,059,772,700
9	Total federal revenues	27,369,656,600	27,379,537,400
10	Total local revenues	190,421,900	190,421,900
11	Total private revenues	180,133,600	180,133,600
12	Total other state restricted revenues	4,030,240,400	4,029,490,400
13	State general fund/general purpose	\$ 7,365,958,300	\$ 7,280,189,400
14	<i>State general fund/general purpose schedule:</i>		
15	<i>Ongoing state general fund/general purpose</i>	<i>7,253,594,200</i>	<i>7,280,189,400</i>
16	<i>One-time state general fund/general purpose</i>	<i>112,364,100</i>	<i>0</i>
17	Sec. 8-102. DEPARTMENTAL ADMINISTRATION AND SUPPORT		
18	Full-time equated unclassified positions.....	6.0	6.0
19	Full-time equated classified positions.....	1,020.4	1,020.4
20	Unclassified salaries-6.0 FTE positions	\$ 1,474,500	\$ 1,474,500
21	Administrative hearings officers	9,995,400	9,995,400
22	Child welfare institute-57.0 FTE positions	9,962,700	9,962,700
23	Coordinated children's healthcare policy and supports-		
24	74.0 FTE positions	32,188,300	34,688,300
25	Demonstration projects-7.0 FTE positions	7,076,900	7,076,900
26	Departmental administration and management-646.4		
27	FTE positions	109,337,700	109,337,700
28	Legal services	100,000	100,000
29	Office of inspector general-211.0 FTE positions	29,590,100	29,590,100
30	Property management	65,006,000	65,006,000
31	Terminal leave payments	7,091,300	7,091,300
32	Training and program support-25.0 FTE positions	3,660,200	3,660,200

	For Fiscal Year Ending Sept. 30, 2026	For Fiscal Year Ending Sept. 30, 2027
1 Worker's compensation	<u>8,322,300</u>	<u>8,322,300</u>
2 GROSS APPROPRIATION	\$ 283,805,400	\$ 286,305,400
3 Appropriated from:		
4 Interdepartmental grant revenues:		
5 IDG from department of education	1,868,400	1,868,400
6 IDG from department of technology, management and		
7 budget	600	600
8 Federal revenues:		
9 Other federal revenues	137,266,400	137,266,400
10 Special revenue funds:		
11 Local revenues	86,000	86,000
12 Private revenues	4,063,300	4,063,300
13 Other state restricted revenues	8,840,000	11,340,000
14 State general fund/general purpose	\$ 131,680,700	\$ 131,680,700
15 Sec. 8-103. CHILD SUPPORT ENFORCEMENT		
16 Full-time equated classified positions.....	194.7	194.7
17 Child support enforcement operations-188.7 FTE		
18 positions	\$ 35,629,500	\$ 35,629,500
19 Child support incentive payments	24,409,600	24,409,600
20 Legal support contracts	132,600,300	132,600,300
21 State disbursement unit-6.0 FTE positions	<u>7,391,200</u>	<u>7,391,200</u>
22 GROSS APPROPRIATION	\$ 200,030,600	\$ 200,030,600
23 Appropriated from:		
24 Federal revenues:		
25 Other federal revenues	174,387,400	174,387,400
26 Special revenue funds:		
27 State general fund/general purpose	\$ 25,643,200	\$ 25,643,200
28 Sec. 8-104. COMMUNITY SERVICES AND OUTREACH		
29 Full-time equated classified positions.....	56.0	56.0
30 Bureau of community services and outreach-24.0 FTE		
31 positions	\$ 3,622,700	\$ 3,622,700
32 Community services and outreach administration-		

		For Fiscal Year Ending Sept. 30, 2026	For Fiscal Year Ending Sept. 30, 2027
1	20.0 FTE positions	7,726,200	7,726,200
2	Community services block grant	37,170,600	37,170,600
3	Diaper assistance grant	6,404,400	6,404,400
4	Homeless programs-1.0 FTE position	34,782,100	34,782,100
5	Housing and support services	13,031,000	13,031,000
6	Kids' food basket	525,000	525,000
7	Runaway and homeless youth grants	13,126,100	13,126,100
8	School success partnership program	1,525,000	1,525,000
9	Senior university	400,000	400,000
10	Weatherization assistance	21,860,300	21,860,300
11	Weatherization assistance - IIJA-11.0 FTE positions ..	40,013,700	40,013,700
12	GROSS APPROPRIATION	\$ 180,187,100	\$ 180,187,100
13	Appropriated from:		
14	Federal revenues:		
15	Other federal revenues	150,302,900	150,302,900
16	Special revenue funds:		
17	State general fund/general purpose	\$ 29,884,200	\$ 29,884,200
18	Sec. 8-105. CHILDREN'S SERVICES AGENCY - CHILD WELFARE		
19	Full-time equated classified positions.....	4,273.2	4,273.2
20	Adoption subsidies	\$ 232,500,000	\$ 232,500,000
21	Adoption support services-10.0 FTE positions	46,817,700	46,817,700
22	Attorney general contract	5,191,100	5,191,100
23	Child abuse and neglect - children's justice act-1.0		
24	FTE position	630,100	630,100
25	Child care fund	335,879,700	335,879,700
26	Child care fund - indirect cost allotment	3,500,000	3,500,000
27	Child protection	2,050,300	2,050,300
28	Child welfare administration travel	704,000	704,000
29	Child welfare licensing-65.0 FTE positions	8,496,800	8,496,800
30	Child welfare local office staff - noncaseload compliance-		
31	353.0 FTE positions	43,144,700	43,144,700
32	Child welfare medical/psychiatric evaluations	9,428,500	9,428,500

	For Fiscal Year Ending Sept. 30, 2026	For Fiscal Year Ending Sept. 30, 2027
1 Children's protective services - caseload staff-1,753.0		
2 FTE positions	195,371,400	195,371,400
3 Children's protective services supervisors-387.0 FTE		
4 positions	50,201,200	50,201,200
5 Children's services administration-223.2 FTE positions	29,460,000	29,460,000
6 Children trust Michigan-12.0 FTE positions	5,208,200	5,208,200
7 Contractual services, supplies, and materials	10,323,000	10,323,000
8 Court-appointed special advocates	2,250,000	2,250,000
9 Education planners-15.0 FTE positions	1,995,400	1,995,400
10 Family preservation and prevention services		
11 administration- 9.0 FTE positions	1,443,400	1,443,400
12 Family preservation programs-34.0 FTE positions	69,321,300	69,321,300
13 Foster care payments	350,275,700	350,275,700
14 Foster care services - caseload staff-955.0 FTE		
15 positions	101,190,300	101,190,300
16 Foster care services supervisors-227.0 FTE positions .	32,351,400	32,351,400
17 Guardianship assistance program	12,666,700	12,666,700
18 Interstate compact	179,600	179,600
19 Juvenile justice reform-5.0 FTE positions	6,495,000	6,495,000
20 Peer coaches-45.5 FTE positions	6,579,600	6,579,600
21 Permanency resource managers-44.0 FTE positions	6,036,400	6,036,400
22 Prosecuting attorney contracts	8,142,800	8,142,800
23 Second line supervisors and technical staff-126.0		
24 FTE positions	20,609,200	20,609,200
25 Settlement monitor	2,709,800	2,709,800
26 Strong families/safe children	11,600,000	11,600,000
27 Title IV-E compliance and accountability office-4.0		
28 FTE positions	477,200	477,200
29 Youth in transition-4.5 FTE positions	8,202,200	8,202,200
30 GROSS APPROPRIATION	\$ 1,621,432,700	\$ 1,621,432,700

31 Appropriated from:

32 Interdepartmental grant revenues:

	For Fiscal Year Ending Sept. 30, 2026	For Fiscal Year Ending Sept. 30, 2027
1 IDG from department of education	244,400	244,400
2 Federal revenues:		
3 Other federal revenues	665,705,400	665,705,400
4 Special revenue funds:		
5 Local revenues	45,729,000	45,729,000
6 Private revenues	1,226,900	1,226,900
7 Other state restricted revenues	3,167,600	3,167,600
8 State general fund/general purpose	\$ 905,359,400	\$ 905,359,400
9 Sec. 8-106. CHILDREN'S SERVICES AGENCY - JUVENILE		
10 JUSTICE		
11 Full-time equated classified positions.....	199.5	199.5
12 Bay pines center-62.0 FTE positions	\$ 11,793,500	\$ 11,793,500
13 Committee on juvenile justice administration-2.5 FTE		
14 positions	372,200	372,200
15 Committee on juvenile justice grants	3,000,000	3,000,000
16 Community support services-3.0 FTE positions	2,520,200	2,520,200
17 County juvenile officers	3,977,600	3,977,600
18 Juvenile justice, administration and maintenance-21.0		
19 FTE positions	5,551,900	5,551,900
20 Michigan youth treatment center-111.0 FTE positions ..	<u>16,260,600</u>	<u>16,260,600</u>
21 GROSS APPROPRIATION	\$ 43,476,000	\$ 43,476,000
22 Appropriated from:		
23 Federal revenues:		
24 Other federal revenues	8,023,000	8,023,000
25 Special revenue funds:		
26 Local revenues	14,055,500	14,055,500
27 State general fund/general purpose	\$ 21,397,500	\$ 21,397,500
28 Sec. 8-107. PUBLIC ASSISTANCE		
29 Full-time equated classified positions.....	1.0	1.0
30 Emergency services local office allocations	\$ 14,313,500	\$ 14,313,500
31 Family independence program	96,010,100	96,010,100
32 Family independence program - clothing allowance	10,000,000	10,000,000

	For Fiscal Year Ending Sept. 30, 2026	For Fiscal Year Ending Sept. 30, 2027	
1	Food assistance program benefits	3,499,778,300	3,499,778,300
2	Food Bank Council of Michigan	12,045,000	12,045,000
3	Indigent burial	4,184,700	4,184,700
4	Low-income home energy assistance program	174,951,600	174,951,600
5	Michigan energy assistance program-1.0 FTE position ..	100,000,000	100,000,000
6	Prenatal and infant support program	20,000,000	20,000,000
7	Refugee assistance program	7,954,200	7,954,200
8	State disability assistance payments	4,337,300	4,337,300
9	State supplementation	55,450,300	55,450,300
10	Water affordability	<u>1,000,000</u>	<u>1,000,000</u>
11	GROSS APPROPRIATION	\$ 4,000,025,000	\$ 4,000,025,000
12	Appropriated from:		
13	Federal revenues:		
14	Other federal revenues	3,801,255,100	3,801,255,100
15	Special revenue funds:		
16	Other state restricted revenues	115,243,200	115,243,200
17	State general fund/general purpose	\$ 83,526,700	\$ 83,526,700
18	Sec. 8-108. LOCAL OFFICE OPERATIONS AND SUPPORT		
19	SERVICES		
20	Full-time equated classified positions.....	5,723.5	5,723.5
21	Administrative support workers-167.0 FTE positions ...	\$ 15,197,400	\$ 15,197,400
22	Adult services local office staff-550.0 FTE positions	69,864,200	69,864,200
23	Contractual services, supplies, and materials	31,501,000	31,501,000
24	Donated funds positions-217.0 FTE positions	29,662,100	29,662,100
25	Elder law of Michigan MiCAFE contract	450,000	450,000
26	Electronic benefit transfer (EBT)	9,714,000	9,714,000
27	Employment and training support services	4,219,100	4,219,100
28	Food assistance reinvestment-16.0 FTE positions	3,809,400	3,809,400
29	Local office policy and administration-125.0 FTE		
30	positions	20,878,100	20,878,100
31	Local office staff travel	8,327,400	8,327,400
32	Medical/psychiatric evaluations	1,120,100	1,120,100

	For Fiscal Year Ending Sept. 30, 2026	For Fiscal Year Ending Sept. 30, 2027
1 Nutrition education-2.0 FTE positions	33,041,400	33,041,400
2 Public assistance local office staff-4,646.5 FTE		
3 positions	536,748,600	536,748,600
4 SSI advocacy legal services grant	<u>975,000</u>	<u>975,000</u>
5 GROSS APPROPRIATION	\$ 765,507,800	\$ 765,507,800
6 Appropriated from:		
7 Interdepartmental grant revenues:		
8 IDG from department of corrections	120,200	120,200
9 IDG from department of education	8,303,900	8,303,900
10 Federal revenues:		
11 Other federal revenues	419,668,000	419,668,000
12 Special revenue funds:		
13 Local revenues	4,413,300	4,413,300
14 Private revenues	10,351,100	10,351,100
15 State general fund/general purpose	\$ 322,651,300	\$ 322,651,300
16 Sec. 8-109. DISABILITY DETERMINATION SERVICES		
17 Full-time equated classified positions.....	628.4	628.4
18 Disability determination operations-624.3 FTE		
19 positions	\$ 125,435,800	\$ 125,435,800
20 Retirement disability determination-4.1 FTE positions	<u>650,800</u>	<u>650,800</u>
21 GROSS APPROPRIATION	\$ 126,086,600	\$ 126,086,600
22 Appropriated from:		
23 Interdepartmental grant revenues:		
24 IDG from department of technology, management and		
25 budget	827,400	827,400
26 Federal revenues:		
27 Other federal revenues	121,539,300	121,539,300
28 Special revenue funds:		
29 State general fund/general purpose	\$ 3,719,900	\$ 3,719,900
30 Sec. 8-110. BEHAVIORAL HEALTH PROGRAM ADMINISTRATION		
31 AND SPECIAL PROJECTS		
32 Full-time equated classified positions.....	104.0	104.0

	For Fiscal Year Ending Sept. 30, 2026	For Fiscal Year Ending Sept. 30, 2027
1 Behavioral health program administration-59.0 FTE		
2 positions	\$ 51,245,600	\$ 51,245,600
3 Community substance use disorder prevention, education,		
4 and treatment-9.0 FTE positions	80,207,900	80,207,900
5 Family support subsidy	16,290,400	16,290,400
6 Federal and other special projects	2,535,600	2,535,600
7 Gambling addiction-4.0 FTE positions	9,530,100	9,530,100
8 Mental health diversion council	3,850,000	3,850,000
9 Michigan clinical consultation and care	5,289,000	5,289,000
10 Office of recipient rights-27.0 FTE positions	3,892,200	3,892,200
11 Opioid response activities-5.0 FTE positions	122,157,200	122,157,200
12 Protection and advocacy services support	194,400	194,400
13 GROSS APPROPRIATION	\$ 295,192,400	\$ 295,192,400
14 Appropriated from:		
15 Federal revenues:		
16 Other federal revenues	178,893,100	178,893,100
17 Special revenue funds:		
18 Private revenues	2,704,700	2,704,700
19 Other state restricted revenues	67,380,100	67,380,100
20 State general fund/general purpose	\$ 46,214,500	\$ 46,214,500
21 Sec. 8-111. BEHAVIORAL HEALTH SERVICES		
22 Full-time equated classified positions.....	12.0	12.0
23 Autism services	\$ 458,715,500	\$ 458,715,500
24 Behavioral health community supports and services-8.0		
25 FTE positions	42,472,800	42,472,800
26 Certified community behavioral health clinic		
27 demonstration	916,062,700	916,062,700
28 Civil service charges	297,500	297,500
29 Community mental health non-Medicaid services	125,578,200	125,578,200
30 Federal mental health block grant-4.0 FTE positions ..	24,483,900	24,483,900
31 Health homes	53,239,800	53,239,800
32 Healthy Michigan plan - behavioral health	535,508,300	535,508,300

	For Fiscal Year Ending Sept. 30, 2026	For Fiscal Year Ending Sept. 30, 2027
1 Medicaid mental health services	3,422,415,900	3,422,415,900
2 Medicaid substance use disorder services	98,752,100	98,752,100
3 Multicultural integration funding	17,284,900	17,284,900
4 Nursing home PAS/ARR-OBRA	15,213,600	15,213,600
5 State disability assistance program substance use		
6 disorder services	<u>2,018,800</u>	<u>2,018,800</u>
7 GROSS APPROPRIATION	\$ 5,712,044,000	\$ 5,712,044,000
8 Appropriated from:		
9 Federal revenues:		
10 Other federal revenues	3,892,716,900	3,892,716,900
11 Special revenue funds:		
12 Local revenues	9,943,600	9,943,600
13 Other state restricted revenues	83,832,000	83,832,000
14 State general fund/general purpose	\$ 1,725,551,500	\$ 1,725,551,500
15 Sec. 8-112. STATE PSYCHIATRIC HOSPITALS AND FORENSIC		
16 MENTAL HEALTH SERVICES		
17 Full-time equated classified positions.....	2,691.6	2,691.6
18 Developmental disabilities council and projects-10.0		
19 FTE positions	\$ 3,221,100	\$ 3,221,100
20 Gifts and bequests for patient living and treatment		
21 environment	1,000,000	1,000,000
22 IDEA, federal special education	120,000	120,000
23 Purchase of medical services for residents of hospitals		
24 and centers	445,600	445,600
25 Revenue recapture	750,100	750,100
26 Special maintenance	924,600	924,600
27 State hospital administration-34.0 FTE positions	5,801,900	5,801,900
28 State psychiatric hospitals-2,647.6 FTE positions	<u>384,215,900</u>	<u>404,437,400</u>
29 GROSS APPROPRIATION	\$ 396,479,200	\$ 416,700,700
30 Appropriated from:		
31 Federal revenues:		
32 Other federal revenues	47,027,600	47,027,600

	For Fiscal Year Ending Sept. 30, 2026	For Fiscal Year Ending Sept. 30, 2027
1	Special revenue funds:	
2	Local revenues	23,283,200 23,283,200
3	Private revenues	1,000,000 1,000,000
4	Other state restricted revenues	19,189,200 19,189,200
5	State general fund/general purpose	\$ 305,979,200 \$ 326,200,700
6	Sec. 8-113. HEALTH AND HUMAN SERVICES POLICY AND	
7	INITIATIVES	
8	Full-time equated classified positions.....	79.3 79.3
9	Cellular therapy for Versiti Michigan	\$ 750,000 \$ 750,000
10	Certificate of need program administration-11.3	
11	FTE positions	2,764,600 2,764,600
12	Child advocacy centers	1,407,000 1,407,000
13	Child advocacy centers - supplemental grants	2,000,000 2,000,000
14	Community health programs-5.0 FTE positions	17,500,000 17,500,000
15	Crime victim grants administration services-15.0	
16	FTE positions	3,121,100 3,121,100
17	Crime victim justice assistance grants	78,579,300 78,579,300
18	Crime victim rights services grants	19,869,900 19,869,900
19	Crime victim rights sustaining grants-2.0 FTE	
20	positions	50,000,000 58,000,000
21	Domestic violence prevention and treatment-15.6	
22	FTE positions	20,295,200 20,295,200
23	Human trafficking intervention services-1.0	
24	FTE position	200,000 200,000
25	Michigan essential health provider	3,519,600 3,519,600
26	Minority health grants and contracts-3.0 FTE positions	1,163,200 1,163,200
27	Nurse education and research program-3.0 FTE positions	828,300 828,300
28	Policy and planning administration-19.9 FTE positions	2,955,300 2,955,300
29	Primary care services-3.0 FTE positions	3,812,000 3,812,000
30	Rape prevention and services-0.5 FTE position	7,097,300 7,097,300
31	Rural health services	175,000 175,000
32	Uniform statewide sexual assault evidence kit tracking	

	For Fiscal Year Ending Sept. 30, 2026	For Fiscal Year Ending Sept. 30, 2027
1 system	369,500	369,500
2 GROSS APPROPRIATION	\$ 216,407,300	\$ 224,407,300
3 Appropriated from:		
4 Interdepartmental grant revenues:		
5 IDG from department of education	2,400	2,400
6 IDG from department of licensing and regulatory		
7 affairs	828,300	828,300
8 IDG from department of treasury	117,700	117,700
9 Federal revenues:		
10 Other federal revenues	104,622,000	104,622,000
11 Special revenue funds:		
12 Private revenues	855,000	855,000
13 Other state restricted revenues	27,581,100	27,581,100
14 State general fund/general purpose	\$ 82,400,800	\$ 90,400,800
15 Sec. 8-114. EPIDEMIOLOGY, EMERGENCY MEDICAL SERVICES,		
16 AND LABORATORY		
17 Full-time equated classified positions.....	454.9	454.9
18 Bioterrorism preparedness-53.0 FTE positions	\$ 31,131,300	\$ 31,131,300
19 Childhood lead program-4.5 FTE positions	1,351,200	1,351,200
20 Emergency medical services program-33.0 FTE positions	12,919,000	12,919,000
21 Epidemiology administration-73.5 FTE positions	26,963,000	26,963,000
22 Healthy homes program-65.0 FTE positions	56,602,700	56,602,700
23 Laboratory services-102.0 FTE positions	32,855,300	32,855,300
24 Newborn screening follow-up and treatment services-10.5		
25 FTE positions	10,202,600	10,202,600
26 PFAS and environmental contamination response-43.0		
27 FTE positions	19,614,600	19,614,600
28 Vital records and health statistics-70.4 FTE positions	11,719,800	11,719,800
29 GROSS APPROPRIATION	\$ 203,359,500	\$ 203,359,500
30 Appropriated from:		
31 Interdepartmental grant revenues:		
32 IDG from department of environment, great lakes,		

	For Fiscal Year Ending Sept. 30, 2026	For Fiscal Year Ending Sept. 30, 2027
1 and energy	2,525,000	2,525,000
2 Federal revenues:		
3 Other federal revenues	78,095,500	78,095,500
4 Special revenue funds:		
5 Private revenues	1,342,600	1,342,600
6 Other state restricted revenues	33,832,700	33,832,700
7 State general fund/general purpose	\$ 87,563,700	\$ 87,563,700
8 Sec. 8-115. LOCAL HEALTH AND ADMINISTRATIVE SERVICES		
9 Full-time equated classified positions.....	198.1	200.1
10 AIDS prevention, testing, and care programs-79.5		
11 FTE positions	\$ 110,924,100	\$ 110,924,100
12 Cancer prevention and control program-18.0		
13 FTE positions	20,919,900	22,579,900
14 Chronic disease control and health promotion		
15 administration-28.4 FTE positions	10,490,100	10,490,100
16 Diabetes and kidney program-8.0 FTE positions	4,217,400	4,217,400
17 Essential local public health services	81,419,300	81,419,300
18 Implementation of 1993 PA 133, MCL 333.17015	20,000	20,000
19 Local health services-4.3 FTE positions	9,029,400	9,329,400
20 Medicaid outreach cost reimbursement to local health		
21 departments	12,500,000	12,500,000
22 Public health administration-9.0 FTE positions	2,316,400	2,316,400
23 Sexually transmitted disease control program-20.0		
24 FTE positions	8,585,900	8,585,900
25 Smoking prevention program-22.0 FTE positions	17,579,200	21,042,900
26 Violence prevention-8.9 FTE positions	14,078,900	14,078,900
27 GROSS APPROPRIATION	\$ 292,080,600	\$ 297,504,300
28 Appropriated from:		
29 Federal revenues:		
30 Other federal revenues	90,988,700	91,288,700
31 Special revenue funds:		
32 Local revenues	10,150,000	10,150,000

	For Fiscal Year Ending Sept. 30, 2026	For Fiscal Year Ending Sept. 30, 2027
1 Private revenues	74,556,600	74,556,600
2 Other state restricted revenues	25,841,800	30,466,800
3 State general fund/general purpose	\$ 90,543,500	\$ 91,042,200
4 Sec. 8-116. FAMILY HEALTH SERVICES		
5 Full-time equated classified positions.....	136.1	136.1
6 Child and adolescent health care and centers	\$ 47,300,000	\$ 47,300,000
7 Dental programs-5.3 FTE positions	7,597,900	7,978,700
8 Drinking water declaration of emergency	4,271,000	4,271,000
9 Family planning local agreements	14,138,000	14,138,000
10 Family, maternal, and child health administration-49.0		
11 FTE positions	9,874,800	9,874,800
12 Immunization program-20.8 FTE positions	19,257,400	19,257,400
13 Local MCH services	13,259,500	13,259,500
14 Pregnancy prevention program	1,116,900	1,116,900
15 Prenatal care outreach and service delivery support-19.0		
16 FTE positions	42,440,700	42,440,700
17 Special projects	5,289,100	5,289,100
18 Women, infants, and children program administration and		
19 special projects-42.0 FTE positions	19,768,700	19,768,700
20 Women, infants, and children program local agreements		
21 and food costs	<u>251,285,000</u>	<u>251,285,000</u>
22 GROSS APPROPRIATION	\$ 435,599,000	\$ 435,979,800
23 Appropriated from:		
24 Federal revenues:		
25 Other federal revenues	270,297,000	270,677,800
26 Special revenue funds:		
27 Local revenues	48,875,000	48,875,000
28 Private revenues	64,785,700	64,785,700
29 Other state restricted revenues	3,270,500	3,270,500
30 State general fund/general purpose	\$ 48,370,800	\$ 48,370,800
31 Sec. 8-117. CHILDREN'S SPECIAL HEALTH CARE SERVICES		
32 Full-time equated classified positions.....	51.8	51.8

	For Fiscal Year Ending Sept. 30, 2026	For Fiscal Year Ending Sept. 30, 2027	
1	Bequests for care and services-9.8 FTE positions	\$ 2,394,700	\$ 2,394,700
2	Children's special health care services administration-		
3	42.0 FTE positions	9,285,200	9,285,200
4	Medical care and treatment	395,233,600	395,233,600
5	Outreach and advocacy	<u>6,722,200</u>	<u>6,722,200</u>
6	GROSS APPROPRIATION	\$ 413,635,700	\$ 413,635,700
7	Appropriated from:		
8	Federal revenues:		
9	Other federal revenues	228,002,300	228,002,300
10	Special revenue funds:		
11	Private revenues	1,033,900	1,033,900
12	Other state restricted revenues	4,740,400	4,740,400
13	State general fund/general purpose	\$ 179,859,100	\$ 179,859,100
14	Sec. 8-118. AGING SERVICES		
15	Community services	\$ 63,047,200	\$ 63,047,200
16	Employment assistance	3,500,000	3,500,000
17	Nutrition services	50,004,200	50,004,200
18	Respite care program	7,268,700	7,268,700
19	Senior volunteer service programs	<u>4,765,300</u>	<u>4,765,300</u>
20	GROSS APPROPRIATION	\$ 128,585,400	\$ 128,585,400
21	Appropriated from:		
22	Federal revenues:		
23	Other federal revenues	67,787,400	67,787,400
24	Special revenue funds:		
25	Private revenues	300,000	300,000
26	Michigan merit award trust fund	4,068,700	4,068,700
27	Other state restricted revenues	2,800,000	2,800,000
28	State general fund/general purpose	\$ 53,629,300	\$ 53,629,300
29	Sec. 8-119. HEALTH AND AGING SERVICES ADMINISTRATION		
30	Full-time equated classified positions.....	523.0	523.0
31	Aging services administration-43.0 FTE positions	\$ 9,697,700	\$ 9,697,700
32	Health services administration-480.0 FTE positions ...	<u>142,182,800</u>	<u>142,182,800</u>

	For Fiscal Year Ending Sept. 30, 2026	For Fiscal Year Ending Sept. 30, 2027
1 GROSS APPROPRIATION	\$ 151,880,500	\$ 151,880,500
2 Appropriated from:		
3 Federal revenues:		
4 Other federal revenues	97,142,900	97,142,900
5 Special revenue funds:		
6 Local revenues	37,700	37,700
7 Private revenues	1,721,300	1,721,300
8 Other state restricted revenues	336,300	336,300
9 State general fund/general purpose	\$ 52,642,300	\$ 52,642,300
10 Sec. 8-120. HEALTH SERVICES		
11 Adult home help services	\$ 637,148,800	\$ 637,148,800
12 Ambulance services	29,035,300	29,035,300
13 Auxiliary medical services	5,505,500	5,505,500
14 Dental clinic program	1,000,000	1,000,000
15 Dental services	297,306,500	297,306,500
16 Federal Medicare pharmaceutical program	384,182,300	384,182,300
17 Federally qualified health centers	157,749,300	157,749,300
18 Health plan services	8,194,370,400	8,194,370,400
19 Healthy Michigan plan	6,376,131,700	6,376,131,700
20 Home health services	5,545,900	5,545,900
21 Hospice services	195,335,700	195,335,700
22 Hospital services and therapy	643,401,400	643,401,400
23 Integrated care organizations	435,081,300	449,481,300
24 Long-term care services	2,721,566,200	2,721,566,200
25 Maternal and child health	37,330,900	37,330,900
26 Medicaid home- and community-based services waiver ...	571,524,000	571,524,000
27 Medicare premium payments	919,001,400	919,001,400
28 Personal care services	4,978,700	4,978,700
29 Pharmaceutical services	369,096,900	369,096,900
30 Physician services	190,868,000	190,868,000
31 Program of all-inclusive care for the elderly	287,190,400	287,190,400
32 School-based services	178,823,900	178,823,900

	For Fiscal Year Ending Sept. 30, 2026	For Fiscal Year Ending Sept. 30, 2027
1 Special Medicaid reimbursement	358,460,800	358,460,800
2 Transportation	<u>14,210,000</u>	<u>14,210,000</u>
3 GROSS APPROPRIATION	\$ 23,014,845,300	\$ 23,029,245,300
4 Appropriated from:		
5 Federal revenues:		
6 Other federal revenues	16,448,973,800	16,458,373,800
7 Special revenue funds:		
8 Local revenues	33,844,300	33,844,300
9 Private revenues	10,942,500	10,942,500
10 Michigan merit award trust fund	82,700,000	82,700,000
11 Other state restricted revenues	3,530,406,400	3,537,531,400
12 State general fund/general purpose	<u>\$ 2,907,978,300</u>	<u>\$ 2,905,853,300</u>
13 Sec. 8-121. INFORMATION TECHNOLOGY		
14 Full-time equated classified positions.....	11.0	11.0
15 Bridges information system-10.0 FTE positions	\$ 123,932,600	\$ 123,932,600
16 Child support automation	45,101,900	45,101,900
17 Comprehensive child welfare information system	8,750,300	8,750,300
18 Information technology services and projects	239,355,300	239,355,300
19 Michigan Medicaid information system-1.0 FTE position	104,020,300	104,020,300
20 Michigan statewide automated child welfare information		
21 system	<u>22,474,200</u>	<u>22,474,200</u>
22 GROSS APPROPRIATION	\$ 543,634,600	\$ 543,634,600
23 Appropriated from:		
24 Interdepartmental grant revenues:		
25 IDG from department of education	609,700	609,700
26 Federal revenues:		
27 Other federal revenues	386,761,900	386,761,900
28 Special revenue funds:		
29 Local revenues	4,300	4,300
30 Private revenues	5,250,000	5,250,000
31 Other state restricted revenues	2,010,400	2,010,400
32 State general fund/general purpose	<u>\$ 148,998,300</u>	<u>\$ 148,998,300</u>

1	Child welfare licensing.....	63,900
2	Children trust Michigan.....	57,500
3	Contractual services, supplies, and materials.....	30,300
4	Foster care payments.....	2,592,100
5	Prosecuting attorney contracts.....	1,290,500
6	Strong families/safe children.....	52,900
7	Youth in transition.....	700
8	Bay pines center.....	45,800
9	Community support services.....	331,900
10	County juvenile officers.....	101,900
11	Emergency services local office allocations.....	2,066,500
12	Indigent burial.....	4,300
13	Michigan energy assistance program.....	261,200
14	State disability assistance payments.....	216,500
15	Water affordability.....	500,000
16	Contractual services, supplies, and materials.....	87,400
17	Employment and training support services.....	5,000
18	Disability determination operations.....	3,600
19	Behavioral health program administration.....	125,100
20	Community substance use disorder prevention, education, and treatment.	8,828,300
21	Mental health diversion council.....	198,100
22	Opioid response activities.....	20,000
23	Autism services.....	113,300,000
24	Behavioral health community supports and services.....	44,700
25	Certified community behavioral health clinic demonstration.....	97,850,000
26	Community mental health non-Medicaid services.....	123,235,100
27	Health homes.....	2,941,700
28	Healthy Michigan plan - behavioral health.....	46,945,400
29	Medicaid mental health services.....	997,601,400
30	Medicaid substance use disorder services.....	28,979,700
31	Multicultural integration funding.....	1,097,200
32	Nursing home PAS/ARR-OBRA.....	4,926,500

1	State disability assistance program substance use disorder services...	1,754,300
2	State psychiatric hospitals.....	865,200
3	Community health programs.....	1,500,000
4	Crime victim rights services grants.....	1,150,000
5	Crime victim rights sustaining grants.....	19,890,600
6	Domestic violence prevention and treatment.....	163,000
7	Primary care services.....	75,000
8	Epidemiology administration.....	541,400
9	Healthy homes program.....	1,794,000
10	PFAS and environmental contamination response.....	900
11	AIDS prevention, testing, and care programs.....	2,805,800
12	Cancer prevention and control program.....	28,900
13	Essential local public health services.....	69,414,600
14	Local health services.....	2,072,700
15	Public health administration.....	2,000
16	Sexually transmitted disease control program.....	698,600
17	Smoking prevention program.....	282,000
18	Drinking water declaration of emergency.....	130,300
19	Family planning local agreements.....	3,600,000
20	Immunization program.....	1,814,400
21	Pregnancy prevention program.....	65,000
22	Prenatal care outreach and service delivery support.....	7,672,700
23	Medical care and treatment.....	833,600
24	Outreach and advocacy.....	2,991,000
25	Community services.....	29,044,900
26	Nutrition services.....	12,878,300
27	Respite care program.....	5,999,000
28	Senior volunteer service programs.....	943,500
29	Adult home help services.....	53,000
30	Ambulance services.....	943,000
31	Dental services.....	487,400
32	Healthy Michigan plan.....	960,600

1	Home health services.....	1,400
2	Hospital services and therapy.....	1,351,300
3	Long-term care services.....	96,870,300
4	Medicaid home- and community-based services waiver.....	15,237,200
5	Personal care services.....	22,300
6	Pharmaceutical services.....	800
7	Physician services.....	2,864,500
8	Transportation.....	280,000
9	First responder and public safety staff mental health.....	<u>2,500,000</u>
10	TOTAL	\$ 1,944,954,500

11 Sec. 8-202. The appropriations under this part and part 1 are subject to the
12 management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

13 Sec. 8-203. As used in this article:

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

15 (b) "CCBHC" means certified community behavioral health clinic.

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

18 (d) "CMS" means the Centers for Medicare and Medicaid Services.

19 (e) "CPT" means current procedural terminology.

20 (f) "Department" means the department of health and human services.

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

22 (h) "EPSDT" means early and periodic screening, diagnosis, and treatment.

23 (i) "Federal poverty level" means the poverty guidelines revised periodically and
24 published in the Federal Register by the Secretary of the United States Department of
25 Health and Human Services under the Secretary's authority to revise the poverty line under
26 42 USC 9902.

27 (j) "FQHC" means federally qualified health center.

28 (k) "FTE" means full-time equated.

29 (l) "GME" means graduate medical education.

30 (m) "Health plan" means, at a minimum, an organization that meets the criteria for
31 delivering the comprehensive package of services under the department's comprehensive
32 health plan.

1 (n) "HEDIS" means health care effectiveness data and information set.

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

3 (p) "IDEA" means the individuals with disabilities education act, 20 USC 1400 to
4 1482.

5 (q) "IDG" means interdepartmental grant.

6 (r) "MCH" means maternal and child health.

7 (s) "Medicaid" means subchapter XIX of the social security act, 42 USC 1396 to 1396w-
8 7.

9 (t) "Medicare" means subchapter XVIII of the social security act, 42 USC 1395 to
10 1395111.

11 (u) "MiCAFE" means Michigan's coordinated access to food for the elderly.

12 (v) "MiChild" means the program described in section 1670 of this part.

13 (w) "MiSACWIS" means Michigan statewide automated child welfare information system.

14 (x) "PACE" means program of all-inclusive care for the elderly.

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

18 (z) "PATH" means Partnership. Accountability. Training. Hope.

19 (aa) "PFAS" means perfluoroalkyl and polyfluoroalkyl substances.

20 (bb) "PIHP" means an entity designated by the department as a regional entity or a
21 specialty prepaid inpatient health plan for Medicaid mental health services, services to
22 individuals with developmental disabilities, and substance use disorder services. Regional
23 entities are described in section 204b of the mental health code, 1974 PA 258, MCL
24 330.1204b. Specialty prepaid inpatient health plans are described in section 232b of the
25 mental health code, 1974 PA 258, MCL 330.1232b.

26 (cc) "Quarterly basis" means February 1, April 1, July 1, and September 30 of the
27 current fiscal year.

28 (dd) "Semiannual basis" means March 1 and September 30 of the current fiscal year.

29 (ee) "Settlement" means the settlement agreement entered in the case of Dwayne B. v
30 Snyder, Docket No. 2:06-cv-13548 in the United States District Court for the Eastern
31 District of Michigan.

32 (ff) "SSI" means supplemental security income.

1 (gg) "Standard report recipients" means the senate and house of representatives
2 appropriations subcommittees on the department, the senate and house fiscal agencies, the
3 senate and house of representatives policy offices, and the state budget office.

4 (hh) "Temporary assistance for needy families" or "TANF" or "title IV-A" means part A
5 of subchapter IV of the social security act, 42 USC 601 to 619.

6 (ii) "Title IV-B" means part B of title IV of the social security act, 42 USC 621 to
7 629m.

8 (jj) "Title IV-D" means part D of title IV of the social security act, 42 USC 651 to
9 669b.

10 (kk) "Title IV-E" means part E of title IV of the social security act, 42 USC 670 to
11 679c.

12 (ll) "Title X" means subchapter VIII of the public health service act, 42 USC 300 to
13 300a-8, which establishes grants to states for family planning services.

14 Sec. 8-204. A department or agency shall use the internet to fulfill the reporting
15 requirements of this part. This requirement includes transmitting reports to the standard
16 report recipients and any other required recipients by email and posting the reports on an
17 internet site.

18 Sec. 8-205. To the extent permissible under section 261 of the management and budget
19 act, 1984 PA 431, MCL 18.1261, all of the following apply to the expenditure of funds
20 appropriated in part 1:

21 (a) The funds must not be used for the purchase of foreign goods or services, or
22 both, if competitively priced and of comparable quality American goods or services, or
23 both, are available.

24 (b) Preference must be given to goods or services, or both, manufactured or provided
25 by Michigan businesses, if they are competitively priced and of comparable quality.

26 (c) Preference must be given to goods or services, or both, that are manufactured or
27 provided by Michigan businesses owned and operated by veterans, if they are competitively
28 priced and of comparable quality.

29 Sec. 8-207. Consistent with section 217 of the management and budget act, 1984 PA
30 431, MCL 18.1217, each department and agency receiving appropriations in part 1 shall
31 prepare a report on out of state travel expenses not later than January 1. The report must
32 list all travel by classified and unclassified employees outside this state in the previous

1 fiscal year that was funded in whole or in part with funds appropriated in the department's
2 or agency's budget. The department or agency shall submit the report to the standard report
3 recipients and to the house of representatives and senate appropriations committees. The
4 report must include all of the following information:

5 (a) The dates of each travel occurrence.

6 (b) The total transportation and related expenses of each travel occurrence and the
7 proportions funded with state general fund/general purpose revenues, state restricted
8 revenues, federal revenues, and other revenues.

9 Sec. 8-208. A principal executive department, state agency, or authority shall not
10 use funds appropriated in part 1 to hire a person to provide legal services that are the
11 responsibility of the attorney general. This section does not apply to legal services for
12 bonding activities or to outside legal services that the attorney general authorizes.

13 Sec. 8-209. Not later than December 15, the state budget office shall prepare and
14 submit a report that provides for estimates of the total general fund/general purpose
15 appropriation lapses at the close of the previous fiscal year. The report must summarize
16 the projected year-end general fund/general purpose appropriation lapses by major
17 departmental program or program areas. The state budget office shall submit the report to
18 the standard report recipients and the chairpersons of the senate and house of
19 representatives appropriations committees.

20 Sec. 8-210. (1) In addition to the funds appropriated in part 1, there is
21 appropriated an amount not to exceed \$100,000,000.00 for federal contingency authorization.
22 Amounts appropriated under this subsection are not available for expenditure until they
23 have been transferred to another line item in part 1 under section 393(2) of the management
24 and budget act, 1984 PA 431, MCL 18.1393. Federal contingency authorization must not be
25 made available to increase TANF authorization.

26 (2) In addition to the funds appropriated in part 1, there is appropriated an amount
27 not to exceed \$50,000,000.00 for state restricted contingency authorization. Amounts
28 appropriated under this subsection are not available for expenditure until they have been
29 transferred to another line item in part 1 under section 393(2) of the management and
30 budget act, 1984 PA 431, MCL 18.1393.

31 (3) In addition to the funds appropriated in part 1, there is appropriated an amount
32 not to exceed \$30,000,000.00 for local contingency authorization. Amounts appropriated

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

4 (4) In addition to the funds appropriated in part 1, there is appropriated an amount
5 not to exceed \$45,000,000.00 for private contingency authorization. Amounts appropriated
6 under this subsection are not available for expenditure until they have been transferred to
7 another line item in part 1 under section 393(2) of the management and budget act, 1984 PA
8 431, MCL 18.1393.

9 Sec. 8-211. A department or agency shall cooperate with the department of technology,
10 management and budget to maintain a searchable website accessible by the public at no cost
11 that includes, but is not limited to, all of the following for each department or agency:

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

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

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

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

17 (e) Job specifications and wage rates.

18 Sec. 8-214. To the extent permissible under the management and budget act, 1984 PA
19 431, MCL 18.1101 to 18.1594, the director of each department or agency receiving
20 appropriations in part 1 shall take all reasonable steps to ensure geographically
21 disadvantaged business enterprises compete for and perform contracts to provide services or
22 supplies, or both. Each director shall strongly encourage firms with which the department
23 or agency contracts to subcontract with certified geographically disadvantaged business
24 enterprises for services, supplies, or both. As used in this section, "geographically-
25 disadvantaged" business enterprises means that term as defined in Executive Directive No.
26 2023-1.

27 Sec. 8-218. As required under part 23 of the public health code, 1978 PA 368, MCL
28 333.2301 to 333.2321, the appropriations in part 1 must include the following:

29 (a) Immunizations.

30 (b) Communicable disease control.

31 (c) Sexually transmitted infection control.

32 (d) Tuberculosis control.

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

2 (f) Screening newborn infants for the conditions listed in section 5431 of the public
3 health code, 1978 PA 368, MCL 333.5431, or recommended by the newborn screening quality
4 assurance advisory committee created under section 5430 of the public health code, 1978 PA
5 368, MCL 333.5430.

6 (g) Health and human services annex of the Michigan Emergency Management Plan.

7 (h) Prenatal care.

8 (i) Mental health.

9 Sec. 8-219. (1) The department may contract with the Michigan Public Health Institute
10 for the design and implementation of projects and for other public health-related
11 activities prescribed in section 2611 of the public health code, 1978 PA 368, MCL 333.2611.
12 The department may develop a master agreement with the Michigan Public Health Institute to
13 carry out the activities described in this subsection for up to a 1-year period.

14 (2) On a semiannual basis, the department shall submit, to the standard report
15 recipients, a report that includes all of the following:

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

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

19 (c) The expected project duration.

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

22 (3) On a semiannual basis, the department shall provide, to the standard report
23 recipients, a copy of all reports, studies, and publications produced by the Michigan
24 Public Health Institute, its subcontractors, or the department with the funds appropriated
25 in the department's budget in the previous fiscal year and allocated to the Michigan Public
26 Health Institute.

27 Sec. 8-220. The department shall ensure that faith-based organizations are able to
28 apply and compete for services, programs, or contracts that the organizations are qualified
29 and suitable to fulfill. The department shall not disqualify faith-based organizations
30 solely on the basis of the religious nature of the organizations or the guiding principles
31 or statements of faith for the organizations.

32 Sec. 8-221. In accordance with section 1b of the social welfare act, 1939 PA 280, MCL

1 400.1b, the department shall treat part 1 and this part as a time-limited addendum to the
2 social welfare act, 1939 PA 280, MCL 400.1 to 400.119b.

3 Sec. 8-223. The department may establish and collect fees for publications, videos
4 and related materials, conferences, and workshops. Collected fees are appropriated when
5 received and must be used to offset expenditures for publication printing and mailing,
6 costs of the publications, videos and related materials, conferences, and workshops. The
7 department shall not collect fees under this section that exceed the cost of the
8 expenditures. If collected fees are appropriated under this section in an amount that
9 exceeds the current fiscal year appropriation, not later than 30 days after the collected
10 fee appropriation, the department shall notify the standard report recipients of that fact.

11 Sec. 8-224. The department may retain all of this state's share of food assistance
12 over issuance collections as an offset to general fund/general purpose costs. Retained
13 collections must be applied against federal funds deductions in all appropriation units
14 where department costs related to the investigation and recoupment of food assistance over
15 issuances are incurred. Retained collections in excess of the investigation and recoupment
16 costs must be applied against the federal funds deducted in the departmental administration
17 and support appropriation unit.

18 Sec. 8-226. If the revenue collected by the department from fees and collections
19 exceeds the amount appropriated in part 1, the revenue may be carried forward with the
20 approval of the state budget director into the subsequent fiscal year. The revenue carried
21 forward under this section must be used as the first source of funds in the subsequent
22 fiscal year.

23 Sec. 8-228. If the department is authorized under federal law or the law of this
24 state to collect an overpayment owed to the department, beginning 60 days after the initial
25 notification date of the overpayment amount, the department may assess a penalty of 1% per
26 month. If an overpayment is caused by department error, a penalty may be assessed 6 months
27 after the initial notification date of the overpayment amount. The department shall not
28 collect penalty interest in an amount that exceeds the amount of the original overpayment.
29 This state's share of any funds collected under this section must be deposited in the
30 general fund of this state.

31 Sec. 8-231. (1) The department shall not expend the funds appropriated in part 1 to
32 enter into any contract with a Medicaid managed care organization of MI Choice Waiver, MI

1 Health Link, MI Coordinated Health, or behavioral health unless the Medicaid managed care
2 organization agrees to do all of the following:

3 (a) Continue the direct care wage increase funded at \$3.20 per hour and provide
4 sufficient funding to increase the wages paid to direct care workers by \$0.20 per hour more
5 than the previous fiscal year for the services noted in the department's Medicaid provider
6 letter L 21-76 under the Medicaid managed care organization's relevant program.

7 (b) Ensure, to the greatest extent possible, that the full amount of funds
8 appropriated for direct care worker wages, except for costs incurred by the employer,
9 including payroll taxes, is provided to direct care workers through maintained increased
10 wages.

11 (c) Permit a direct care worker to elect, in writing or electronically, to not
12 receive the wage increase provided in this section. (2) Not later than March 1 of the
13 current fiscal year, the department shall submit a report to the standard report recipients
14 that includes the following information by program and provider type for the previous
15 fiscal year:

16 (a) Hours of service that qualified for the direct care worker wage increase.

17 (b) The aggregate increase in wages attributable to the funding appropriated in part
18 1.

19 (c) A comparison of the projected increase included in the capitation rates and the
20 reported amount expended on the wage increase.

21 Sec. 8-235. (1) Funds appropriated in part 1 must not be used to restrict or impede a
22 marginalized community's access to government resources, programs, or facilities.

23 (2) From the funds appropriated in part 1, local governments shall report any action
24 or policy that attempts to restrict or interfere with the duties of the local health
25 officer.

26 Sec. 8-239. For behavioral and physical health services provided through managed care
27 or the fee-for-service program, the department shall require, for the non-facility
28 component of the reimbursement rate, at least the same reimbursement for that service, if
29 that service is provided through telemedicine, as if the service involved face-to-face
30 contact between the health care professional and the patient.

31 Sec. 8-244. On a Quarterly basis, the department shall submit, to the standard report
32 recipients, a report on any line-item appropriation for which the department estimates

1 total annual expenditures would exceed the funds appropriated for the line-item
2 appropriation by 5% or more. The department shall provide a detailed explanation for any
3 relevant line-item appropriation exceedance and identify the corrective actions undertaken
4 to mitigate line-item appropriation expenditures from exceeding the funds appropriated for
5 the line-item appropriation by a greater amount. This section does not apply for line-item
6 appropriations that are part of the May revenue estimating conference caseload and
7 expenditure estimates.

8 Sec. 8-253. (1) The department shall ensure that each federally recognized tribe is
9 able to apply and compete for services, programs, grants, and contracts.

10 (2) For competitive grant programs described in this part, each federally recognized
11 tribe is eligible to apply for grant funds made available to organizations exempt from
12 federal income tax under section 501(c)(3) of the internal revenue code of 1986, 26 USC
13 501, and to local units of government.

14 Sec. 8-263. (1) Except as provided in this subsection, before submission of a waiver,
15 state plan amendment, or similar proposal to CMS or another federal agency, the department
16 shall notify the standard report recipients of the planned submission. This subsection does
17 not apply to the submission of a waiver, state plan amendment, or similar proposal that
18 does not propose a material change or is outside of the ordinary course of a waiver, state
19 plan amendment, or similar proposal.

20 (2) On a semiannual basis, the department shall submit, to the standard report
21 recipients, a report that summarizes the status of any new or ongoing discussions with CMS,
22 the United States Department of Health and Human Services, or another federal agency
23 regarding any potential or future waiver applications and the status of any submitted
24 waivers that have not yet received federal approval. If there is not a reportable item at
25 the time that a semiannual report is due, a report is not required.

26 Sec. 8-275. On a quarterly basis, the department, with the approval of the state
27 udget director, is authorized to realign sources between other federal, TANF, and capped
28 federal financing authorizations to maximize federal revenues. The realignment of financing
29 must not produce any of the following:

30 (a) A gross increase or decrease in the department's total individual line-item
31 authorizations.

32 (b) A net increase or decrease in total federal revenues.

1 (c) A net increase in TANF authorization.

2 Sec. 8-290. Any public advertisement for public assistance must inform the public of
3 the welfare fraud hotline operated by the department.

4 Sec. 8-295. Not later than April 1 of the current fiscal year, the department shall
5 submit, to the standard report recipients, a report on funds appropriated for the healthy
6 moms, healthy babies initiative. The report must include the budgeted amount, year-to-date
7 expenditures, remaining balance of appropriations, and the percent of budget spent for each
8 appropriation related to the initiative. The report must also include information on how
9 the funds have assisted with meeting the goals and outcomes of the initiative.

10 Sec. 8-297. On a quarterly basis, the department shall report on the number of full-
11 time equated positions in pay status by civil service classification, including a
12 comparison by line item of the number of full-time equated positions authorized from funds
13 appropriated in part 1 to the actual number of full-time equated positions employed by the
14 department at the end of the reporting period. The report must be submitted to the senate
15 and house of representatives appropriations committees and to the standard report
16 recipients.

17 Sec. 8-298. (1) The state budget director shall take steps to ensure that all state
18 fiscal recovery funds allocated to this state under the American rescue plan act of 2021,
19 Public Law 117-2, are expended by December 31, 2026, as required by law. The state budget
20 director may reallocate appropriated funds for the purpose of fully utilizing state fiscal
21 recovery funds that are in jeopardy of not meeting the expenditure deadline for reasons
22 that may include, but are not limited to, completed projects coming in under budget or
23 funds unable to be fully used by subrecipients. The state budget director shall reallocate
24 any of the funds reallocated under this subsection to the programs or purposes specified in
25 this section. Any funds reallocated are unappropriated and immediately reappropriated for
26 the following purposes:

27 (a) To reclassify general fund/general purpose appropriations for payroll and covered
28 benefits for eligible public health and safety employees at the department of corrections.

29 (b) To reclassify general fund/general purpose appropriations for payroll and covered
30 benefits for eligible public health and safety employees at the department of state police.

31 (2) All applicable guidance, implementation, and reporting provisions of Public Law
32 117-2 must be followed for state fiscal recovery funds reallocated and reappropriated under

1 subsection (1).

2 (3) The state budget director shall notify the senate and house appropriations
3 committees not later than 10 business days after making any reallocations under subsection
4 (1). The notification must include the authorized program under which funds were originally
5 appropriated, the amount of the reallocation, the program, or programs, or purpose, and the
6 department to which the funds are being reallocated under subsection (1), and the amount
7 reallocated to each program or purpose.

8 (4) The state budget director and the impacted departments may make the accounting
9 transactions necessary to implement the reallocation and subsequent appropriation of funds
10 as authorized in this section.

11

12 **DEPARTMENTAL ADMINISTRATION AND SUPPORT**

13 Sec. 8-302. (1) From the funds appropriated in part 1 for Coordinated Children's
14 Healthcare Policy and Supports, the department shall allocate \$2,025,000.00 for the autism
15 navigator program. The department shall require a contractor receiving funds under this
16 section to comply with performance-related metrics established by the department to
17 maintain eligibility for funding. The performance-related metrics must include, but not be
18 limited to, all of the following:

19 (a) Each contractor shall have an accreditation that attests to the contractor's
20 competency and effectiveness in providing services.

21 (b) Each contractor shall demonstrate cost-effectiveness.

22 (c) Each contractor shall ensure the contractor's ability to leverage private dollars
23 to strengthen and maximize service provision.

24 (d) Each contractor shall provide quarterly reports to the department on the number
25 of clients served by PIHP region, units of service provision by PIHP region, and ability to
26 meet their stated goals.

27 (2) The department shall require a report from a contractor receiving funds under
28 this section. A contractor shall submit the report to the department not later than 60 days
29 after the end of the contract period. The report must include specific information on
30 services and programs provided by the contractor, the client base to which the services and
31 programs were provided by the contractor, and the contractor's expenditures for the
32 services. The department shall submit the reports to the standard report recipients.

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CHILD SUPPORT ENFORCEMENT

Sec. 8-401. (1) The appropriations in part 1 assume a total federal child support incentive payment of \$26,500,000.00.

(2) From the federal money received for child support incentive payments, \$12,000,000.00 must be retained by this state and expended for child support program expenses.

(3) From the federal money received for child support incentive payments, \$14,500,000.00 must be paid to counties based on each county's performance level for each of the performance measures under 45 CFR 305.2.

(4) If the child support incentive payment to this state from the federal government is greater than \$26,500,000.00, then 100% of the amount in excess must be retained by this state and is appropriated until the total retained by this state reaches \$15,397,400.00.

(5) If the child support incentive payment to this state from the federal government is greater than the amount needed to satisfy subsections (1), (2), (3), and (4), the additional funds are subject to appropriation by the legislature.

(6) If the child support incentive payment to this state from the federal government is less than \$26,500,000.00, then the state share and the county share must each be reduced by 50% of the shortfall.

Sec. 8-409. (1) If statewide retained child support collections exceed \$38,300,000.00, 75% of the amount in excess of \$38,300,000.00 is appropriated to legal support contracts. The excess appropriation may be distributed to eligible counties to supplement, but not supplant, county title IV-D funding.

(2) Each county whose retained child support collections in the current fiscal year exceed its fiscal year 2004-2005 retained child support collections, excluding tax offset and financial institution data match collections in both the current fiscal year and fiscal year 2004-2005, shall receive its proportional share of the 75% excess appropriation.

Sec. 8-410. (1) If title IV-D related child support collections are escheated, the state budget director is authorized to adjust the sources of financing for the funds appropriated in part 1 for legal support contracts to reduce federal authorization by 66% of the escheated amount and increase general fund/general purpose authorization by the same amount. The adjustment is required to offset the loss of federal revenue due to the

1 escheated amount being counted as title IV-D program income in accordance with 45 CFR
2 304.50.

3 (2) Not later than 30 days after an adjustment under subsection (1), the department
4 shall notify the standard report recipients of the adjustment.

5

6 **COMMUNITY SERVICES AND OUTREACH**

7 Sec. 8-450. (1) From the funds appropriated in part 1 for school success partnership
8 program, not later than December 1 of the current fiscal year, the department shall
9 allocate \$1,525,000.00 of TANF revenue to support Northeast Michigan Community Service
10 Agency programming. The department shall require the Northeast Michigan Community Service
11 Agency to measure and report the following performance objectives for the duration of the
12 state funding for the school success partnership program:

13 (a) Increasing school attendance and decreasing chronic absenteeism.

14 (b) Increasing grade-based academic performance, with emphasis on math and reading.

15 (c) Identifying barriers to attendance and success and connecting families with
16 resources to reduce the barriers.

17 (d) Increasing parent involvement.

18 (2) Not later than July 15 of the current fiscal year, the Northeast Michigan
19 Community Service Agency shall submit a report to the department on the number of children
20 and families served and the services that were provided to families to meet the performance
21 objectives identified in this section. Not later than 1 week after the department receives
22 the report, the department shall distribute the report to the standard report recipients.

23 Sec. 8-453. (1) From the funds appropriated in part 1 for homeless programs, the
24 department shall allocate funds to the emergency shelter program to support efforts of
25 shelter providers to move homeless individuals and households into permanent housing as
26 quickly as possible. The funds must be equal to or exceed the amount that a provider would
27 receive if the provider is paid a \$19.00 per diem rate. Expected outcomes are increased
28 shelter discharges to stable housing destinations, decreased recidivism rates for shelter
29 clients, and a reduction in the average length of stay in emergency shelters.

30 (2) Not later than March 1 of the current fiscal year, the department shall submit,
31 to the standard report recipients, a report on the total amount expended for the emergency
32 shelter program in the prior 2 fiscal years, the total number of shelter nights provided,

1 and the average length of stay in an emergency shelter.

2 Sec. 8-454. The department shall allocate the full amount of funds appropriated in
3 part 1 for homeless programs to provide services for homeless individuals and families,
4 including, but not limited to, third-party contracts for emergency shelter services.

5 Sec. 8-455. As a condition of receipt of federal TANF revenue, after admitting a
6 family to a homeless shelter, the homeless shelter and human services agencies shall
7 collaborate with the department to obtain necessary TANF eligibility information on the
8 family as soon as possible. From the funds appropriated in part 1 for homeless programs,
9 the department is authorized to make allocations of TANF revenue only to the homeless
10 shelters and human services agencies that report necessary data to the department to meet
11 TANF eligibility reporting requirements. Homeless shelters or human services agencies that
12 do not report necessary data to the department to meet TANF eligibility reporting
13 requirements shall not receive reimbursements that exceed the per diem amount the homeless
14 shelters or human service agencies received in fiscal year 2000. The use of TANF revenue
15 under this section is not an ongoing commitment of funding.

16 Sec. 8-456. From the funds appropriated in part 1 for homeless programs, the
17 department shall allocate \$10,000.00 to reimburse public service agencies that provide
18 documentation of paying birth certificate fees on behalf of category 1 homeless clients at
19 county clerk's offices. Each public service agency must be reimbursed for the cost of the
20 birth certificate fees quarterly until the allocation is fully spent.

21 Sec. 8-457. From the funds appropriated in part 1 for homeless programs, the
22 department shall allocate \$8,500,000.00 of TANF revenue to support family shelters or
23 families who are homeless and at risk of being homeless. Funds appropriated under this
24 section must be used as follows:

25 (a) \$3,000,000.00 for emergency hotels for families experiencing homelessness.

26 (b) \$3,500,000.00 for assistance and supports to families engaged with child welfare.
27 This may include, but is not limited to, eviction diversion, first month's rent and
28 deposit, and utility arrears.

29 (c) \$2,000,000.00 for creating additional spaces at family homeless shelters that
30 have been in operation for at least 24 months.

31 Sec. 8-459. From the funds appropriated in part 1 for homeless programs, the
32 department shall allocate \$2,000,000.00 of TANF revenue to acquire and develop for

1 individuals and families noncongregate shelter that utilizes options under a Housing First
2 model and prioritizes providing stable and permanent housing without preconditions or
3 requirements, such as sobriety or participation in treatment programs. Eligible uses for
4 this funding may include, but are not limited to, hotels, motels, dormitories, recuperative
5 care facilities, and other facilities that offer noncongregate shelter.

6 Sec. 8-460. From the funds appropriated in part 1 for kids' food basket, the
7 department shall allocate \$525,000.00 to fund a project with a nonprofit, community-based
8 organization organized under the laws of this state that is exempt from federal income tax
9 under section 501(c)(3) of the internal revenue code of 1986, 26 USC 501, and is located in
10 a city with a population between 185,000 and 200,000 and in a county with a population
11 between 600,000 and 700,000, according to the most recent federal decennial census. The
12 nonprofit organization recipient must have an existing network of food delivery to low-
13 income children in not less than 3 counties in this state. The nonprofit organization shall
14 use the funds to expand its services to additional schools and communities. The funding may
15 be used to cover employee costs, food and supplies, equipment, and other operational costs
16 identified by the organization to support its mission and goals.

17 Sec. 8-462. From the funds appropriated in part 1 for senior university, the
18 department shall allocate \$400,000.00 to a community action alliance located in a city with
19 a population over 500,000 according to the most recent federal decennial census to improve
20 connectivity and computer skills to seniors.

21 Sec. 8-463. From the funds appropriated in part 1 for runaway and homeless youth
22 grants and domestic violence prevention and treatment, the department is authorized to make
23 allocations of TANF revenue only to agencies that report necessary data to the department
24 to meet TANF eligibility reporting requirements.

25 Sec. 8-464. From the funds appropriated in part 1 for diaper assistance grant, the
26 department shall allocate as grants to diaper assistance programs, maternity homes, local
27 county offices, and other nonprofit agencies that distribute diapers free of charge and
28 were established as of January 1, 2020. The funds must be used only to purchase diapering
29 supplies and to cover related administrative costs. Not more than 15% of the funds
30 appropriated in part 1 are expendable for administrative purposes.

31 Sec. 8-465. (1) From the funds appropriated in part 1 for community services and
32 outreach administration, \$2,950,000.00 must be distributed as provided in subsection (2).

1 (2) Funds distributed under subsection (1) must be distributed to Michigan 2-1-1, a
2 nonprofit corporation organized under the laws of this state that is exempt from federal
3 income tax under section 501(c) (3) of the internal revenue code of 1986, 26 USC 501, and
4 whose mission is to coordinate and support a statewide 2-1-1 system. Michigan 2-1-1 shall
5 use the funds only to fulfill the Michigan 2-1-1 business plan adopted by Michigan 2-1-1 in
6 January 2005.

7 (3) Michigan 2-1-1 shall refer any received calls that report fraud, waste, or abuse
8 of state-administered public assistance to the department.

9 (4) Michigan 2-1-1 shall submit, to the department, the senate and house of
10 representatives standing committees with primary jurisdiction over matters relating to
11 human services and telecommunications on 2-1-1 system performance, and the standard report
12 recipients, a report that includes, but is not limited to, call volume by health and human
13 service needs and unmet needs identified through caller data and number and the percentage
14 of callers referred to public or private provider types.

15

16 **CHILDREN'S SERVICE AGENCY - CHILD WELFARE**

17 Sec. 8-501. (1) A goal is established that not more than 25% of all children in
18 foster care at any given time during the current fiscal year, unless contrary to the best
19 interest of the child, will have been in foster care for 24 months or more.

20 (2) Not later than March 1 of the current fiscal year, the department shall submit,
21 to the standard report recipients, a report describing the steps that will be taken to
22 achieve the goal under subsection (1). The report must also include the following:

23 (a) An explanation of the most significant barriers that prevent long-term foster
24 children from permanent placements.

25 (b) The number of children currently in foster care for longer than 24 months and the
26 percentage of those children that had paid Medicaid behavioral health claims or encounters
27 within the last year.

28 Sec. 8-502. From the funds appropriated in part 1 for foster care, the department
29 shall reimburse Indian tribal governments for 50% of the foster care expenditures for
30 children who are under the jurisdiction of Indian tribal courts and are not otherwise
31 eligible for federal foster care cost sharing. However, the department may reimburse up to
32 100% of the foster care expenditures for an Indian tribal government that enters into a

1 state-tribal title IV-E agreement allowed under this state's title IV-E state plan.

2 Sec. 8-505. Not later than March 1 of the current fiscal year, the department shall
3 submit, to the standard report recipients, a report on youth referred or committed to the
4 department for care or supervision in the previous fiscal year that outlines the number of
5 youths served by the department in the juvenile justice system by the type of setting for
6 each youth.

7 Sec. 8-507. The department's ability to satisfy appropriation deductions in part 1
8 for foster care private collections is not limited to collections and accruals pertaining
9 to services provided only in the current fiscal year and may include revenues collected
10 during the current fiscal year for services provided in prior fiscal years.

11 Sec. 8-508. In addition to the amount appropriated in part 1 for children trust
12 Michigan, money granted, or money received as gifts or donations to the children's trust
13 fund created in 1982 PA 249, MCL 21.171 to 21.172, is appropriated for expenditure.

14 Sec. 8-509. (1) From the funds appropriated in part 1 for adoption support services,
15 the department shall maintain a rate structure that pays for cases based on the average
16 length of time it takes to reach adoption finalization by case characteristics for licensed
17 child placing agencies contracted with the department that provide adoption services for
18 youth in foster care.

19 (2) For cases accepted before the implementation of the new rate structure described
20 in subsection (1), the department shall maintain the increase of contracted rates paid to
21 private child placing agencies, including the \$23.00 per diem for all foster youth from the
22 date of the case acceptance to the date of adoption petition acceptance or 150 days,
23 whichever occurs sooner, for licensed child placing agencies contracted with the department
24 to provide adoption services for foster youth. The per diem rate must be separate from the
25 outcome-based reimbursement system and must not be deducted from the total reimbursement an
26 agency receives for the applicable placement or finalization rate of an adoption.

27 Sec. 8-510. The department shall submit reports on a quarterly basis to the standard
28 report recipients on all of the following:

29 (a) The number of children awaiting placement in a residential setting by child
30 caring institution.

31 (b) The reason for the delay in placement, including, but not limited to, facility
32 bed shortages, placement process delays, or other reasons.

1 (c) The number of incentive payments that were awarded by the department by child
2 caring institution.

3 (d) The number of incentive payments that were denied by the department by child
4 caring institution.

5 (e) Of the denials identified in subdivision (d), the department shall provide the
6 rationale for denial of incentive payments including, but not limited to, refusal of
7 placement, lack of staffing, or other reasons.

8 Sec. 8-511. The department shall submit to the standard report recipients and the
9 senate and house of representatives standing committees that cover subject matters dealing
10 with families and human services, reports on a semiannual basis that include the number and
11 percentage of children who received timely physical and mental health examinations after
12 entry into foster care. The goal of the program is for not less than 85% of children to
13 have an initial medical and mental health examination that is not later than 30 days after
14 entry into foster care.

15 Sec. 8-512. (1) From the funds appropriated in part 1 for foster care payments, the
16 department shall allocate \$500,000.00 to provide luggage to a child who is being removed
17 from the child's home or changing placement. The luggage provided under this section is
18 considered to belong to the child and may not be confiscated by the department or the
19 child's foster parent. The department is not required to provide new luggage under this
20 section to a child who is changing placement and has had luggage previously provided by the
21 department.

22 (2) The department may partner with local charities to establish and maintain the
23 supply of luggage to be used to transport a child's personal belongings. Additionally, the
24 department may accept donations of luggage to fulfill the requirements of this section.

25 (3) As used in this section, "luggage" means any of the following:

26 (a) A suitcase of any size.

27 (b) A duffel bag that holds at least 30 liters.

28 Sec. 8-513. (1) The department shall not expend funds appropriated in part 1 to pay
29 for the department's direct placement of a child in an out-of-state facility unless all of
30 the following conditions are met:

31 (a) An appropriate placement is not available in this state, as determined by the
32 department's interstate compact office.

1 (b) An out-of-state placement exists that is nearer to the child's home than the
2 closest appropriate in-state placement, as determined by the department's interstate
3 compact office.

4 (c) The out-of-state facility meets all of the licensing standards for a comparable
5 facility in this state.

6 (d) The out-of-state facility meets all of the applicable licensing standards of the
7 state in which it is located.

8 (e) The department has visited the site of the out-of-state facility; has reviewed
9 the facility records, licensing records, and reports; and believes that the facility is an
10 appropriate placement for the child.

11 (2) The department shall not expend money for a child placed in an out-of-state
12 facility without approval of the executive director of the children's services agency.

13 (3) Not later than March 1 of the current fiscal year, the department shall submit,
14 to the state court administrative office and the standard report recipients, a report on
15 the number of Michigan children residing in out-of-state facilities in the previous fiscal
16 year, the total cost and average per diem cost of the out-of-state placements to this
17 state, and a list of each out-of-state placement arranged by the Michigan county of
18 residence for each child.

19 Sec. 8-514. (1) From the funds appropriated in part 1 for foster care payments, the
20 department shall maintain a statewide respite care services network available to licensed
21 foster parents and unlicensed relative caregivers that care for children in foster care.

22 (2) Not later than March 1 of the current fiscal year, the department shall submit,
23 to the standard report recipients, a report on the total number of licensed foster parents
24 and unlicensed relative caregivers that were provided respite services, the average amount
25 of respite time per month, and the total amount of funding spent on respite services during
26 the previous fiscal year.

27 Sec. 8-516. (1) From funds appropriated in part 1 for child care fund, the
28 administrative or indirect cost payment equal to 10% of a county's total monthly gross
29 expenditures must be distributed to the county on a monthly basis, and a county is not
30 required to submit documentation to the department for any of the expenditures that are
31 covered under the 10% payment as described in section 117a(4)(b)(ii) and (iv) of the social
32 welfare act, 1939 PA 280, MCL 400.117a.

1 (2) From the funds appropriated in part 1 for childcare fund indirect cost allotment,
2 the department shall allocate \$3,500,000.00 to counties and tribal governments that receive
3 reimbursements in part 1 from child care fund.

4 (3) The amount described in subsection (2) must be distributed to each county or
5 tribal government in the same proportion as indirect cost allotments are provided to
6 counties in the same manner described in section 117a of the social welfare act, 1939 PA
7 280, MCL 400.117a.

8 Sec. 8-517. For a child placed in a family foster care home located out of this
9 state, the department may ask a state or private child placing agency contracted by the
10 receiving state to carry out required visits and any additional visits that the department
11 finds necessary.

12 Sec. 8-518. Not later than March 1 of the current fiscal year, the department shall
13 submit, to the standard report recipients, a report on the cumulative child care fund
14 expenditures of in-home juvenile justice care that are eligible for the 75% state and 25%
15 local split required under section 117a(4)(i) of the social welfare act, 1939 PA 280, MCL
16 400.117a. Eligible expenditures include community-based juvenile supervision, services, and
17 related practices, and per diem rates for the use of respite and shelter for less than 30
18 days. The report must also include the expenditures by county, the type of service
19 provided, and the number of youths receiving care.

20 Sec. 8-520. Not later than February 15 of the current fiscal year, the department
21 shall submit, to the standard report recipients, a report on the number of days of care and
22 expenditures by funding source for the previous fiscal year for out-of-home placements by
23 specific placement programs for child abuse or child neglect and juvenile justice,
24 including, but not limited to, paid relative placement, department direct family foster
25 care, private-agency-supervised foster care, private child caring institutions, county-
26 supervised facilities, and independent living. The report must also include the number of
27 days of care for department-operated residential juvenile justice facilities.

28 Sec. 8-522. (1) From the funds appropriated in part 1 for youth in transition, the
29 department shall allocate \$750,000.00 for scholarships through the fostering futures
30 scholarship program in the Michigan education trust to youth who were in foster care
31 because of child abuse or child neglect and are attending a college or a career technical
32 educational institution located in this state. One hundred percent of the funds

1 appropriated must be used to fund scholarships for the youth described in this section.

2 (2) Not later than June 1 of the current fiscal year, the department shall submit, to
3 the standard report recipients, a report that includes the number of youths who applied for
4 scholarships under this section, the number of youth who received scholarships under this
5 section and the amount of each scholarship, and the total amount of funds spent or
6 encumbered in the current fiscal year.

7 Sec. 8-523. Not later than February 15 of the current fiscal year, the department
8 shall submit, to the standard report recipients, a report on the families first, family
9 reunification, and families together building solutions family preservation programs. The
10 report must include both of the following:

11 (a) Population and outcome data based on families served.

12 (b) For each program, information on any innovations that may increase child safety
13 and reduce risk.

14 Sec. 8-524. As a condition of receiving funds appropriated in part 1 for strong
15 families/safe children, not later than October 1 of the current fiscal year, counties shall
16 submit the service spending plan to the department for approval. Not later than 30 calendar
17 days after receipt of a properly completed service spending plan, the department shall
18 approve the service spending plan.

19 Sec. 8-525. The department shall maintain the same on-site evaluation processes for
20 privately operated child welfare and juvenile justice residential facilities as is used to
21 evaluate state-operated facilities. Penalties for noncompliance must be the same for
22 privately operated child welfare and juvenile justice residential facilities and state-
23 operated facilities.

24 Sec. 8-526. From the funds appropriated in part 1 for court-appointed special
25 advocates, the department shall allocate \$2,250,000.00 to fund a project with a nonprofit,
26 community-based organization organized under the laws of this state that is exempt from
27 federal income tax under section 501(c)(3) of the internal revenue code of 1986, 26 USC
28 501, located in a charter township with a population between 18,000 and 19,000 that is
29 located in a county with a population between 600,000 and 700,000, according to the most
30 recent federal decennial census. The nonprofit organization recipient must have an existing
31 network of affiliate programs operating in not less than 25 counties in this state. The
32 recipient nonprofit organization shall use the funds to recruit, screen, train, and

1 supervise volunteers who provide advocacy services on behalf of abused and neglected
2 children.

3 Sec. 8-528. From the funds appropriated in part 1 for childcare fund, the department
4 shall allocate \$3,730,300.00 to support the annual basic grant to counties with a
5 population of less than 75,000, according to the most recent federal decennial census, and
6 as described in section 117e of the social welfare act, 1939 PA 280, MCL 400.117e, and to
7 eligible tribal entities. The basic grant must be \$56,520.00 to eligible counties and
8 tribal entities.

9 Sec. 8-530. (1) All master contracts relating to foster care and adoption services as
10 funded by the appropriations in section 105 of part 1 must be performance-based contracts
11 that employ a client-centered and results-oriented process that is based on measurable
12 performance indicators and desired outcomes and includes an annual assessment of the
13 quality of services provided.

14 (2) Not later than February 1 of the current fiscal year, the department shall
15 submit, to the standard report recipients, a report detailing measurable performance
16 indicators, desired outcomes, and an assessment of the quality of services provided by the
17 department during the previous fiscal year.

18 Sec. 8-534. Not later than March 1 of the current fiscal year, the department shall
19 submit, to the standard report recipients, a report on the adoption subsidies expenditures
20 from the previous fiscal year. The report must include, but is not limited to, the range of
21 non-\$0.00 annual adoption support subsidy amounts, for both title IV-E eligible cases and
22 state-funded cases, paid to adoptive families; the number of title IV-E and state-funded
23 cases; the number of cases in which an adoption support subsidy request by an adoptive
24 parent was denied by the department; and the number of adoptive parents who requested a
25 renegotiation of their adoption support subsidy contract.

26 Sec. 8-537. Not later than March 1 of the current fiscal year, the department shall
27 submit, to the standard report recipients, a report on the following information for cases
28 of child abuse or child neglect from the previous fiscal year:

29 (a) The total number of relative care placements.

30 (b) The total number of relative care placements into unlicensed relative homes.

31 (c) The total number of relative care placements into licensed relative homes.

32 (d) The total number of unlicensed relative providers with a relative placement that

1 were denied a foster home license due to not meeting the standards established for foster
2 care licensing in this state.

3 (e) From a sample of cases, a list of the reasons documented by the department for
4 denial of relative foster home licensure.

5 (f) For licensed relative caregivers without placements, the status of title IV-E
6 claims for foster care maintenance payments and foster care administrative payments.

7 Sec. 8-540. If a physician or psychiatrist who is providing services to a state or
8 court ward placed in a residential facility submits a formal request to the department to
9 change the psychotropic medication for a ward, the department shall, if the ward is a state
10 ward, make a determination on the proposed change not later than 7 business days after the
11 request or, if the ward is a temporary court ward, seek parental consent not later than 7
12 business days after the request. If the determination or parental consent is not provided
13 by the seventh business day, the department shall petition the court for the determination
14 or consent on the eighth business day.

15 Sec. 8-546. 1) From the funds appropriated in part 1 for foster care payments and
16 from child care fund, the department shall pay an administrative rate of \$60.20 to
17 providers of general foster care, independent living, and trial reunification services
18 unless the contractor fails to (a) ensure children placed in foster are provided visitation
19 sessions with siblings placed elsewhere at least 85 percent of the time in accordance with
20 state policy or (b) ensure children receive face-to-face visits from their caseworker not
21 less than 95 percent of the time in accordance with state policy. In the event the criteria
22 in subsection (a) or (b) are not met, the administrative rate shall be paid at a rate of
23 \$54.18 until the standards in subsection (a) or (b) are met at which time the rate shall
24 return to \$60.20.

25 (2) From the funds appropriated in part 1, the department shall pay providers of
26 independent living plus services per diem statewide rates for staff-supported housing at a
27 rate of \$252.30 and host-home housing at a rate of \$119.05. The independent living plus
28 program provides staff-supported housing and services for foster youth 16 years of age to
29 26 years of age who, because of their individual needs and assessments, are not initially
30 appropriate for general independent living foster care.

31 Sec. 8-547. (1) From the funds appropriated in part 1 for the guardianship assistance
32 program, the department shall pay a minimum rate that is not less than the approved age-

1 appropriate payment rates for youth placed in family foster care.

2 (2) The department shall submit, to the standard report recipients, a report that
3 includes quarterly data on the number of children enrolled in the guardianship assistance
4 and foster care children with serious emotional disturbance waiver programs.

5 Sec. 8-550. (1) The department shall not offset against reimbursements to counties or
6 seek reimbursement from counties for charges that were received by the department more than
7 12 months before the department seeks to offset against reimbursement. A county shall not
8 request reimbursement, and reimbursements must not be paid, for a charge that is more than
9 12 months after the date of service or original status determination when initially
10 submitted by the county.

11 (2) Not later than 12 months after a date of service, a service provider shall submit
12 a request for payment. A request for payment submitted later than 12 months after the date
13 of service requires the provider to submit an exception request to the county or the
14 department for approval or denial.

15 (3) A county is not subject to any offset, chargeback, or reimbursement liability for
16 a prior expenditure resulting from an error in a foster care fund source determination.

17 Sec. 8-552. Sixty days after a county's childcare fund review is completed, including
18 the receipt of all requested documentation from the county, the department shall provide
19 the results of the review to the county. In the review, the department shall not evaluate
20 the relevancy, quality, effectiveness, efficiency, or impact of the services provided to
21 youth by the county's childcare fund programs. The department shall not release the results
22 of a county's childcare fund review to a third party without the permission of the county.

23 Sec. 8-554. From the funds appropriated in part 1 for foster care payments, the
24 department shall allocate \$50,000.00 to a nonprofit organization organized under the laws
25 of this state that is exempt from federal income tax under section 501(c)(3) of the
26 internal revenue code of 1986, 26 USC 501; currently has locations in 3 cities; operates on
27 a 100% volunteer basis with a board of directors consisting of not more than 15 members; is
28 a dedicated community of individuals that give their time, talent, and resources to provide
29 the best quality shopping environment that they can to local children in need; and provides
30 clothing, shoes, toys, linens, nursery furniture, strollers, car seats, school supplies,
31 hygiene products, and safety equipment to local foster children and their families free of
32 charge.

1 Sec. 8-557. If a vehicle that is owned by the state is available and not scheduled
2 for use by other state workers, the department may consider a children's protective
3 services caseworker or a foster care caseworker driving the vehicle to a foster home visit
4 or driving the vehicle to the caseworker's own home as an allowable use of the vehicle if
5 the driving would be helpful to the caseworker in conducting the caseworker's work.

6 Sec. 8-559. (1) From the funds appropriated in part 1 for adoption support services,
7 not later than December 1 of the current fiscal year, the department shall allocate
8 \$500,000.00 to the Adoptive Family Support Network to operate and expand its adoptive
9 parent mentor program to provide a listening ear, knowledgeable guidance, and community
10 connections to adoptive parents and children who were adopted in this state or another
11 state.

12 (2) Not later than March 1 of the current fiscal year, the Adoptive Family Support
13 Network shall submit, to the standard report recipients, a report on the program described
14 in subsection (1), including, but not limited to, the number of cases served and the number
15 of cases in which the program prevented an out-of-home placement.

16 Sec. 8-560. From funds appropriated in part 1 for foster care payments, the
17 department shall allocate \$100,000.00 to reimburse children in foster care for the costs of
18 extracurricular activities, which include, but are not limited to, athletics, music, band,
19 drama, and other enrichment activities.

20 Sec. 8-562. If a foster parent transports a foster child to parent-child visitation,
21 the department shall reimburse the foster parent for the foster parent's time and travel.
22 As part of the foster care parent contract, the department shall provide written
23 confirmation to foster parents that states that the foster parents have the right to
24 request reimbursement for all parent-child visitations. Not later than 60 days after
25 receiving a request from a foster parent for eligible reimbursement, the department shall
26 provide the reimbursement.

27 Sec. 8-564. (1) The department shall maintain a clear policy for parent-child
28 visitations. The local county offices and private child placing agency caseworkers, and
29 supervisors shall meet an 85% success rate, after accounting for factors outside of
30 caseworker control.

31 (2) In accordance with the court-ordered number of required meetings between
32 caseworkers and a parent, the caseworkers shall achieve a success rate of 85%, after

1 accounting for factors outside of caseworker control.

2 (3) Not later than March 1 of the current fiscal year, the department shall submit,
3 to the standard report recipients, a report on the following:

4 (a) The percentage of success rates for parent-child visitations and court-ordered
5 required meetings under subsections (1) and (2) for the previous fiscal year.

6 (b) The barriers to achieve the success rates described in subsections (1) and (2)
7 and how this information is tracked.

8 Sec. 8-568. The department shall ensure each youth transitioning out of foster care
9 is given assistance with obtaining a driver license or state identification card and is
10 issued a copy of the youth's Social Security number, as required by department policy.
11 Assistance must be provided to each youth who is eligible to obtain a driver license or
12 state identification card and, based on the youth's citizenship and legal residency status,
13 a Social Security card.

14 Sec. 8-574. (1) From the funds appropriated in part 1 for foster care payments,
15 \$1,975,000.00 is allocated to support family incentive grants to private and community-
16 based foster care service providers and relative caregivers for assistance with home
17 improvements to alleviate safety concerns and/or obtain items needed to ensure compliance
18 with licensing rule requirements to accommodate children in foster care.

19 (2) Not later than March 1 of the current fiscal year, the department shall submit,
20 to the standard report recipients, a report on the total amount expended in the previous
21 year for grants to private and community-based foster care service providers for home
22 improvements or physical exams described in subsection (1) and the number of grants issued.

23 Sec. 8-575. From the funds appropriated in part 1, the department shall allocate
24 \$419,800.00 to provide support and coordinated services to the kinship caregiver advisory
25 council. The responsibilities of the council may include all of the following:

26 (a) Establishing a public awareness campaign to educate the public about kinship
27 caregivers and this state's efforts to better serve kinship caregivers.

28 (b) Consulting and coordinating with the kinship caregiver navigator program to
29 collect aggregate data on individuals being served by the kinship caregiver navigator
30 program, including information on what services the individuals need.

31 (c) Consulting and collaborating with the provider of the kinship caregiver navigator
32 program on the design and administration of the program.

1 (d) Establishing, maintaining, and updating a list of local support groups and
2 programs that provide services to kinship families and, in order to obtain a better
3 understanding of the issues facing kinship families, devising a plan of action for engaging
4 with the groups and programs on the list.

5 (e) Developing methods to promote and improve collaboration between state, county,
6 and local governments and agencies and private stakeholders for all of the following
7 reasons:

8 (i) To obtain a broad understanding of the characteristics and prevalence of kinship
9 caregiving.

10 (ii) To improve service delivery.

11 (iii) To include the methods in the council's recommendations.

12 Sec. 8-578. (1) From the funds appropriated in part 1 for foster care payments, the
13 department shall allocate up to \$1,744,100.00 in title IV-E passthrough funds for
14 educational pilot programs to strengthen this state's child welfare workforce. The
15 department shall enter into contractual arrangements with state universities to provide
16 bachelor of social work and master of social work educational training, including field
17 placements and stipends for tuition and educational expenses. In exchange, students
18 completing eligible educational programs are contractually obligated to work for Michigan
19 child welfare agencies for a minimum of 4 months for every semester they receive the
20 stipend. The matching funds for the Title IV-E funds must be provided by the participating
21 state universities from the expenses incurred for training child welfare students who
22 participate in the program.

23 (2) Not later than March 1 of the current fiscal year, the department shall submit,
24 to the standard report recipients, a report on the status of pilot programs under
25 subsection (1) that includes, but is not limited to, the total number of applicants, the
26 total number of program participants, a list of state universities that participated in the
27 pilot programs, and the total amount of matching funds that each state university
28 contributed to the programs.

29 Sec. 8-581. From the funds appropriated in part 1 for foster care payments, the
30 department shall allocate \$50,000.00 for caseworkers to provide immediate assistance with
31 urgent needs, including, but not limited to, food, clothing, and other basic necessities,
32 for children, including children who are victims of human trafficking, on the children's

1 removal from the children's homes or other dangerous environments.

2 Sec. 8-583. Not later than March 1 of the current fiscal year, the department shall
3 submit, to the standard report recipients and the senate and house of representatives
4 standing committees that cover subject matters dealing with families and human services, a
5 report that includes all of the following:

6 (a) The number and percentage of foster parents that closed their license in the
7 previous fiscal year, the reasons the foster parents left, and how the figures compare to
8 the figures for prior fiscal years.

9 (b) The number and percentage of foster parents successfully retained in the previous
10 fiscal year and how the figures compare to the figures for prior fiscal years.

11 (c) The number and percentage of licensed foster homes that closed their license
12 because they adopted their foster child.

13 Sec. 8-585. Each month, the department shall make available at least 1 pre-service
14 training class in which new caseworkers for private foster care and adoption agencies can
15 enroll.

16 Sec. 8-588. (1) Concurrently with public release, the department shall transmit,
17 without revision, all reports from the court-appointed settlement monitor, including, but
18 not limited to, the needs assessment and period outcome reporting, to the standard report
19 recipients.

20 (2) Not later than October 1 of the current fiscal year, the department shall submit,
21 to the standard report recipients, a detailed plan that addresses the status and progress
22 toward exiting the settlement by September 30 of the current fiscal year. The report must
23 include an update on the department's child welfare initiative.

24 Sec. 8-589. (1) From the funds appropriated in part 1 for childcare fund, the
25 department shall pay 100% of the administrative rate for all new cases referred to
26 providers of foster care services.

27 (2) On a quarterly basis, the department shall submit a report, to the standard
28 report recipients, on the monthly number of all foster care cases administered by the
29 department and all foster care cases administered by private providers.

30 Sec. 8-593. The department shall conduct an annual review in each county to determine
31 if the county has adopted and implemented standard child abuse and child neglect
32 investigation and interview protocols under section 8(6) of the child protection law, 1975

1 PA 238, MCL 722.628.

2 Sec. 8-594. From the funds appropriated in part 1 for foster care payments, the
3 department shall support regional resource teams to provide for the recruitment, retention,
4 and training of foster and adoptive parents and shall expand the Michigan youth
5 opportunities initiative to all counties of this state. The purpose of the funding is to
6 increase the number of annual inquiries from prospective foster parents, increase the
7 number of nonrelative foster homes that achieve licensure each year, increase the annual
8 retention rate of nonrelative foster homes, reduce the number of older foster youth placed
9 outside of family settings, and provide older youth with enhanced support in transitioning
10 to adulthood.

11 Sec. 8-598. Partial child care fund reimbursements to counties for undisputed charges
12 must not be made later than 45 business days after receipt of the required forms and
13 documentation. Not later than 15 business days after receiving a request from a county for
14 reimbursement of a disputed charge, the department shall commence activity to investigate
15 and resolve the disputed reimbursement charge. The activity to investigate and resolve a
16 disputed reimbursement charge may include, but is not limited to, the use of a formal
17 appeals process under applicable law and the department chargeback policy. Not later than
18 45 business days after a properly corrected submission by the county, the department shall
19 reimburse the county for the corrected charge or charges.

20

21 **PUBLIC ASSISTANCE**

22 Sec. 8-601. After a client agrees to the release of the client's name and address to
23 the local housing authority, the department shall request from the local housing authority
24 information regarding whether the housing unit for which vendoring has been requested meets
25 applicable local housing codes. Vendoring must be terminated if the local housing authority
26 indicates in writing that the unit does not meet local housing codes and until the local
27 housing authority indicates in writing that the local housing codes have been met.

28 Sec. 8-602. The department shall conduct a full evaluation of an individual's
29 assistance needs if the individual has applied for disability more than 1 time in a 1-year
30 period.

31 Sec. 8-604. (1) From the funds appropriated in part 1 for state disability assistance
32 payments, the department shall operate a state disability assistance program. Except as

1 provided in subsection (3), to be eligible for the program, an individual must be a needy
2 citizen of the United States or alien exempted from the SSI citizenship requirement who is
3 not less than 18 years of age, or an emancipated minor, and meets 1 or more of the
4 following requirements:

5 (a) Is a recipient of SSI, Social Security, or medical assistance due to disability
6 or being 65 years of age or older.

7 (b) Is an individual with a physical or mental impairment that meets federal SSI
8 disability standards, except that the minimum duration of the disability must be 90 days.
9 Substance use disorder alone is not a basis for eligibility.

10 (c) Is a resident of an adult foster care facility, a home for the aged, a county
11 infirmary, or a substance use disorder treatment center.

12 (d) Is an individual receiving 30-day postresidential substance use disorder
13 treatment.

14 (e) Is an individual diagnosed as having AIDS.

15 (f) Is an individual receiving special education services through a local
16 intermediate school district.

17 (g) Is a caretaker of a disabled individual who meets the requirements specified in
18 subdivision (a), (b), (e), or (f).

19 (2) An applicant for or recipient of state disability assistance is considered needy
20 if the applicant or recipient does both of the following:

21 (a) Meets the same asset test as is applied for the family independence program.

22 (b) Has a monthly budgetable income that is less than the payment standards.

23 (3) Except for an individual described in subsection (1)(c) or (d), an individual is
24 not disabled under this section if the individual's drug addiction or alcoholism is a
25 contributing factor material to the determination of disability.

26 (4) As used in this section:

27 (a) "Material to the determination of disability" means that, if the individual
28 stopped using drugs or alcohol, the individual's remaining physical or mental limitations
29 would not be disabling. If the individual's remaining physical or mental limitations would
30 be disabling, then the drug addiction or alcoholism is not material to the determination of
31 disability and the individual may receive state disability assistance, but the individual
32 must actively participate in a substance abuse treatment program, and the assistance must

1 be paid to a third party or through vendor payments.

2 (b) "Substance abuse treatment" includes receipt of inpatient or outpatient services
3 or participation in Alcoholics Anonymous or a similar program.

4 Sec. 8-605. The level of reimbursement provided to state disability assistance
5 recipients in licensed adult foster care facilities must be the same as the prevailing SSI
6 rate under the personal care category.

7 Sec. 8-606. County department offices shall require each recipient of family
8 independence program and state disability assistance who has applied with the Social
9 Security Administration for SSI to sign a contract to repay any assistance rendered through
10 the family independence program or state disability assistance program on receipt of
11 retroactive SSI benefits.

12 Sec. 8-607. (1) The department's ability to satisfy appropriation deductions in part
13 1 for state disability assistance/supplemental security income recoveries and public
14 assistance recoupment revenues is not limited to recoveries and accruals pertaining to
15 state disability assistance, or family independence program grant payments provided only in
16 the current fiscal year and may include revenues collected during the current year that are
17 prior-year-related and not a part of the department's accrued entries.

18 (2) The department may use SSI recoveries to satisfy the deduct in any line in which
19 the revenues are appropriated, regardless of the source from which the revenue is
20 recovered.

21 Sec. 8-608. An adult foster care facility that provides domiciliary care or personal
22 care to a resident receiving SSI or a home for the aged serving a resident receiving SSI
23 shall not require a resident described in this section to reimburse the home for the aged
24 or adult foster care facility for care at a rate in excess of a rate that is authorized by
25 the legislature. To the extent permitted by federal law, an adult foster care facility and
26 home for the aged that serves a resident receiving SSI is not prohibited from accepting a
27 third-party payment in addition to SSI if the payment is not for food, clothing, or
28 shelter, or would result in a reduction in the resident's SSI payment.

29 Sec. 8-609. The department shall not reduce the state supplementation level under the
30 SSI program for the personal care/adult foster care and home for the aged categories during
31 the current fiscal year. Not later than 30 days before a proposed reduction in the state
32 supplementation level, the department shall notify the legislature of the proposed

1 reduction.

2 Sec. 8-610. (1) The department shall grant an exemption from the good-cause criteria
3 for the state emergency relief program if an emergency results from an unexpected expense
4 related to maintaining or securing employment.

5 (2) In determining housing affordability eligibility for state emergency relief, a
6 group is considered to have sufficient income to meet ongoing housing expenses if the
7 group's total housing obligation does not exceed 75% of the group's total net income.

8 (3) The department shall not make a state emergency relief payment to an individual
9 who has been found guilty of fraud in obtaining public assistance.

10 (4) The department shall not make a state emergency relief payment to an individual
11 who is an out-of-state or nonlegal resident.

12 (5) The department shall distribute a state emergency relief payment for rent
13 assistance directly to a landlord and shall not add the payment to a Michigan bridge card.

14 Sec. 8-611. The state supplementation level under the SSI program for the living
15 independently category or living in the household of another category must not exceed the
16 minimum state supplementation level as required under federal law.

17 Sec. 8-613. (1) From the funds appropriated in part 1 for indigent burial, the
18 department shall provide a reimbursement for the final disposition of an indigent
19 individual. A reimbursement under this section must comply with all of the following:

20 (a) The maximum allowable reimbursement for the final disposition is \$900.00.

21 (b) The adult burial with services allowance is \$820.00.

22 (c) The adult burial without services allowance is \$570.00.

23 (d) The infant burial allowance is \$225.00.

24 (2) The department shall reimburse up to \$80.00 for a cremation permit fee and for
25 mileage at the standard rate for an eligible cremation. A reimbursement under this
26 subsection must take into consideration whether an indigent individual's religious
27 preference prohibits cremation.

28 (3) An application for burial services must be made no later than 20 business days
29 after the burial, cremation, or donation takes place. A friend or relative of the indigent
30 individual may supplement the burial payment in any amount up to \$6,000.00 for additional
31 services. A funeral director, with written authorization provided by a relative of the
32 indigent individual, is deemed an authorized representative for burial benefits.

1 Sec. 8-615. Except as required by federal law, the department shall not use funds
2 appropriated in part 1 to provide public assistance to an individual who is not a United
3 States citizen, permanent resident alien, or refugee. This section does not prohibit the
4 department from entering into a contract with a food bank, emergency shelter provider, or
5 another human service agency that may, as a normal part of doing business, provide food or
6 emergency shelter.

7 Sec. 8-616. Except as required by federal law, the department shall not use funds
8 appropriated in part 1 to provide public assistance to an individual who is not a United
9 States citizen, permanent resident alien, or refugee. This section does not prohibit the
10 department from entering into a contract with a food bank, emergency shelter provider, or
11 another human service agency that may, as a normal part of doing business, provide food or
12 emergency shelter.

13 Sec. 8-619. The department shall not deny a title IV-A assistance and food assistance
14 benefit under 21 USC 862a to an individual who has been convicted of a felony for the
15 possession, use, or distribution of a controlled substance, if both of the following are
16 met:

17 (a) The act that resulted in the conviction occurred after August 22, 1996.

18 (b) The individual is not in violation of the individual's probation or parole
19 requirements.

20 Sec. 8-620. (1) The department shall determine a Medicaid applicant's Medicaid
21 eligibility not later than 90 days after the Medicaid applicant completes a Medicaid
22 application if the Medicaid applicant's disability is an eligibility factor. For other
23 Medicaid applicants, including an applicant who is a patient of a nursing home, the
24 department shall determine the applicant's Medicaid eligibility within 45 days after
25 receiving the Medicaid applicant's application.

26 (2) On an annual basis, the department shall submit a report to the standard report
27 recipients on the number of recipients who were ineligible for Medicaid after Medicaid
28 eligibility redeterminations resumed after federal continuous enrollment requirements
29 ended. The report must include, in a monthly data format, the number of recipients who had
30 their eligibility examined directly, through an ex parte eligibility process or through a
31 passive eligibility process. The report must also include a copy of each baseline and
32 monthly report that the department provides to CMS for unwinding data reporting and the

1 number of recipients who did not respond to the department through eligibility outreach or
2 data requests.

3 Sec. 8-625. From the funds appropriated in part 1 for SSI advocacy legal services
4 grant, the department shall allocate \$975,000.00 as a grant to the Legal Services
5 Association of Michigan (LSAM). The purpose of the grant is to assist current or potential
6 recipients of state disability assistance who have applied for or wish to apply for SSI or
7 other federal disability benefits. LSAM shall provide a list of newly eligible SSI
8 recipients to the department to verify that services are provided to department referrals.

9 Sec. 8-645. The department shall consider an individual or family to be homeless for
10 purposes of eligibility for state emergency relief, if the individual or family is living
11 temporarily with another in order to escape domestic violence. The department shall define
12 and verify domestic violence in the same manner as the department defines and verifies that
13 term in the department's policies on good cause for not cooperating with child support and
14 paternity requirements.

15 Sec. 8-653. From the funds appropriated in part 1 for food assistance program
16 benefits, an individual who is the victim of domestic violence or human trafficking and who
17 does not qualify for any other exemption may be exempt from the 3-month in 36-month limit
18 on receiving food assistance under 7 USC 2015. The department may extend the exemption for
19 an additional 3 months if an individual described in this section demonstrates to the
20 department a continuing need.

21 Sec. 8-654. The department shall notify a recipient of food assistance program
22 benefits that the recipient's benefits can be spent with the recipient's Michigan bridge
23 card at many farmers markets in this state. The department shall also provide a recipient
24 with information about the double up food bucks program that is administered by the Fair
25 Food Network. The information about the double up food bucks program must include, but is
26 not limited to, information that if the recipient spends \$20.00 at a participating farmers
27 market through the program, the recipient may receive an additional \$20.00 to buy Michigan
28 produce.

29 Sec. 8-655. Not later than 14 days after the spending plan for low-income home energy
30 assistance program is approved by the state budget office, the department shall provide the
31 spending plan, including itemized projected expenditures and itemized expenditures for the
32 previous fiscal year, to the standard report recipients.

1 Sec. 8-660. From the funds appropriated in part 1 for Food Bank Council of Michigan,
2 the department shall allocate \$12,045,000.00 for procuring and distributing the Michigan
3 agricultural surplus system to distribute surplus produce to low-income residents of this
4 state.

5 Sec. 8-669. From the funds appropriated in part 1 for family independence program
6 clothing allowance, the department shall allocate \$10,000,000.00 for the annual clothing
7 allowance. The department shall grant the allowance to eligible children in a family
8 independence program group.

9 Sec. 8-677. The department shall establish a state goal for the percentage of family
10 independence program cases involved in employment activities. The percentage established
11 must not be less than 50%. The goal for long-term employment must be 15% of cases for 6
12 months or more.

13 Sec. 8-678. (1) From the funds appropriated in part 1 for family independence program
14 establish a monthly supplemental payment for households with children.

15 (2) By February 1 of the current fiscal year, the department shall submit a report to
16 the standard report recipients on the amount of funding distributed under this section and
17 shall include the number of family independence program cases, the number of family
18 independence program eligible children by age group, and the amount of funding distributed
19 by age category.

20 Sec. 8-686. (1) The department shall confirm that an individual who presents a
21 personal identification issued by another state and is seeking assistance through the
22 family independence program, food assistance program, state disability assistance program
23 or medical assistance program is not receiving benefits from another state.

24 (2) The department shall confirm the address provided by an individual who is seeking
25 family independence program benefits or state disability assistance benefits.

26 (3) The department shall prohibit an individual who has property assets assessed at a
27 value higher than \$200,000.00 from receiving assistance through a department-administered
28 program, unless prohibiting assistance would violate a federal law or guideline.

29 (4) The department shall make a reasonable attempt to obtain an up-to-date telephone
30 number for an individual seeking medical assistance benefits during the eligibility
31 determination or redetermination process for the individual.

32 Sec. 8-687. (1) On a quarterly basis, the department shall compile and make available

1 a report on its website that contains all of the following information about the family
2 independence program, state disability assistance, the food assistance program, indigent
3 burial, Medicaid, and state emergency relief:

4 (a) The number of applications received.

5 (b) The number of applications approved.

6 (c) The number of applications denied.

7 (d) The number of applications pending and neither approved nor denied.

8 (e) The number of cases opened.

9 (f) The number of cases closed.

10 (g) The number of cases at the beginning of the quarter and the number of cases at
11 the end of the quarter.

12 (2) The department shall compile and make the information provided under subsection
13 (1) available for this state as a whole and for each county and shall report the
14 information separately for each program listed in subsection (1).

15 (3) On a quarterly basis, the department shall compile and make available a report on
16 its website of the following family independence program information:

17 (a) The number of new applicants who successfully met the requirements of the 10-day
18 assessment period for PATH.

19 (b) The number of new applicants who did not meet the requirements of the 10-day
20 assessment period for PATH.

21 (c) The number of cases sanctioned because of a school truancy policy.

22 (d) The number of cases closed because of the lifetime limits.

23 (e) The number of first-, second-, and third-time sanctions.

24 (f) The number of children 0 to 5 years of age who are living in a family
25 independence program-sanctioned household.

26 Sec. 8-688. From the funds appropriated in part 1 for the low-income home energy
27 assistance program, the department shall make an additional \$20.01 payment to each food
28 assistance program case that is not currently eligible for the standard utility allowance
29 to allow each case to receive expanded food assistance benefits through the program
30 commonly known as the heat and eat program.

31 Sec. 8-689. (1) From the funds appropriated in part 1 for prenatal and infant support
32 program, the department shall allocate \$20,000,000.00 of TANF revenue for programs that are

1 intended to improve the economic stability of households with very young children.

2 (2) In allocating the funds referenced in subsection (1), the department shall give
3 preference to programs that demonstrate the following:

4 (a) Effectiveness in improving the economic stability of households with pregnant
5 women at a minimum of 20 weeks gestation, and with young children.

6 (b) Partnerships with local health care providers and nonprofit human service
7 agencies that provide for improved maternal and infant health outcomes.

8 (c) Compliance with TANF requirements established by the Administration for Children
9 and Families within the United States Department of Health and Human Services.

10 (3) By March 30 of the current fiscal year, the department, through agreements with
11 contracted implementing agencies, shall report to the standard report recipients
12 information for the prior fiscal year on the aggregated demographic data of all program
13 recipients regardless of underlying funding source. The report must include, but not be
14 limited to, aggregated recipient data from contracted implementing agencies with each
15 contracted implementing agency providing the age, race, ethnicity, Hispanic or Latino
16 origin, federal poverty level, funding source, and zip codes of all program recipients.
17

18 **CHILDREN'S SERVICES AGENCY - JUVENILE JUSTICE**

19 Sec. 8-706. A county is subject to a 50% chargeback for the use of an alternative
20 regional detention service, if the detention service does not fall under the basic grant
21 provision of section 117e of the social welfare act, 1939 PA 280, MCL 400.117e, or if a
22 county operates the detention service program primarily with professional rather than
23 volunteer staff.

24 Sec. 8-707. To be reimbursed for child care fund expenditures, a county shall submit
25 to the department the report required under section 117a(11) of the social welfare act,
26 1939 PA 280, MCL 400.117a, to enable the department to document a potential federally
27 claimable expenditure.

28 Sec. 8-708. (1) As a condition of receiving funds appropriated in part 1 for the
29 child care fund line item, by October 15 of the current fiscal year, a county shall have an
30 approved service spending plan for the current fiscal year. Not later than August 15 of the
31 current fiscal year, a county shall submit the county's service spending plan for the
32 following fiscal year to the department for approval. The department shall approve a

1 county's service spending plan not later than 30 calendar days after the department
2 receives a properly completed service spending plan from the county that complies with the
3 requirements of the social welfare act, 1939 PA 280, MCL 400.1 to 400.119b. The department
4 shall notify and submit revisions to a service spending plan to a county whose service
5 spending plan is not approved after initial submission. The department shall not request
6 any additional revisions to a county's service spending plan outside of the requested
7 revision notification submitted to the county by the department. The department shall
8 notify a county that its service spending plan is approved not later than 30 days after the
9 department considers the county's revisions to the county's service spending plan.

10 (2) A county shall submit an amendment to its county service spending plan for the
11 current fiscal year to the department not later than August 30 of the current fiscal year.
12 A county shall submit payable estimates for the current fiscal year to the department not
13 later than September 15 of the current fiscal year.

14 Sec. 8-709. The department's master contract for juvenile justice residential foster
15 care services must prohibit a contractor from denying a referral for placing a youth, or
16 terminating a youth's placement, if the youth's assessed treatment needs are in alignment
17 with the facility's residential program type, as identified by a court or the department.
18 The master contract must also require that a youth placed in a juvenile justice residential
19 foster care facility has regularly scheduled treatment sessions with a licensed
20 psychologist or a psychiatrist, or both, and access to the licensed psychologist or a
21 psychiatrist as needed.

22

23 **LOCAL OFFICE OPERATIONS AND SUPPORT SERVICES**

24 Sec. 8-801. The department shall submit a quarterly report, containing monthly data,
25 to the standard report recipients on the most recent food assistance program error rate
26 derived from the active cases, reported to the United States Department of Agriculture Food
27 and Nutrition Service for the supplemental nutrition assistance program.

28 Sec. 8-802. From the funds appropriated in part 1 for local office staff travel, the
29 department shall allocate up to \$100,000.00 annually toward reimbursing the out-of-pocket
30 costs of county board members and county department directors to attend statewide meetings
31 of the Michigan County Social Services Association.

32 Sec. 8-807. From the funds appropriated in part 1 for Elder Law of Michigan MiCAFE

1 contract, the department shall allocate not less than \$450,000.00 to the Elder Law of
2 Michigan MiCAFE to assist this state's elderly population in participating in the food
3 assistance program. Of the \$450,000.00 allocated under this section, the department shall
4 use \$225,000.00 of general fund/general purpose revenue as state matching funds to receive
5 not less than \$225,000.00 in funding from the United States Department of Agriculture to
6 provide outreach program activities as part of a statewide food assistance hotline. The
7 outreach program activities may include eligibility screening and information services.

8 Sec. 8-808. Not later than March 1 of the current fiscal year, the department shall
9 submit a report to the standard report recipients on the nutrition education program. The
10 report must include all of the following information:

11 (a) All of the following for the supplemental nutrition assistance program education
12 funding:

13 (i) The planned allocation and actual expenditures, by location of programs.

14 (ii) Planned and actual grant amounts, by location of programs.

15 (iii) The total amount of expected carryforward balance at the end of the current
16 fiscal year.

17 (b) For each subgrantee program, a list of all supplemental nutrition assistance
18 program education funding programs by implementing agency with the amount of funding
19 allocated.

20 Sec. 8-825. From the funds appropriated in part 1, the department shall provide an
21 individual with not more than \$2,000.00 for vehicle repairs, including a repair done in the
22 previous 12 months. The \$2,000.00 limit described in this section includes the combined
23 total of payments made by the department and the work participation program.

24 Sec. 8-826. From the funds appropriated in part 1 for local office policy and
25 administration, not less than \$300,000.00 is allocated for the department to contract with
26 the Prosecuting Attorneys Association of Michigan to provide the support and services
27 necessary to increase the capability of this state's prosecutors, adult protective service
28 system, and criminal justice system to effectively identify, investigate, and prosecute
29 elder abuse and financial exploitation.

30 Sec. 8-850. (1) The department shall maintain each out-stationed eligibility
31 specialist in a community-based organization, community mental health agency, nursing home,
32 adult placement and independent living setting, FQHC, and hospital, unless the community-

1 based organization, community mental health agency, nursing home, adult placement and
2 independent living setting, FQHC, or hospital requests to discontinue the positions at its
3 facility.

4 (2) From the funds appropriated in part 1 for donated funds positions, the department
5 shall enter into a contract with any agency that is able and eligible under federal law to
6 provide the required matching funds for federal funding, as determined by federal law.

7 (3) A contract for a donated funds position for assistance payments must include, but
8 not be limited to, performance metrics on both of the following topics:

9 (a) Meeting a standard of promptness for processing an application for Medicaid and
10 other public assistance programs under the law of this state.

11 (b) Meeting required standards for error rates in determining programmatic
12 eligibility, as determined by the department.

13 (4) The department shall fill an additional donated funds position only after a new
14 contract has been signed with an agency. The position must be abolished when the contract
15 expires or is terminated.

16 (5) The department shall classify as a limited-term FTE a new employee who is hired
17 to fill a donated funds position contract or is hired to fill a vacancy from an employee
18 who transferred to a donated funds position.

19 Sec. 8-851. From the funds appropriated in part 1 for adult services local office
20 staff, the department shall seek to reduce the number of older adults who are victims of
21 crime and fraud by increasing the standard of promptness in every county, as measured by
22 commencing an investigation not later than 24 hours after a report is made to the
23 department, establishing face-to-face contact with the client not later than 72 hours after
24 a report is made to the department.

25

26 **DISABILITY DETERMINATION SERVICES**

27 Sec. 8-890. From the funds appropriated in part 1 for disability determination
28 services, the department shall maintain the unit rates in effect on September 30, 2019, for
29 medical consultants performing disability determination services, including physicians,
30 psychologists, and speech-language pathologists.

31

32 **BEHAVIORAL HEALTH PROGRAM ADMINISTRATION AND SPECIAL PROJECTS**

1 Sec. 8-901. The department shall use the funds appropriated in part 1 to support a
2 system of comprehensive community mental health services under the full authority and
3 responsibility of local CMHSPs or PIHPs in accordance with the mental health code, 1974 PA
4 258, MCL 330.1001 to 330.2106, the Medicaid provider manual, federal Medicaid waivers, and
5 all other applicable federal law and the law of this state.

6 Sec. 8-904. (1) Not later than September 30 of the current fiscal year, the
7 department shall provide a report on the CMHSPs, PIHPs, and designated regional entities
8 for substance use disorder prevention and treatment to the standard report recipients that
9 includes the information required by this section.

10 (2) The report required under subsection (1) must contain, unless otherwise noted,
11 information for each CMHSP, and PIHP, and a statewide summary, as follows:

12 (a) A statewide summary of the demographic description of service recipients that,
13 minimally, includes reimbursement eligibility, client population group, age, ethnicity,
14 housing arrangements, and diagnosis.

15 (b) Per capita expenditures in total and by client population group.

16 (c) A statewide summary of Medicaid-funded cost information for the 3 diagnosis
17 groups of adults with a mental illness, children with a serious emotional disturbance, and
18 individuals with an intellectual or developmental disability. The statewide summary must,
19 minimally, include expenditures by service category for each of the 3 diagnosis groups
20 described in this subdivision and cases, units, and cost of each specific service code
21 index or health care common procedure coding system code for each of the 3 diagnosis
22 groups.

23 (d) Financial information on non-Medicaid mental health services by general fund cost
24 reporting category.

25 (e) Lapses and carryforwards during the previous fiscal year for each CMHSP, PIHP,
26 and designated regional entity for substance use disorder prevention and treatment.

27 (f) Performance indicator information required to be submitted to the department in
28 the contracts with PIHP.

29 (g) Administrative expenditures of each CMHSP and PIHP that include a breakout of the
30 salary, benefits, and pension of each executive-level staff, which includes, but is not
31 limited to, the director, chief executive, and chief operating officer.

32 (3) The report required under subsection (1) must contain the following information

1 from the previous fiscal year on substance use disorder prevention, education, and
2 treatment programs:

3 (a) A statewide summary of the demographic description of service recipients that,
4 minimally, shall include reimbursement eligibility, primary substance of abuse, age,
5 ethnicity, housing arrangements, and sex at birth.

6 (b) The expenditures stratified by department-designated regional entities for
7 substance use disorder prevention and treatment entity, by fund source, by subcontractor,
8 by population served, and by service type.

9 (c) The expenditures per state client, with data on the distribution of expenditures
10 reported using a histogram approach.

11 (d) The number of services provided by subcontractor and by service type.
12 Additionally, data on length of stay, referral source, and participation in other state
13 programs.

14 (e) The collections from other first- or third-party payers, private donations, or
15 other state or local programs, by department-designated regional entities for substance use
16 disorder prevention and treatment entity, by subcontractor, by population served, and by
17 service type.

18 (f) Information about access to CMHSPs, PIHPs, and designated regional entities for
19 substance use disorder prevention and treatment that includes, but is not limited to, the
20 following:

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

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

23 (4) The department shall include the data reporting requirements described in
24 subsections (2) and (3) in the department's annual contract with each CMHSP, PIHP, and
25 designated regional entity for substance use disorder prevention and treatment.

26 (5) The department shall take all reasonable actions to ensure that the data required
27 are complete and consistent among all CMHSPs, PIHPs, and designated regional entities for
28 substance use disorder prevention and treatment.

29 Sec. 8-907. (1) The department shall expend the amount appropriated in part 1 for
30 community substance use disorder prevention, education, and treatment to coordinate care
31 and services provided to individuals with severe and persistent mental illness and
32 substance use disorder diagnoses.

1 (2) Each managing entity shall continue current efforts to collaborate on the
2 delivery of services to clients with mental illness and substance use disorder diagnoses,
3 with the goal of providing services in an administratively efficient manner.

4 Sec. 8-909. From the funds appropriated in part 1 for health homes, the department
5 shall use available revenue from the marihuana regulatory fund established in section 604
6 of the medical marihuana facilities licensing act, 2016 PA 281, MCL 333.27604, to improve
7 physical health, expand access to substance use disorder prevention and treatment services,
8 and strengthen the existing prevention, treatment, and recovery systems.

9 Sec. 8-910. The department shall ensure that substance use disorder treatment is
10 provided to applicants and recipients of public assistance through the department who are
11 required to obtain substance use disorder treatment as a condition of eligibility for
12 public assistance.

13 Sec. 8-911. (1) The department shall ensure that a contract with a CMHSP or PIHP
14 requires the CMHSP or PIHP to implement programs to encourage the diversion of individuals
15 with a serious mental illness, serious emotional disturbance, or developmental disability
16 from possible jail incarceration, when appropriate.

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

25 Sec. 8-914. Not later than June 1 of the current fiscal year, the department shall
26 submit a report to the standard report recipients on outcomes of the funds provided in part
27 1 to the Michigan Clinical Consultation and Care program (MC3). The outcomes reported must
28 include, but are not limited to, the number of same-day telephone consultations with
29 primary care providers and the number of local resource recommendations made to primary
30 care providers who are providing medical care to patients who need behavioral health
31 services.

32 Sec. 8-915. From the funds appropriated in part 1 for community substance use

1 disorder prevention, education, and treatment and opioid response activities, the
2 department shall, to the extent possible, provide grants, pursuant to federal law, to local
3 public entities that provide substance use disorder services and to 1 private entity that
4 has a statewide contract to provide community-based substance use disorder services.

5 Sec. 8-916. From the funds appropriated in part 1 for behavioral health program
6 administration, the department shall allocate \$100,000.00 as a grant to a nonprofit mental
7 health clinic located in a county with a population between 290,000 and 300,000 according
8 to the most recent federal decennial census that provides counseling services, accepts
9 clients regardless of their ability to pay for services through sliding scale copayments
10 and volunteer services, and uses fundraising to support their clinic.

11 Sec. 8-917. (1) From the funds appropriated in part 1 for opioid response activities,
12 the department shall allocate \$55,000,000.00 from the Michigan opioid healing and recovery
13 fund created under section 3 of the Michigan trust fund act, 2000 PA 489, MCL 12.253, to
14 create or supplement opioid-related programs and services in a manner consistent with the
15 opioid judgment, settlement, or compromise of claims pertaining to violations, or alleged
16 violations, of law related to the manufacture, marketing, distribution, dispensing, or sale
17 of opioids.

18 (2) On a semiannual basis, the department shall submit to the standard report
19 recipients a report on all of the following:

20 (a) Total revenues deposited into and expenditures and encumbrances from the Michigan
21 opioid healing and recovery fund since the creation of the fund.

22 (b) Revenues deposited into and expenditures and encumbrances from the Michigan
23 opioid healing and recovery fund during the previous 6 months.

24 (c) Estimated revenues to be deposited into and the spending plan for the Michigan
25 opioid healing and recovery fund for the next 12 months.

26 Sec. 8-918. On a quarterly basis, providing monthly data, the department shall submit
27 a report to the standard report recipients on the amount of funding paid to PIHPs to
28 support the Medicaid managed mental health care program. The report must include
29 information on the total paid to each PIHP, per capita rate paid for each eligibility group
30 for each PIHP, the number of cases in each eligibility group for each PIHP, and a year-to-
31 date summary of eligibles and expenditures for the Medicaid managed mental health care
32 program.

1 Sec. 8-922. From the funds appropriated in part 1 for behavioral health program
2 administration, the department shall allocate \$600,000.00 to a nonprofit organization
3 organized under the laws of this state that is exempt from federal income tax under section
4 501(c)(3) of the internal revenue code of 1986, 26 USC 501, and is located in a city with a
5 population between 66,000 and 67,000, according to the most recent federal decennial
6 census, to administer an online and interactive version of the protected health information
7 consent tool and make any revisions to the tool to reflect any recent legislative changes.
8 The contracting entity that receives funds appropriated under this section shall also
9 develop accompanying trainings and resources for users. Additionally, the contracting
10 entity that receives funds appropriated under this section shall work closely with the
11 Michigan Health Information Network Shared Services and the department to develop the
12 technical specifications for integrating the protected health information consent tool with
13 other relevant systems and applications, including, but not limited to, CareConnect360.

14 Sec. 8-926. (1) From the funds appropriated in part 1 for community substance use
15 disorder prevention, education, and treatment, \$1,000,000.00 is allocated for a specialized
16 substance use disorder detoxification project administered by a 9-1-1 service district in
17 conjunction with a substance use and case management provider. The project must be located
18 at a hospital within a 9-1-1 service district with at least 600,000 residents and 15 member
19 communities and that is located within a county with a population of at least 1,500,000
20 according to the most recent federal decennial census.

21 (2) The substance use and case management provider receiving funds under this section
22 shall collect and submit to the department data on the outcomes of the project throughout
23 the duration of the project and the department shall submit a report on the project's
24 outcomes to the standard report recipients.

25 Sec. 8-928. (1) Each PIHP shall provide, from the PIHP's internal resources, local
26 funds to be used as a part of the state match required under the Medicaid program in order
27 to increase capitation rates for PIHPs. The local funds must not include either of the
28 following:

29 (a) State funds received by a CMHSP for services provided to non-Medicaid recipients.

30 (b) The state matching portion of the Medicaid capitation payments made to a PIHP.

31 (2) Not later than April 1 of the current fiscal year, the department shall report to
32 the standard report recipients on the lapse by PIHP from the previous fiscal year and the

1 projected lapse by PIHP in the current fiscal year.

2 Sec. 8-929. From the funds appropriated in part 1 for Michigan Clinical Consultation
3 and Care, the department shall allocate at least \$325,000.00 to address needs in a city in
4 which a declaration of emergency was issued because of drinking water contamination.

5 Sec. 8-935. A county required under the mental health code, 1974 PA 258, MCL 330.1001
6 to 330.2106, to provide matching funds to a CMHSP for mental health services rendered to
7 residents in the county's jurisdiction shall pay the matching funds in equal installments
8 on not less than a quarterly basis throughout the fiscal year, with the first payment being
9 made by October 1 of the current fiscal year.

10 Sec. 8-940. (1) In accordance with section 236 of the mental health code, 1974 PA
11 258, MCL 330.1236, the department shall review expenditures for each CMHSP to identify any
12 CMHSP with a projected allocation surplus and to identify any CMHSP with a projected
13 allocation shortfall. The department shall encourage the board of a CMHSP with a projected
14 allocation surplus to concur with the department's recommendation to reallocate the
15 projected surplus to a CMHSP with a projected allocation shortfall.

16 (2) A CMHSP that has its projected surplus reallocated during the current fiscal year
17 as described in subsection (1) is not eligible for an additional funding reallocation
18 during the remainder of the current fiscal year, unless the CMHSP is responding to a public
19 health emergency as determined by the department.

20 (3) A CMHSP shall report to the department on a proposed reallocation described in
21 this section at least 30 days before the reallocation takes effect.

22 (4) The department shall notify the chairs of the appropriation subcommittees on the
23 department budget when a request is made and when the department grants approval for a
24 reallocation described in subsection (1). Not later than February 1 of the current fiscal
25 year, the department shall submit a report on the amount of funding reallocated in the
26 previous fiscal year to the standard report recipients.

27 Sec. 8-942. A CMHSP shall provide at least 30 days' notice before reducing,
28 terminating, or suspending a service provided by the CMHSP to a CMHSP client, unless the
29 service is authorized by a physician and the service no longer meets established criteria
30 for medical necessity.

31 Sec. 8-960. (1) From the funds appropriated in part 1 for autism services, the
32 department shall continue to cover all Medicaid autism services to Medicaid enrollees

1 eligible for the services that were covered on January 1, 2019.

2 (2) To restrain cost increases in the autism services line item, the department shall
3 do all of the following:

4 (a) Not later than March 1 of the current fiscal year, develop and implement specific
5 written guidance for standardization of Medicaid PIHPs and CMHSPs autism spectrum disorder
6 administrative services, including, but not limited to, reporting requirements, coding, and
7 reciprocity of credentialing and training between PIHPs and CMHSPs to reduce administrative
8 duplication at the PIHP, CMHSP, and service provider levels.

9 (b) Require consultation with the client's evaluation diagnostician and PIHP to
10 approve the client's ongoing therapy for 3 years, unless the client's evaluation
11 diagnostician recommended an evaluation before the 3 years or if a clinician on the
12 treatment team recommended an evaluation for the client before the third year.

13 (c) Limit the authority to perform a diagnostic evaluation for Medicaid autism
14 services to qualified licensed practitioners as determined by the department.

15 (d) Allow and expand the utilization of telemedicine and telepsychiatry to increase
16 access to diagnostic evaluation services.

17 (e) Coordinate with the department of insurance and financial services on oversight
18 for compliance with the Paul Wellstone and Pete Domenici mental health parity and addiction
19 equity act of 2008, Public Law 110-343, as it relates to autism spectrum disorder services,
20 to ensure appropriate cost sharing between public and private payers.

21 (f) Require that Medicaid eligibility be confirmed through prior evaluations
22 conducted by qualified licensed practitioners as determined by the department and CMHSPs.

23 (g) Maintain regular statewide provider trainings on autism spectrum disorder
24 standard clinical best practice guidelines for treatment and diagnostic services.

25 (3) By March 1 of the current fiscal year, the department shall submit a report to
26 the standard report recipients on total autism services spending broken down by PIHP and
27 CMHSP for the previous fiscal year and current fiscal year and total administrative costs
28 broken down by PIHP, CMHSP, and the type of administrative cost for the previous fiscal
29 year and current fiscal year.

30 Sec. 8-962. For special projects involving high-need children or adults, including
31 the not guilty by reason of insanity population, the department may contract directly with
32 providers of services to the children and adults described in this section.

1 Sec. 8-965. From the funds appropriated in part 1, the department and each PIHP shall
2 maintain the comparison rate and any associated reimbursement rate of the bundled rate
3 H0020 for the administration and services of methadone at not less than \$19.00.

4 Sec. 8-972. From the funds appropriated in part 1 for behavioral health program
5 administration, the department shall allocate not less than \$9,386,400.00 of general
6 fund/general purpose revenue and any associated federal match or federal grant funding,
7 including, but not limited to, associated federal 988 grant funding for the mental health
8 telephone access line known as the Michigan crisis and access line (MiCAL), to provide for
9 both of the following in accordance with section 165 of the mental health code, 1974 PA
10 258, MCL 330.1165:

11 (a) Primary coverage in a region where a regional national suicide prevention
12 lifeline center does not provide coverage.

13 (b) Statewide secondary coverage.

14 Sec. 8-974. The department and a PIHP shall allow an individual with an intellectual
15 or developmental disability who receives supports and services from a CMHSP to instead
16 receive supports and services from another provider if the individual is eligible and
17 qualified to receive supports and services from another provider. Other providers may
18 include, but are not limited to, MIChoice and PACE.

19 Sec. 8-978. From the funds appropriated in part 1 for community substance use
20 disorder prevention, education, and treatment and recovery community organizations, the
21 department shall allocate \$1,200,000.00 as grants for recovery community organizations in
22 accordance with section 273b of the mental health code, 1974 PA 258, MCL 330.1273b. A grant
23 must be used to offer or expand recovery support center services or recovery community
24 center services to individuals seeking long-term recovery from substance use disorders.

25 Sec. 8-995. (1) From the funds appropriated in part 1 for mental health diversion
26 council, the department shall allocate \$3,850,000.00 to continue to implement the jail
27 diversion programs that are intended to address the recommendations of the mental health
28 diversion council.

29 (2) Not later than March 1 of the current fiscal year, the department shall submit a
30 report to the standard report recipients on the planned allocation of the funds
31 appropriated for the mental health diversion council.

32 (3) As used in this section, "mental health diversion council" means the council as

1 that term is defined in section 207e of the mental health code, 1974 PA 258, MCL 330.1207e.

2 Sec. 8-996. From the funds appropriated in part 1 for family support subsidy, the
3 department shall make monthly payments of \$300.36 to a parent or legal guardian of a child
4 approved for the family support subsidy by a CMHSP.

5 Sec. 8-997. The department shall use population data from the most recent federal
6 data from the United States Census Bureau in determining the distribution of substance use
7 disorder block grant funds.

8 Sec. 8-998. If the department decides to use census data to distribute state general
9 funds to CMHSPs, the department shall use the most recent federal data from the United
10 States Census Bureau.

11

12 **BEHAVIORAL HEALTH SERVICES**

13 Sec. 8-1001. Not later than May 15 of the current fiscal year, each CMHSP shall
14 submit a report to the department that identifies populations being served by the CMHSP
15 broken down by program eligibility category. The report must also include the percentage of
16 the operational budget that is related to program eligibility enrollment. Not later than
17 June 30 of the current fiscal year, the department shall submit the reports described in
18 this section to the standard report recipients.

19 Sec. 8-1005. (1) From the funds appropriated in part 1 for health homes, the
20 department shall maintain the number of behavioral health homes and maintain the number of
21 substance use disorder health homes, in place by PIHP region as of September 30 of the
22 previous fiscal year. The department may expand the number of behavioral health homes and
23 the number of substance use disorder health homes in a PIHP region added after October 1 of
24 the current fiscal year.

25 (2) On a semiannual basis, the department shall submit a report to the standard
26 report recipients on the number of individuals being served and expenditures incurred by
27 each PIHP region by site.

28 Sec. 8-1006. From the funds appropriated in part 1 for certified community behavioral
29 health clinics, the department shall submit the CCBHC cost efficiency evaluation to the
30 standard report recipients within 7 business days after the department's receipt of the
31 final information required from the contractors.

32 Sec. 8-1008. A PIHP and CMHSP shall do all of the following:

1 (a) Work to reduce administration costs by ensuring that PIHP and CMHSP responsible
2 functions are efficient in allowing optimal transition of dollars to the direct services
3 considered most effective in assisting individuals served. Any consolidation of
4 administrative functions must demonstrate, by independent analysis, a reduction in dollars
5 spent on administration resulting in greater dollars spent on direct services. Savings
6 resulting from increased efficiencies must not be applied to PIHP and CMHSP net assets,
7 internal service fund increases, building costs, increases in the number of PIHP and CMHSP
8 personnel, or other areas not directly related to the delivery of improved services.

9 (b) Take an active role in managing mental health care by ensuring consistent and
10 high-quality service delivery throughout its network and promote a conflict-free care
11 management environment.

12 (c) Ensure that direct service rate variances are related to the level of need or
13 other quantifiable measures to ensure that the most money possible reaches direct services.

14 (d) Whenever possible, promote fair and adequate direct care reimbursement,
15 including, but not limited to, fair wages for direct service workers.

16 Sec. 8-1010. (1) The department shall use the funds appropriated in part 1 for
17 behavioral health community supports and services to reduce waiting lists at state-operated
18 hospitals and centers through cost-effective community-based and residential services,
19 including, but not limited to, assertive community treatment, forensic assertive community
20 treatment, crisis stabilization units in accordance with chapter 9A of the mental health
21 code, 1974 PA 258, MCL 330.1971 to 330.1979, and psychiatric residential treatment
22 facilities in accordance with section 137a of the mental health code, 1974 PA 258, MCL
23 330.1137a.

24 (2) From the funds appropriated in part 1 for behavioral health community supports
25 and services, the department shall allocate \$30,450,000.00 to reimburse private providers
26 for intensive psychiatric treatments and services that are provided outside of state-
27 operated hospitals and centers and for support efforts related to overseeing community-
28 based programs placement.

29 (3) If a private provider has an existing wait list for intensive psychiatric
30 treatments and services, a reimbursement to the private provider under this section must
31 not be conditioned on the private provider giving wait-list priority to individuals placed
32 with funds appropriated in this section.

1 (4) Not later than March 1 of the current fiscal year, the department shall submit a
2 report to the standard report recipients on all of the following:

3 (a) The types of community supports and services purchased.

4 (b) The quantity, measured by days or other relevant unit of service, of each
5 community support and service purchased.

6 (c) The quantifiable impact of the purchase of community supports and services,
7 including the number of individuals served, the number of successful discharges, and the
8 number of re-escalations to either the discharging entity or a state psychiatric hospital.

9 Sec. 8-1011. From the funds appropriated in part 1 for behavioral health community
10 supports and services, the department shall allocate \$400,000.00 to a qualified Yemeni
11 nonprofit organization to provide communities with the best services suited to the
12 communities according to their time and needs, with no prejudice, and regardless of
13 religion, culture, or ethnic background. As used in this section, "qualified Yemeni
14 nonprofit organization" means an organization that was established in 2000, is organized
15 under the laws of this state, is exempt from federal income tax under section 501(c)(3) of
16 the internal revenue code of 1986, 26 USC 501, and has its administrative office located in
17 a county with a population of at least 1,750,000 and in a city with a population between
18 109,000 and 110,000.

19 Sec. 8-1014. (1) From the funds appropriated in part 1 to agencies providing physical
20 and behavioral health services to multicultural populations, the department shall award
21 grants in accordance with the requirements of subsection (2). This state is not liable for
22 any spending above the contract amount. The department shall not release funds until
23 reporting requirements under section 1014 of article 6 of 2024 PA 121 are satisfied.

24 (2) The department shall require each contractor described in subsection (1) that
25 receives greater than \$1,000,000.00 in state grant funding to comply with performance-
26 related metrics to maintain their eligibility for funding. The performance-related metrics
27 shall include, but not be limited to, all of the following:

28 (a) Each contractor or subcontractor shall have accreditations that attest to their
29 competency and effectiveness as behavioral health and social service agencies.

30 (b) Each contractor or subcontractor shall have a mission that is consistent with the
31 purpose of the multicultural agency.

32 (c) Each contractor shall validate that any subcontractors utilized within these

1 appropriations share the same mission as the lead agency receiving funding.

2 (d) Each contractor or subcontractor shall demonstrate cost-effectiveness.

3 (e) Each contractor or subcontractor shall ensure their ability to leverage private
4 dollars to strengthen and maximize service provision.

5 (f) Each contractor or subcontractor shall provide timely and accurate reports
6 regarding the number of clients served, units of service provision, and ability to meet
7 their stated goals.

8 Sec. 8-1015. From the funds appropriated in part 1 for federal mental health block
9 grant, the department shall, to the extent possible, provide grants pursuant to federal law
10 to local public entities that provide mental health services and to 1 private entity that
11 has a statewide contract to provide community-based mental health services.

12

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

14 Sec. 8-1052. The department shall use gifts and bequests received for patient living
15 and treatment environments for additional private funds to provide specific enhancements
16 for individuals residing at state-operated facilities. The department shall use the gifts
17 and bequests consistent with the stipulation of the donor. The department shall use gift
18 and bequest donations within 3 years unless otherwise stipulated by the donor.

19 Sec. 8-1055. (1) The department shall not implement a closure or consolidation of a
20 state hospital, or agency, until each CMHSP or PIHP affected by the closure or
21 consolidation has programs and services in place for the individuals currently in the
22 hospital, or agency that is to be closed or consolidated, and has a plan for providing
23 services to the individuals who would have been admitted to the hospital, center, or
24 agency.

25 (2) A closure or consolidation is dependent on adequate department-approved CMHSP and
26 PIHP plans that include a discharge and aftercare plan for each individual currently in a
27 hospital described in subsection (1). A discharge and aftercare plan must address an
28 individual's housing needs. A homeless shelter or similar temporary shelter arrangement is
29 inadequate to meet an individual's housing needs.

30 (3) Four months after a closure is certified under section 19(6) of the state
31 employees' retirement act, 1943 PA 240, MCL 38.19, the department shall provide a closure
32 plan to the standard report recipients.

1 (4) On the closure of a hospital, or agency and after transitional costs have been
2 paid, the remaining balances of funds appropriated for the hospital, or agency must be
3 transferred to CMHSPs or PIHPs responsible for providing services for individuals
4 previously served by the hospital, center, or agency.

5 Sec. 8-1056. The department may collect revenue for patient reimbursement from first-
6 and third-party payers, including Medicaid and local county CMHSP payers, to cover the cost
7 of patient placement in state hospitals. The department may adjust financing sources for
8 patient reimbursement based on actual revenues earned. If the revenue collected exceeds
9 current year expenditures, the revenue may be carried forward with approval of the state
10 budget director. The department shall use the revenue carried forward as a first source of
11 funds in the subsequent year.

12 Sec. 8-1058. Effective October 1 of the current fiscal year, the department, in
13 consultation with the department of technology, management, and budget, may maintain a bid
14 process to identify 1 or more private contractors to provide food and custodial services
15 for the administrative areas at a state hospital identified by the department as capable of
16 generating savings through the outsourcing of food and custodial services.

17 Sec. 8-1059. (1) The department shall identify specific outcomes and performance
18 measures for state-operated hospitals, unless otherwise specified, the outcomes and
19 performance measures shall be calculated on an average monthly basis from the previous
20 calendar year, as follows:

21 (a) The average wait time from the time of the receipt of a court order for the
22 treatment of an individual who is determined incompetent to stand trial until the
23 individual's admission to the center for forensic psychiatry or other state-operated
24 psychiatric hospital.

25 (b) The average number of individuals determined not guilty by reason of insanity by
26 an order of the criminal court who, on the first day of each month, are waiting to receive
27 admission into the center for forensic psychiatry or other state-operated psychiatric
28 hospital.

29 (c) The average number of adults who, on the first day of each month, are waiting to
30 receive admission into another state-operated hospital through the civil admissions
31 process.

32 (d) The average number of children who, on the first day of each month, are waiting

1 to receive admission into another state-operated hospital through the civil admissions
2 process.

3 (e) The average wait time for an adult who is awaiting admission into another state-
4 operated hospital through the civil admissions process.

5 (f) The average wait time for a child who is awaiting admission into another state-
6 operated hospital through the civil admissions process.

7 (g) The number of individuals determined not guilty by reason of insanity or
8 incompetent to stand trial by an order of a criminal court that have been determined to be
9 ready for discharge to the community, and the average wait time between being determined to
10 be ready for discharge to the community and actual community placement.

11 (h) The number of adults admitted through the civil admission process that have been
12 determined to be ready for discharge to the community, and the average wait time between
13 being determined to be ready for discharge to the community and actual community placement.

14 (i) The number of children admitted through the civil admission process that have
15 been determined to be ready for discharge to the community, and the average wait time
16 between being determined to be ready for discharge to the community and actual community
17 placement.

18 (j) The most recent 12-month total number of individuals determined not guilty by
19 reason of insanity by an order of the criminal court ordering the individual to be admitted
20 into the center for forensic psychiatry or other state-operated psychiatric hospital.

21 (k) The most recent 12-month total number of adults requested to be admitted to a
22 state-operated hospital through the civil admissions process.

23 (l) The most recent 12-month total number of children requested to be admitted to a
24 state-operated hospital through the civil admissions process.

25 (m) The number of individuals determined not guilty by reason of insanity by an order
26 of the criminal court that were removed from the admissions waiting list and the reason for
27 the removal from the admissions waiting list.

28 (n) The number of adults awaiting admission through the civil admission process
29 removed from the admission waiting list and the reason for the removal from the admission
30 waiting list.

31 (o) The number of children awaiting admission through the civil admission process
32 removed from the admission waiting list and the reason for the removal from the admission

1 waiting list.

2 (p) The number of individuals determined not guilty by reason of insanity by an order
3 of the criminal court and not admitted into the center for forensic psychiatry or other
4 state-operated hospital, and the rationale for the individual not being admitted.

5 (q) The number of adults not admitted into the other state-operated hospital through
6 the civil admissions process and the rationale for the individual not being admitted.

7 (r) The number of children not admitted into a state-operated hospital through the
8 civil admission process and the rationale for the individual not being admitted.

9 (2) Not later than April 1 of the current fiscal year, the department shall submit a
10 report to the standard report recipients of this part on the outcomes and performance
11 measures required under subsection (1).

12 Sec. 8-1060. Not later than March 1 of the current fiscal year, the department shall
13 submit a report on mandatory overtime, staff turnover, and staff retention at the state
14 psychiatric hospitals to the standard report recipients. The report must include, but is
15 not limited to, the following:

16 (a) The number of direct care and clinical staff positions that are currently vacant
17 by hospital, and how that number compares to the number of vacancies during the previous
18 fiscal year.

19 (b) A breakdown of voluntary and mandatory overtime hours worked by position and by
20 hospital, and how that breakdown compares to the breakdown of voluntary and mandatory
21 overtime hours during the previous fiscal year.

22 (c) The ranges of wages paid by position and by hospital, and how the ranges of wages
23 paid compare to wages paid during the previous fiscal year.

24 Sec. 8-1061. (1) On a semiannual basis, the department shall report to the standard
25 report recipients a status update on the construction of the new state psychiatric hospital
26 that will house both children and adults. The report must include, but is not limited to,
27 an estimated timeline for completion and any obstacles that have caused a delay in
28 construction progress.

29 (2) By September 30 of the current fiscal year, the department shall report to the
30 standard report recipients a proposed transition plan for the transfer of children and
31 adults currently residing at the Walter P. Reuther Psychiatric Hospital to the newly
32 constructed state psychiatric hospital. Additionally, the report must include a plan for

1 either the future use or the demolition of the Walter P. Reuther Psychiatric Hospital, and
2 an estimated cost for the proposed plan.

3 Sec. 8-1063. (1) From the funds appropriated in part 1 for State psychiatric
4 hospitals, the department shall maintain a psychiatric transitional unit and children's
5 transition support team. The unit and support team described in this subsection shall
6 augment the continuum of behavioral health services for high-need youth and provide
7 additional continuity of care and transition into supportive community-based services.

8 (2) The outcome and performance measures for the unit and support team described in
9 subsection (1) include, but are not limited to, the following:

10 (a) The rate of rehospitalization for youth served through the unit or support team
11 at 30 and 180 days.

12 (b) The measured change in the Michigan Child and Adolescent Needs and Strengths tool
13 for youth and families served through the unit or support team.

14

15 **HEALTH AND HUMAN SERVICES POLICY AND INITIATIVES**

16 Sec. 8-1140. From the funds appropriated in part 1 for primary care services,
17 \$400,000.00 is allocated to free health clinics operating in this state. The department
18 shall distribute the funds equally to each free health clinic. As used in this section,
19 "free health clinic" means a nonprofit organization that uses a volunteer health
20 professional to provide care to an uninsured individual.

21 Sec. 8-1143. From the funds appropriated in part 1 for primary care services, the
22 department shall allocate no less than \$675,000.00 for island primary health care access
23 and services including island clinics, in the following amounts:

24 (a) Beaver Island, \$250,000.00.

25 (b) Mackinac Island, \$250,000.00.

26 (c) Drummond Island, \$150,000.00.

27 (d) Bois Blanc Island, \$25,000.00.

28 Sec. 8-1145. The department shall take steps necessary to work with the Indian Health
29 Service, tribal health program facilities, or Urban Indian Health Program facilities, that
30 provide services under a contract with a Medicaid managed care entity to ensure that the
31 facilities described in this section receive the maximum amount allowable under federal law
32 for Medicaid services.

1 Sec. 8-1146. From the funds appropriated in part 1 for domestic violence prevention
2 and treatment, the department shall allocate \$1,000,000.00 to support programs that serve
3 survivors of domestic violence, sexual violence, and human trafficking. The funds
4 appropriated in this section must be allocated in the following manner:

5 (a) \$500,000.00 must be allocated to a nonprofit organization organized under the
6 laws of this state that is exempt from federal income tax under section 501(c)(3) of the
7 internal revenue code of 1986, 26 USC 501, that is located in a city with a population
8 between 10,000 and 15,000 and in a county with a population between 35,000 and 36,900,
9 according to the most recent federal decennial census. To be eligible for funding under
10 this subsection, the nonprofit organization must be a statewide tribal domestic violence
11 and sexual assault coalition serving the tribes located in this state.

12 (b) \$500,000.00 must be allocated to a nonprofit organization organized under the
13 laws of this state that is exempt from federal income tax under section 501(c)(3) of the
14 internal revenue code of 1986, 26 USC 501, with a stated mission of being dedicated to the
15 empowerment of all the state's survivors of domestic violence, sexual violence, and human
16 trafficking and to develop and promote comprehensive efforts aimed at eliminating all forms
17 of domestic and sexual violence, including human trafficking, in Michigan.

18 Sec. 8-1147. From the funds appropriated in part 1 for cellular therapy for Versiti
19 Michigan, \$750,000.00 is allocated to Versiti Michigan. The funds must be used to enhance
20 the collection of fetal umbilical cord blood and stem cells for transplant, expand cord
21 blood laboratory capabilities, expand the diversity of collections, and build information
22 technology infrastructure.

23 Sec. 8-1153. From the funds appropriated in part 1 for crime victim rights sustaining
24 grants, the department shall allocate \$102,600.00 of state general fund/general purpose
25 revenue for a sexual assault nurse examiners program at a hospital that is located in a
26 city with a population between 21,600 and 21,700 in a county with a population between
27 64,300 and 64,400, according to the most recent federal decennial census. The funds
28 allocated under this section must be used to support staff compensation and training,
29 victim needs, and community awareness, education, and prevention programs.

30 Sec. 8-1155. (1) From the funds appropriated in part 1 for the uniform statewide
31 sexual assault evidence kit tracking system, in accordance with the final report of the
32 Michigan sexual assault evidence kit tracking and reporting commission, the department

1 shall allocate \$369,500.00 for administering a uniform statewide sexual assault evidence
2 kit tracking system. The system must include all of the following:

3 (a) A uniform statewide system to track the submission and status of sexual assault
4 evidence kits.

5 (b) A uniform statewide system to audit untested kits that were collected on or
6 before March 1, 2015 and were released by victims to law enforcement.

7 (c) Secure electronic access for victims.

8 (d) The ability to accommodate concurrent data entry with kit collection through
9 mechanisms that include, but are not limited to, web entry through computers or
10 smartphones, and through scanning devices.

11 (2) The sexual assault evidence tracking fund established in section 1451 of 2017 PA
12 158 shall continue to be maintained in the department of treasury. Money in the sexual
13 assault evidence tracking fund at the close of a fiscal year remains in the sexual assault
14 evidence tracking fund, does not revert to the general fund, and is appropriated as
15 provided by law for the development and implementation of a uniform statewide sexual
16 assault evidence kit tracking system as described in subsection (1).

17 Sec. 8-1157. From the funds appropriated in part 1 for child advocacy centers -
18 supplemental grants, the department shall allocate \$2,000,000.00 to provide additional
19 funding to child advocacy centers to support the general operations of child advocacy
20 centers. The department shall allocate the additional funding to each center according to
21 the formula under this section. The department shall set a formula in consultation with
22 children's advocacy centers of Michigan (CAC-MI) to allocate the additional funding. The
23 formula must include base funding for each program and factors, such as the number of
24 children in the service area, square miles of the service area, and prior service levels.
25 The purpose of the additional funding is to increase the amount of services provided to
26 children and their families who are victims of abuse over the amount provided in the
27 previous fiscal year.

28 Sec. 8-1158. From the funds appropriated in part 1 for crime victim rights sustaining
29 grants, the department shall allocate \$49,897,400.00 to supplement the loss of federal
30 victims of crime act and state crime victim rights funding. The department must distribute
31 the funds consistent with the regular allocation formula for crime victim justice grants
32 and crime victim rights services grants.

1 Sec. 8-1159. (1) From the funds appropriated in part 1 for community health programs,
2 the department shall support preventive health supports and services in regions with high
3 health care access and outcome disparities. The department shall use the funds appropriated
4 pursuant to this section to advance the recommendations of the racial disparities task
5 force including, but not limited to, all of the following:

6 (a) Financial support for the operation of community-based health clinics. A
7 community-based health clinic shall provide preventive health supports and services, be
8 established in communities with high social vulnerability and health disparities, and be
9 operated in cooperation with trusted community partners with demonstrated experience in
10 serving as an access point for preventive health supports and services.

11 (b) Financial support for the operation of healthy community zones. The healthy
12 community zones must utilize long-term strategies to address access to healthy food,
13 affordable housing, and safety networks.

14 (c) Financial support for the operation of mobile health units to provide preventive
15 health supports and services for individuals residing in areas with high disparities in
16 health care outcomes and access.

17 (2) Not later than March 1 of the current fiscal year, the department shall submit to
18 the standard report recipients a report on the outcome of the community health programs
19 described in subsection (1). The report must include, but is not limited to, all of the
20 following:

21 (a) The list of communities served.

22 (b) The types of health services offered by grant recipients.

23 (c) A spending report from the grant recipients.

24

25 **EPIDEMIOLOGY, EMERGENCY MEDICAL SERVICES, AND LABORATORY**

26 Sec. 8-1180. From the funds appropriated in part 1 for epidemiology administration
27 and for childhood lead program, the department shall maintain a public health drinking
28 water program and maintain enhanced efforts to monitor child blood lead levels. The public
29 health drinking water program shall ensure that appropriate investigations of potential
30 health hazards occur for all community and noncommunity drinking water supplies where
31 chemical exceedances of action levels, health advisory levels, or maximum contaminant
32 limits are identified. The goals of the childhood lead program must include improving the

1 identification of children affected by lead exposure, improving the timeliness of case
2 follow-up, and attaining nurse care management for children with lead exposure, and to
3 achieve a long-term reduction in the percentage of children in this state with elevated
4 blood lead levels.

5 Sec. 8-1181. From the funds appropriated in part 1 for epidemiology administration,
6 the department shall maintain a vapor intrusion response program. The vapor intrusion
7 response program shall assess risks to public health at vapor intrusion sites and respond
8 to vapor intrusion risks if appropriate. The goals of the vapor intrusion response program
9 must include reducing the number of individuals who are exposed to toxic substances through
10 vapor intrusion and improving health outcomes for individuals who are identified as having
11 been exposed to vapor intrusion.

12 Sec. 8-1182. Not later than April 1 of the current fiscal year, the department shall
13 submit a report to the standard report recipients on the expenditures and activities
14 undertaken by the lead abatement program during the previous fiscal year using the funds
15 previously appropriated for the healthy homes program. The report must include, but is not
16 limited to, a funding allocation schedule, the expenditures by category of expenditure and
17 by subcontractor, a description of program elements, the number of housing units abated of
18 lead-based paint hazards by zip code, and a description of program accomplishments and
19 progress.

20 Sec. 8-1186. (1) From the funds appropriated in part 1 for emergency medical services
21 program, the department shall allocate \$2,000,000.00 for a stroke and STEMI system. The
22 department shall integrate the stroke and STEMI system into the statewide trauma care
23 system within the emergency medical services system and shall ensure that the stroke and
24 STEMI system complies with at least all of the following requirements:

25 (a) A requirement that a facility is designated as a stroke and STEMI facility if the
26 department verifies that national certification or accreditation standards for the facility
27 have been met.

28 (b) A requirement that a hospital is not required to be designated as providing
29 certain levels of care for stroke or STEMI.

30 (c) A requirement to develop and use stroke and STEMI registries that utilize
31 nationally recognized data platforms with confidentiality standards.

32 (2) As used in this section:

1 (a) "STEMI" means an ST-elevation myocardial infarction.

2 (b) "Stroke and STEMI system" means a statewide stroke and STEMI system of care for
3 time-sensitive emergencies.

4
5 **LOCAL HEALTH AND ADMINISTRATIVE SERVICES**

6 Sec. 8-1220. The amount appropriated in part 1 for implementation of the 1993
7 additions of or amendments to sections 9161, 16221, 16226, 17014, 17015, and 17515 of the
8 public health code, 1978 PA 368, MCL 333.9161, 333.16221, 333.16226, 333.17014, 333.17015,
9 and 333.17515, must be used to reimburse local health departments for costs incurred to
10 implement section 17015(18) of the public health code, 1978 PA 368, MCL 333.17015.

11 Sec. 8-1221. If a county that participates in a district health department or has an
12 associated arrangement with another local health department takes action to stop
13 participating in that arrangement after October 1 of the current fiscal year, the
14 department may assess a penalty from the local health department's operational accounts in
15 an amount equal to no more than 6.25% of the local health department's essential local
16 public health services funding. The department shall assess a penalty only if a county
17 requests the dissolution of the health department.

18 Sec. 8-1222. (1) The department shall prospectively allocate funds appropriated in
19 part 1 for essential local public health services to local health departments to support
20 immunizations, infectious disease control, sexually transmitted disease control and
21 prevention, hearing screening, vision services, food protection, public water supply,
22 private groundwater supply, and on-site sewage management. The department shall consult
23 with the department of agriculture and rural development before allocating funds for food
24 protection under this section. The department shall consult with the department of
25 environment, Great Lakes, and energy before allocating funds for public water supply,
26 private groundwater supply, and on-site sewage management under this section.

27 (2) The department shall not distribute funds under subsection (1) to a county unless
28 the county maintains local spending in the current fiscal year in an amount that is equal
29 to or exceeds the amount the county expended in fiscal year 1992-1993 for the services
30 described in subsection (1).

31 (3) Not later than February 1 of the current fiscal year, the department shall submit
32 a report to the standard report recipients on the planned allocation of the funds

1 appropriated for essential local public health services.

2 (4) The department shall continue to implement the distribution formula for
3 allocating essential local public health services funding to local health departments as
4 specified in section 1234 of article X of 2018 PA 207.

5 (5) From the funds appropriated in part 1 for essential local public health services,
6 each local public health department is allocated not less than the amount allocated to that
7 local public health department during the previous fiscal year.

8 Sec. 8-1227. The department shall establish criteria for all funds allocated for
9 health and wellness initiatives. The criteria must include a requirement that a program
10 receiving funding is evidence-based and supported by research, includes interventions that
11 have been shown to demonstrate outcomes that lower cost and improve quality, and is
12 designed for statewide impact. The department shall give preference to a program that uses
13 the funding as match for additional resources, including, but not limited to, federal
14 sources.

15 Sec. 8-1231. From the funds appropriated for local health services, up to
16 \$4,750,000.00 is allocated for grants to local health departments to support PFAS response
17 and emerging public health threat activities. The department shall allocate a portion of
18 the funding in a collaborative fashion with local health departments in jurisdictions
19 experiencing PFAS contamination. The department shall allocate the remainder of the funding
20 to address infectious and vector-borne disease threats, and other environmental
21 contamination issues, including, but not limited to, vapor intrusion, drinking water
22 contamination, and lead exposure. The department shall allocate the funding to address
23 issues including, but not limited to, staffing, planning and response, and creating and
24 disseminating materials related to PFAS contamination issues and other emerging public
25 health issues and threats.

26 Sec. 8-1232. The department may work to ensure that the United States Department of
27 Defense reimburses the state for costs associated with PFAS and environmental contamination
28 response at military training sites and support facilities.

29 Sec. 8-1233. The department shall not expend general fund and state restricted fund
30 appropriations in part 1 for PFAS and environmental contamination response if federal
31 funding or private grant funding is available for the same expenditures.

32 Sec. 8-1239. The department shall participate in and give necessary assistance to the

1 Michigan PFAS action response team (MPART) pursuant to Executive Order No. 2019-03. The
2 department shall collaborate with MPART and other departments to carry out appropriate
3 activities, actions, and recommendations as coordinated by MPART. Efforts must be
4 continuous to ensure that the department's activities are not duplicative with activities
5 of another department or agency.

6 Sec. 8-1240. From the funds appropriated in part 1 for chronic disease control and
7 health promotion administration, \$70,000.00 is allocated to support a rare disease advisory
8 council and the responsibilities of the rare disease advisory council, which may include
9 all of the following:

- 10 (a) Developing a list of rare diseases.
- 11 (b) Posting the list of rare diseases on the department's website.
- 12 (c) Updating the list of rare diseases.
- 13 (d) Annually investigating and reporting to the legislature on 1 rare disease on the
14 list, and including legislative recommendations in the report.

15

16 **FAMILY HEALTH SERVICES**

17 Sec. 8-1302. From the funds appropriated in part 1 for special projects, the
18 department shall allocate \$500,000.00 to purchase child restraint systems for newborn
19 children. The child restraint systems must meet the standards of all applicable federal law
20 and the laws of this state, be purchased in volume by this state, and be distributed
21 through maternal infant health program providers.

22 Sec. 8-1306. (1) From the funds appropriated in part 1 for the drinking water
23 declaration of emergency, the department shall allocate funds to address needs in a city in
24 which a declaration of emergency was issued because of drinking water contamination. The
25 funds allocated under this section may be used to support any of the following activities:

- 26 (a) Nutrition assistance, nutritional and community education, food bank resources,
27 and food inspections.
- 28 (b) Epidemiological analysis and case management of individuals at risk of elevated
29 blood lead levels.
- 30 (c) Support for child and adolescent health centers, and children's health care
31 access program.
- 32 (d) Nursing services, breastfeeding education, evidence-based home visiting programs,

1 intensive services, and outreach for children exposed to lead coordinated through local
2 community mental health organizations.

3 (e) Department local office operations costs.

4 (f) Lead poisoning surveillance, investigations, treatment, and abatement.

5 (g) Nutritional incentives provided to local residents through the double up food
6 bucks expansion program.

7 (h) Genesee County health department food inspectors to perform water testing at
8 local food service establishments.

9 (i) Transportation related to health care delivery.

10 (j) Senior initiatives.

11 (k) Lead abatement contractor workforce development.

12 (l) Any other activity that the department considers appropriate.

13 (2) From the funds appropriated in part 1 for the drinking water declaration of
14 emergency, the department shall allocate \$300,000.00 for Revive Community Health Center for
15 health support services as the center pursues certification as a FQHC.

16 (3) From the funds appropriated in part 1 for the drinking water declaration of
17 emergency, the department shall allocate \$500,000.00 for rides to wellness through the
18 Flint mass transportation authority.

19 Sec. 8-1308. From the funds appropriated in part 1 for prenatal care outreach and
20 service delivery support, the department shall allocate not less than \$500,000.00 for
21 evidence-based programs to reduce infant mortality. The funds must be used for enhanced
22 support and education to nursing teams or other teams of health professionals that the
23 department considers qualified, client recruitment in areas designated as underserved for
24 obstetrical and gynecological services and in other high-need communities, strategic
25 planning to expand and sustain programs, and marketing and communications of programs to
26 raise awareness, engage stakeholders, and recruit nurses.

27 Sec. 8-1311. From the funds appropriated in part 1 for prenatal care outreach and
28 service delivery support, the department shall allocate not less than \$2,750,000.00 of
29 state general fund/general purpose revenue for a rural home visit program. The department
30 shall give equal consideration to all eligible evidence-based providers in all regions in
31 contracting for rural home visitation services.

32 Sec. 8-1313. (1) From the funds appropriated in part 1, the department shall continue

1 developing an outreach program on fetal alcohol syndrome services, targeting health
2 promotion, prevention, and intervention.

3 (2) The department shall explore federal grant funding to address prevention services
4 for fetal alcohol syndrome and to reduce alcohol consumption among pregnant women.

5 Sec. 8-1314. From the funds appropriated in part 1, the department shall enhance the
6 department's education and outreach efforts that encourage women of childbearing age to
7 seek the confirmation of a pregnancy at the earliest indication of a possible pregnancy and
8 to initiate continuous and routine prenatal care on the confirmation of a pregnancy. The
9 department shall ensure that the department's programs, policies, and practices promote
10 prenatal and obstetrical care by doing all of the following:

11 (a) Supporting access to care.

12 (b) Reducing and eliminating barriers to care.

13 (c) Supporting recommendations for best practices.

14 (d) Encouraging optimal prenatal habits, including, but not limited to, prenatal
15 medical visits, use of prenatal vitamins, and the cessation of tobacco use, alcohol use, or
16 drug use.

17 (e) Tracking birth outcomes to study improvements in prevalence of neonatal substance
18 exposure, fetal alcohol syndrome, and other preventable neonatal disease.

19 (f) Tracking maternal increase in healthy behaviors following childbirth.

20 Sec. 8-1315. From the funds appropriated in part 1 for dental programs, \$200,000.00
21 is allocated to the Michigan Dental Association for the administration of a volunteer
22 dental program that provides dental services to the uninsured.

23 Sec. 8-1316. The department shall use revenue from permit fees for mobile dental
24 facilities that the department receives under section 21605 of the public health code, 1978
25 PA 368, MCL 333.21605, to offset the costs of processing and issuing permits for mobile
26 dental facilities.

27 Sec. 8-1325. From the funds appropriated in part 1 for prenatal care outreach and
28 service delivery support, the department shall allocate \$5,000,000.00 to support grants to
29 local collaboratives to enhance the ability of local collaboratives to coordinate and
30 improve maternal and infant health outcomes. To receive a grant under this section, a local
31 collaborative must be a part of a perinatal quality collaborative.

32 Sec. 8-1341. The department shall use income eligibility and verification guidelines

1 established by the Food and Nutrition Service agency of the United States Department of
2 Agriculture to determine eligibility of individuals for the special supplemental nutrition
3 program for women, infants, and children (WIC) as stated in current WIC policy.

4 Sec. 8-1343. From the funds appropriated in part 1 for dental programs, the
5 department shall allocate \$4,260,000.00 of state and local funds, plus any private
6 contributions received to support the program, to establish and maintain the dental oral
7 assessment program described in section 9316 of the public health code, 1978 PA 368, MCL
8 333.9316.

9 Sec. 8-1349. Subject to federal approval, from the funds appropriated in part 1 for
10 immunization program, the department shall allocate all of the following funds to support a
11 statewide media campaign for improving this state's immunization rates:

12 (a) \$740,000.00 of general fund/general purpose revenue.

13 (b) Any available work project funds.

14 (c) Any available federal match through a contract administered by the department
15 with oversight from the behavioral and physical health and aging services administration
16 and the public health administration.

17

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

19 Sec. 8-1360. From the funds appropriated in part 1, the department may do 1 or more
20 of the following:

21 (a) Provide special formulas for eligible individuals with specified metabolic and
22 allergic disorders.

23 (b) Provide medical care and treatment to eligible individuals with cystic fibrosis
24 who are 26 years of age or older.

25 (c) Provide medical care and treatment to eligible individuals with hereditary
26 coagulation defects, commonly known as hemophilia, who are 26 years of age or older.

27 (d) Provide human growth hormone to eligible individuals.

28 (e) Provide mental health care to eligible individuals for mental health needs that
29 result from, or are a symptom of, the individual's qualifying medical condition.

30 (f) Provide medical care and treatment to eligible individuals with sickle cell
31 disease who are 26 years of age or older.

32 Sec. 8-1361. From the funds appropriated in part 1 for medical care and treatment,

1 the department may spend the funds to continue developing and expanding telemedicine
2 capacity to allow families with children in the children's special health care services
3 program to access specialty providers more readily and in a more timely manner. The
4 department may spend funds to support chronic complex care management of children enrolled
5 in the children's special health care services program to minimize hospitalizations and
6 reduce costs to the program while improving outcomes and quality of life. As used in this
7 section, "children's special health care services program" or "program" means the program
8 established under section 5815 of the public health code, 1978 PA 368, MCL 333.5815.

9

10 **AGING SERVICES**

11 Sec. 8-1402. The department may encourage the Food Bank Council of Michigan to
12 collaborate directly with each area agency on aging and any other organization that
13 provides senior nutrition services to secure the food access of older adults.

14 Sec. 8-1404. From the funds appropriated in part 1 for community services, the
15 department shall allocate \$658,000.00 to area agencies on aging for home and community-
16 based services.

17 Sec. 8-1417. Not later than March 31 of the current fiscal year, the department shall
18 submit to the standard report recipients a report that contains all of the following
19 information:

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

22 (b) Detailed expenditures by each area agency on aging by individual program and
23 administration, including both state-funded resources and locally funded resources.

24 Sec. 8-1421. From the funds appropriated in part 1 for community services,
25 \$1,100,000.00 is allocated for locally determined needs that are provided by area agencies
26 on aging.

27

28 **HEALTH AND AGING SERVICES ADMINISTRATION**

29 Sec. 8-1505. Not later than March 1 of the current fiscal year, the department shall
30 submit a report to the standard report recipients on the actual reimbursement savings and
31 cost offsets that have resulted from the funds appropriated in part 1 for the office of
32 inspector general and third-party liability efforts in the previous fiscal year.

1 Sec. 8-1507. From the funds appropriated in part 1 for office of inspector general,
2 the inspector general shall audit and recoup inappropriate or fraudulent payments from
3 Medicaid managed care organizations to health care providers. Unless authorized by federal
4 law or a law of this state, the department shall not fine, temporarily halt operations of,
5 disenroll as a Medicaid provider, or terminate a managed care organization or health care
6 provider from providing services due to the discovery of an inappropriate payment found
7 during the course of an audit.

8 Sec. 8-1512. From the funds appropriated in part 1, the department shall maintain the
9 Medicaid encounter quality initiative report to separate nonclinical administrative costs
10 from actual claims and encounter costs.

11 Sec. 8-1518. The department shall coordinate with the department of licensing and
12 regulatory affairs to ensure that, on the issuance of an order suspending the license of an
13 adult foster care facility, home for the aged, or nursing home, the department of licensing
14 and regulatory affairs provides a notice to the department, to the house and senate
15 appropriations subcommittees on the department budget, and to the members of the house of
16 representatives and senate that represent the legislative districts of the county in which
17 the adult foster care facility, home for the aged, or nursing home is located.

18

19 **HEALTH SERVICES**

20 Sec. 8-1605. The protected income level for Medicaid coverage determined under
21 section 106(1)(b)(iii) of the social welfare act, 1939 PA 280, MCL 400.106, is 100% of the
22 Federal Poverty Level.

23 Sec. 8-1606. For the purpose of guardian and conservator charges, the department may
24 deduct up to \$83.00 per month as an allowable expense against a recipient's income when
25 determining Medicaid eligibility and patient pay amounts.

26 Sec. 8-1607. (1) The department shall immediately presume that an applicant for
27 Medicaid whose qualifying condition is pregnancy is eligible for Medicaid coverage, unless
28 the preponderance of evidence in the applicant's application indicates otherwise. The
29 applicant who is qualified as described in this subsection is allowed to select or remain
30 with the Medicaid participating obstetrician of the applicant's choice.

31 (2) Each qualifying applicant is entitled to receive all medically necessary
32 obstetrical and prenatal care without preauthorization from a health plan. All claims

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

6 (3) If an applicant, presumed to be eligible for Medicaid under subsection (1), is
7 subsequently found to be ineligible, a Medicaid physician or managed care plan that has
8 been providing pregnancy services to the applicant is entitled to reimbursement for the
9 services until the Medicaid physician or managed care plan is notified by the department
10 that the applicant was found to be ineligible for Medicaid.

11 (4) If the preponderance of evidence in an application under subsection (1) indicates
12 that the applicant is not eligible for Medicaid, the department shall refer the applicant
13 to the nearest public health clinic or similar entity as a potential source for receiving
14 pregnancy-related services.

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

18 (6) The department shall require that Medicaid managed care plans enroll women whose
19 qualifying condition for Medicaid is pregnancy.

20 (7) The department shall encourage physicians to provide an applicant whose
21 qualifying condition for Medicaid is pregnancy with a referral to a Medicaid participating
22 dentist at the applicant's first pregnancy-related appointment.

23 Sec. 8-1611. (1) For care provided to Medicaid recipients with other third-party
24 sources of payment, Medicaid reimbursement shall not exceed, in combination with such other
25 resources, including Medicare, those amounts established for Medicaid-only patients. The
26 Medicaid payment rate shall be accepted as payment in full. Other than an approved Medicaid
27 copayment, no portion of a provider's charge shall be billed to the recipient or any person
28 acting on behalf of the recipient. This section does not affect the level of payment from a
29 third-party source other than the Medicaid program. The department shall require a
30 nonenrolled provider to accept Medicaid payments as payment in full.

31 (2) Notwithstanding subsection (1), if a hospital service is provided to a dual
32 Medicare/Medicaid recipient with only Medicare part B coverage, the Medicaid reimbursement

1 must equal, when combined with a payment for Medicare or other third-party source of
2 payment, the amount established for a Medicaid-only patient, including a capital payment.

3 Sec. 8-1620. (1) If a Medicaid claim is a fee-for-service Medicaid claim, the
4 professional dispensing fee for a drug that is listed as a medication on the Michigan
5 pharmaceutical products list is \$20.02 or the pharmacy's submitted dispensing fee,
6 whichever is less.

7 (2) If a Medicaid claim is a fee-for-service Medicaid claim, the professional
8 dispensing fee for a drug that is not listed as a specialty medication on the Michigan
9 pharmaceutical products list is as follows:

10 (a) If the drug is indicated as preferred on the department's preferred drug list,
11 \$10.80 or the pharmacy's submitted dispensing fee, whichever is less.

12 (b) If the drug is not on the department's preferred drug list, \$10.64 or the
13 pharmacy's submitted dispensing fee, whichever is less.

14 (c) If the drug is indicated as nonpreferred on the department's preferred drug list,
15 \$9.00 or the pharmacy's submitted dispensing fee, whichever is less.

16 Sec. 8-1626. (1) Not later than January 15 of the current fiscal year, each pharmacy
17 benefit manager that receives reimbursements, either directly or through a Medicaid health
18 plan, from the funds appropriated in part 1 for medical services must submit all of the
19 following information to the department for the previous fiscal year:

20 (a) The total number of prescriptions that were dispensed.

21 (b) The aggregate fiscal year paid pharmacy claims repriced using the wholesale
22 acquisition cost for each drug on its formulary.

23 (c) The aggregate amount of rebates, discounts, and price concessions that the
24 pharmacy benefit manager received for each drug on its formulary. The aggregate amount of
25 rebates must include any utilization discounts the pharmacy benefit manager received from a
26 manufacturer.

27 (d) The aggregate amount of administrative fees that the pharmacy benefit manager
28 received from all pharmaceutical manufacturers.

29 (e) The aggregate amount identified in subdivisions (b) and (c) that were retained by
30 the pharmacy benefit manager and did not pass through to the department or to the Medicaid
31 health plan.

32 (f) The aggregate amount of reimbursements the pharmacy benefit manager paid to

1 contracting pharmacies.

2 (g) Any other information considered necessary by the department.

3 (2) Not later than March 1 of the current fiscal year, the department shall submit a
4 report including the information provided under subsection (1) to the standard report
5 recipients.

6 (3) Any nonaggregated information submitted under this section is confidential and
7 must not be disclosed to any person by the department. The information described in this
8 subsection is not a public record of the department.

9 Sec. 8-1628. From the funds appropriated in part 1 for hospital services and therapy
10 and Healthy Michigan plan, the department shall continue to allocate \$3,000,000.00 in
11 general fund/general purpose revenue and any associated federal match to maintain the
12 Medicaid reimbursement rate for dental services provided at ambulatory surgical centers and
13 outpatient hospitals. The funding provided in this section must be used to maintain the
14 minimum rate of reimbursement for dental services provided in ambulatory surgical centers
15 at \$1,495.00 and maintain the minimum rate of reimbursement for dental services provided in
16 outpatient hospitals at \$2,300.00.

17 Sec. 8-1629. The department shall utilize maximum allowable cost pricing for generic
18 drugs that is based on wholesaler pricing to providers. The wholesaler pricing must be
19 based on the price available from at least 2 wholesalers who deliver drugs in this state.

20 Sec. 8-1630. Not later than April 1 of the current fiscal year, from the funds
21 appropriated in part 1 for Medicaid dental services, the department shall submit a report
22 to the standard report recipients on the dental service benefit. The report must cover all
23 of the following areas:

24 (a) Information on the implementation of the Adult Medicaid dental benefit redesign
25 including all of the following information:

26 (i) The number of dental providers, by Medicaid health plan in this state, who
27 provided 1 or more Medicaid dental services in the fiscal year ending September 30, 2022,
28 and the number of additional providers who were added in the previous fiscal year, with a
29 delineation in the reported numbers based on the average payment per visit and before and
30 after the implementation of the Adult Medicaid dental benefit redesign.

31 (ii) The status of enhanced care coordination.

32 (iii) The array of covered dental benefits and services before the Adult Medicaid

1 dental benefit redesign and how the available benefits and services changed or expanded
2 after the Adult Medicaid dental benefit redesign.

3 (b) Information on the Healthy Kids Dental program including all of the following
4 information:

5 (i) The number of children enrolled in the Healthy Kids Dental program who visited
6 the dentist in the previous fiscal year broken down by dental benefit manager.

7 (ii) The number of dentists who accept payment from the Healthy Kids Dental program
8 broken down by dental benefit manager.

9 (iii) The annual change in dental utilization of children enrolled in the Healthy
10 Kids Dental program broken down by dental benefit manager.

11 (iv) Service expenditures for the Healthy Kids Dental program broken down by dental
12 benefit manager.

13 (v) Administrative expenditures for the Healthy Kids Dental program broken down by
14 dental benefit manager.

15 Sec. 8-1631. (1) The department shall require copayments on dental, podiatric, and
16 vision services provided to Medicaid recipients, except as prohibited by federal law or a
17 law of this state.

18 (2) Except as otherwise prohibited by federal law or a law of this state, the
19 department shall require Medicaid recipients to pay the following copayments:

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

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

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

23 (d) Two dollars for an outpatient hospital visit.

24 (e) One dollar for a generic drug or any drug indicated as preferred on the
25 department's preferred drug list and \$3.00 for a brand-name drug not indicated as preferred
26 on the department's preferred drug list.

27 Sec. 8-1641. An institutional provider that is required to submit a cost report under
28 the Medicaid program shall submit cost reports completed in full not more than 5 months
29 after the end of the institutional provider's fiscal year.

30 Sec. 8-1645. (1) From the funds appropriated in part 1, the department shall increase
31 wages by \$0.85 per hour above the level paid for the fiscal year ending September 30, 2023
32 for eligible nonclinical staff employed by skilled nursing facilities and contracted out

1 regularly scheduled full-time and part-time, non-temporary employees. The funding must
2 include all costs incurred by the employer, including payroll taxes, due to prior wage
3 increases. The wage increase shall apply to hours worked as well as paid time off hours.

4 (2) The nonclinical staff eligible for the wages described in subsection (1) are
5 those whose costs are reported in the following job classifications in nursing facility
6 institutional cost reports shared with the department:

7 (a) Other housekeeping.

8 (b) Other maintenance worker.

9 (c) Other plant operations.

10 (d) Other laundry.

11 (e) Dining room assistants.

12 (f) Other dietary workers.

13 (g) Other medical records.

14 (h) Other social services.

15 (i) Other diversion therapy.

16 (j) Beauty and barber.

17 (k) Gift, flower, coffee, and canteen worker.

18 (l) Nursing department unit clerks.

19 (m) Non-certified aides, including but not limited to resident aides, resident care
20 aides, activities aides, and non-certified nurse aides.

21 Sec. 8-1646. From the funds appropriated in part 1, the department shall maintain the
22 Medicaid reimbursement rates for orthotic and prosthetic providers in place in the prior
23 fiscal year.

24 Sec. 8-1650. From the funds appropriated in part 1 for special Medicaid
25 reimbursement, \$3,500,000.00 of general fund/general purpose revenue must be distributed to
26 a university located in a county with a population between 284,000 and 285,000, according
27 to the most recent federal decennial census, that has a college of allopathic medicine and
28 a college of osteopathic medicine. The purpose of this project is to ensure continued
29 access to medical care for indigents and increase the efficiency and effectiveness of
30 medical practitioners providing services to Medicaid beneficiaries under managed care.

31 Sec. 8-1657. (1) The department shall not make reimbursement for Medicaid to screen
32 and stabilize a Medicaid recipient, including stabilization of a psychiatric crisis, in a

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

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

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

10 Sec. 8-1662. (1) From the funds appropriated in part 1, the department shall require
11 an annual external quality review of each contracting HMO. The external quality review must
12 analyze and evaluate aggregated information on quality, timeliness, and access to health
13 care services that the HMO or its contractors furnish to Medicaid beneficiaries. The
14 department shall create a report containing each quality review required under this
15 subsection.

16 (2) The department shall require Medicaid HMOs to provide EPSDT utilization data
17 through the encounter data system, and HEDIS well child health measures in accordance with
18 the National Committee for Quality Assurance prescribed methodology.

19 (3) The department shall submit a copy of the analysis of the Medicaid HMO annual
20 audited reports on HEDIS and the report under subsection (1) to the standard report
21 recipients within 30 days after the department's receipt of the final information required
22 from the contractors.

23 Sec. 8-1670. (1) The appropriation in part 1 for the MICHild program is to be used to
24 provide comprehensive health care to all children under age 19 who reside in families with
25 an income at or below 212% of the federal poverty level, who are uninsured and have not had
26 coverage by other comprehensive health insurance within 6 months of applying for MICHild
27 benefits, and who are residents of this state. The department shall develop detailed
28 eligibility criteria through the behavioral and physical health and aging services
29 administration public concurrence process. The eligibility criteria must be consistent with
30 the provisions of this part and part 1.

31 (2) The department shall provide up to 1 year of continuous eligibility to a child
32 eligible for the MICHild program unless the child reaches age 19.

1 Sec. 8-1677. From the funds appropriated in part 1 for the MIChild program, the
2 department shall provide, at a minimum, all benefits available under the Michigan benchmark
3 plan that are delivered through contracted providers and consistent with federal law,
4 including, but not limited to, the following medically necessary services:

5 (a) Inpatient mental health services, other than substance use disorder treatment
6 services, including services furnished in a state-operated mental hospital and residential
7 or other 24-hour therapeutically planned structured services.

8 (b) Outpatient mental health services, other than substance use disorder services,
9 including services furnished in a mental hospital operated by this state and community-
10 based services.

11 (c) Durable medical equipment and prosthetic and orthotic devices.

12 (d) Dental services as outlined in the approved MIChild state plan.

13 (e) Substance use disorder treatment services that may include inpatient, outpatient,
14 and residential substance use disorder treatment services.

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

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

18 (h) Emergency ambulance services.

19 Sec. 8-1682. (1) In addition to the appropriations in part 1, the department is
20 authorized to receive and spend penalty money received as the result of noncompliance with
21 Medicaid certification regulations. Penalty money, characterized as private funds, received
22 by the department shall increase authorizations and allotments in the long-term care
23 accounts.

24 (2) Any unexpended penalty money, at the end of the year, must carry forward to the
25 following year.

26 (3) Not later than March 1 of the current fiscal year, the department shall report to
27 the standard report recipients on penalty money received by the department as described in
28 subsection (1). The report must include, but is not limited to, the following information:

29 (a) The amount of penalty monies received by the department in the previous fiscal
30 year listed by the assessed entity.

31 (b) A list of the entities that were assessed penalties in the previous fiscal year
32 with the rationale for each penalty.

1 Sec. 8-1692. (1) The department is authorized to pursue reimbursement for eligible
2 services provided in Michigan schools from the federal Medicaid program. The department and
3 the state budget director are authorized to negotiate and enter into agreements, together
4 with the department of education, with local and intermediate school districts regarding
5 the sharing of federal Medicaid services funds received for these services. The department
6 is authorized to receive and disburse funds to participating school districts pursuant to
7 agreements described in this subsection and pursuant to federal law and a law of this
8 state.

9 (2) From the funds appropriated in part 1 for health services school-based services
10 payments, the department is authorized to do all of the following:

11 (a) Finance activities within the behavioral and physical health and aging services
12 administration related to eligible services.

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

15 (c) Offset general fund costs associated with the Medicaid program.

16 Sec. 8-1693. The special Medicaid reimbursement appropriation in part 1 may be
17 increased if the department submits a Medicaid state plan amendment pertaining to this line
18 item at a level higher than the appropriation. The department is authorized to
19 appropriately adjust financing sources in accordance with the increased appropriation.

20 Sec. 8-1694. From the funds appropriated in part 1 for special Medicaid
21 reimbursement, \$2,628,500.00 of general fund/general purpose revenue and any associated
22 federal match must be distributed for poison control services to an academic health care
23 system that has a high volume of providing care to indigent individuals.

24 Sec. 8-1697. The department shall require that Medicaid health plans administering
25 Healthy Michigan plan benefits maintain a network of dental providers in sufficient
26 numbers, mix, and geographic locations throughout their respective service areas in order
27 to provide adequate dental care for Healthy Michigan plan enrollees.

28 Sec. 8-1700. Not later than December 1 of the current fiscal year, the department
29 shall report to the standard report recipients on the distribution of funding provided, and
30 the net benefit if the special hospital payment is not financed with general fund/general
31 purpose revenue, to each eligible hospital during the previous fiscal year from the
32 following special hospital payments:

1 (a) GME.

2 (b) Special rural hospital payments provided under section 1802(1)(b) of this part.

3 (c) Lump-sum payments to rural hospitals for obstetrical care provided under section
4 1802(1)(a) of this part.

5 Sec. 8-1702. From the funds appropriated in part 1, the department shall allocate
6 \$2,830,000.00 in general fund/general purpose revenue and any associated federal match to
7 maintain the rates in place in the prior fiscal year for private duty nursing services for
8 Medicaid beneficiaries under the age of 21. These additional funds must be used to attract
9 and retain highly qualified registered nurses and licensed practical nurses to provide
10 private duty nursing services so that medically fragile individuals can be cared for in the
11 most homelike setting possible.

12 Sec. 8-1757. The department shall obtain proof from all Medicaid recipients that they
13 are United States citizens or otherwise legally residing in this country and that they are
14 residents of this state before approving Medicaid eligibility.

15 Sec. 8-1764. The department shall annually certify whether rates paid to Medicaid
16 health plans and specialty PIHPs are actuarially sound in accordance with federal
17 requirements. The department shall provide to the standard report recipients a copy of the
18 rate certification required under this section and the approval of rates paid to Medicaid
19 health plans and specialty PIHPs for any fiscal year for Medicaid capitation rate
20 certifications and any Medicaid capitation rate amendments not later than 5 days following
21 receipt. Following the rate certification, the department shall ensure that no new or
22 revised state Medicaid policy bulletin that is promulgated materially impacts the
23 capitation rates that have been certified.

24 Sec. 8-1775. From the funds appropriated in part 1, by not later than March 1 of the
25 current fiscal year, the department shall provide a report to the standard report
26 recipients on the transition of the MI Health Link program to an integrated dual eligible
27 special needs plan (D-SNP) required by Medicare Advantage and Part D Final Rule (CMS-4192-
28 F). This report must include progress updates on the implementation of the dual eligible
29 special needs plans, known as MI Coordinated Health.

30 Sec. 8-1786. From the funds appropriated in part 1, the department shall maintain
31 Medicaid reimbursement for the administration of injectable, nasal and oral vaccines at
32 \$23.03.

1 Sec. 8-1787. From the funds appropriated in part 1 for health plan services, Healthy
2 Michigan Plan, and long-term care services, the department shall maintain the Medicaid
3 reimbursement rates in place in the prior fiscal year for CPT codes 31579, 92507, 92508,
4 92520, 92521, 92522, 92523, 92524, 92526, 92597, 92607, 92608, 92609, 92610, 92630, 92633,
5 92700, 94010, 97129, 97130, 97533, 97799, G2250, G2251, and S9152.

6 Sec. 8-1788. From the funds appropriated in part 1, the department shall maintain
7 Medicaid reimbursement rates, including Medicaid reimbursements from the ambulance provider
8 quality assurance assessment, for ground ambulance services at not less than 100% of the
9 Medicare base rates for Locality 01 for ground ambulance services in effect on January 1,
10 2023.

11 Sec. 8-1790. The department shall maintain the current practitioner rates paid for
12 CPT codes 90791 through 90899 for psychiatric procedures through Medicaid fee-for-service
13 and through the comprehensive Medicaid health plans for psychiatric procedures provided for
14 Medicaid recipients under the age of 21.

15 Sec. 8-1791. From the funds appropriated in part 1 for health plan services and
16 physician services, the department shall provide Medicaid reimbursement rates for neonatal
17 services at 100% of the Medicare rate received for those services in effect on the date the
18 services are provided to eligible Medicaid recipients. The neonatal services and physician
19 services eligible for reimbursement rates under this section are described as CPT codes
20 99468, 99469, 99471, 99472, 99475, 99476, 99477, 99478, 99479, and 99480.

21 Sec. 8-1794. (1) From the funds appropriated in part 1, the department shall provide
22 Medicaid reimbursements for hospital-based substance use disorder peer-supports.

23 (2) Not later than March 1 of the current fiscal year, the department shall report to
24 the standard report recipients on the statewide amounts and each hospital amount for
25 hospital-based substance use disorder peer-supports during the first quarter of the current
26 fiscal year, including for all of the following:

- 27 (a) The number of individuals served.
- 28 (b) The Medicaid reimbursement utilization.
- 29 (c) The total expenditures.

30 Sec. 8-1801. From the funds appropriated in part 1 for physician services and health
31 plan services, the department shall continue the increase to Medicaid rates for primary
32 care services provided only by primary care providers. The department shall not provide the

1 increase to Medicaid rates under this section to primary care providers whose primary
2 practice is as a non-primary-care subspecialty. The department shall establish policies
3 that most effectively limit the increase to primary care providers for primary care
4 services only. As used in this section, "primary care provider" means a physician, or a
5 practitioner working in collaboration with a physician, who is either licensed under part
6 170 or part 175 of the public health code, 1978 PA 368, MCL 333.17001 to 333.17097 and
7 333.17501 to 333.17556, and who works as a primary care provider in general practice or is
8 board-eligible or certified with a specialty designation of family medicine, general
9 internal medicine, or pediatric medicine, or is a provider who provides the department with
10 documentation of equivalency.

11 Sec. 8-1802. (1) From the funds appropriated in part 1 for hospital services and
12 therapy, the department shall provide for the following:

13 (a) \$8,470,200.00 in general fund/general purpose revenue as lump-sum payments to
14 noncritical access hospitals that qualified for rural hospital access payments in fiscal
15 year 2013-2014 and that provide obstetrical care this fiscal year. Payment amounts must be
16 based on the volume of obstetrical care cases and newborn care cases for all such cases
17 billed by each qualified hospital in the most recent year for which data is available. The
18 department shall make payments not later than January 1 of the current fiscal year. For the
19 current fiscal year, a hospital that met established occupied bed criteria based on
20 Medicaid cost reports as of the fiscal year ending September 30, 2011, and that is located
21 within a county with a population of not more than 165,000 and within a city, village, or
22 township with a population of not more than 16,000, according to the 2000 federal decennial
23 census, is eligible.

24 (b) \$15,204,800.00 in general fund/general purpose revenue and any associated federal
25 match awarded as rural access payments to noncritical access hospitals that meet criteria
26 established by the department for services to low-income rural residents. One of the
27 reimbursement components of the criteria established by the department under this
28 subsection must be assistance with labor and delivery services. A hospital that met
29 established occupied bed criteria based on Medicaid cost reports as of the fiscal year
30 ending September 30, 2011, and that is located within a county with a population of not
31 more than 165,000 and within a city, village, or township with a population of not more
32 than 16,000 according to the 2000 federal decennial census is eligible solely for the rural

1 access pool general fund/general purpose revenue portion.

2 (2) Payments under this section must be made by January 1 of the current fiscal year.

3 (3) The department shall publish the distribution of payments for the current fiscal
4 year and the previous fiscal year.

5 Sec. 8-1804. The department may utilize the federal public assistance reporting
6 information system to continue to work to identify Medicaid recipients who are veterans and
7 who may be eligible for federal veterans' health care benefits or other benefits and shall
8 continue to refer veterans to the department of military and veterans affairs for
9 assistance in securing additional benefits.

10 Sec. 8-1810. In advance of the annual rate setting development, Medicaid health plans
11 must be given at least 60 days to dispute and correct any discarded encounter data before
12 rates are certified. The department shall notify each contracting Medicaid health plan of
13 any encounter data that have not been accepted for the purposes of rate setting.

14 Sec. 8-1812. Not later than June 1 of the current fiscal year, and using the most
15 recent available cost reports, the department shall complete a report of all direct and
16 indirect costs associated with residency training programs for each hospital that receives
17 funds appropriated in part 1 for graduate medical education or through the MiDocs
18 consortium. The report shall be submitted to the standard report recipients.

19 Sec. 8-1820. (1) In order to avoid duplication of effort, if a Medicaid health plan
20 has been reviewed and accredited by a national accrediting entity for health care services,
21 the department shall use applicable national accreditation review criteria to determine
22 compliance with corresponding requirements in this state.

23 (2) The department shall continue to comply with federal law and laws of this state
24 and shall not initiate an action that negatively impacts beneficiary safety.

25 (3) As used in this section, "national accrediting entity" means the National
26 Committee for Quality Assurance, the URAC, formerly known as the Utilization Review
27 Accreditation Commission, or another appropriate entity, as approved by the department.

28 Sec. 8-1830. From the funds appropriated in part 1 for hospital services and therapy,
29 the department shall allocate \$5,000,000.00 to support prenatal health care providers
30 operating in this state to provide services for existing group-based prenatal care programs
31 that include 1 or more health care professionals leading small groups of expectant mothers
32 in the same phase of pregnancy in discussions and other health services that promote the

1 well-being and health of mothers and babies.

2 Sec. 8-1831. From the funds appropriated in part 1 for hospital services and therapy,
3 the department shall allocate \$10,000,000.00 to continue to support hospitals in this state
4 to improve maternal safety and outcomes by administering and expanding a data-driven
5 maternal safety and quality improvement initiative that is based on interdisciplinary and
6 consensus-based practices. The initiative expansion must focus on mitigating pregnancy-
7 associated injury and death, work to improve outcomes for underserved groups, and address
8 problems related to substance use disorders.

9 Sec. 8-1837. The department shall continue, and expand where appropriate, utilization
10 of telemedicine and telepsychiatry as strategies to increase access to services for
11 Medicaid recipients.

12 Sec. 8-1846. From the funds appropriated in part 1 for graduate medical education,
13 the department shall distribute the funds with an emphasis on the following health care
14 workforce goals:

15 (a) The encouragement of the training of physicians in specialties, including primary
16 care, that are necessary to meet the future needs of residents of this state.

17 (b) The training of physicians in settings that include ambulatory sites and rural
18 locations.

19 (c) The training of practitioners providing pediatric psychiatry services.

20 Sec. 8-1850. The department may allow Medicaid health plans to assist with
21 maintaining eligibility through outreach activities to ensure continuation of Medicaid
22 eligibility and enrollment in managed care. The assistance may include mailings, telephone
23 contact, or face-to-face contact with beneficiaries enrolled in the individual Medicaid
24 health plan. Medicaid health plans may offer assistance in completing paperwork for
25 beneficiaries enrolled in the Medicaid health plan.

26 Sec. 8-1854. The funds appropriated in part 1 for PACE must support a current fiscal
27 year enrollment cap that is not less than 8,597.

28 Sec. 8-1855. From the funds appropriated in part 1 for PACE, to the extent that
29 funding is available in the PACE line item and unused program slots are available, the
30 department may do the following:

31 (a) Increase the number of slots for a local and already-established PACE if the
32 local PACE has provided appropriate documentation to the department indicating its ability

1 to expand capacity to provide services to additional PACE clients.

2 (b) Suspend the 10 member per month individual PACE enrollment increase cap in order
3 to allow unused and unobligated slots to be allocated to address unmet demand for PACE
4 services.

5 Sec. 8-1856. (1) From the funds appropriated in part 1 for hospice services,
6 \$5,000,000.00 shall be expended to provide room and board for Medicaid eligible individuals
7 who meet hospice eligibility requirements and receive services at Medicaid enrolled hospice
8 residences in this state. The department shall distribute funds through grants based on the
9 total beds located in all eligible residences that have been providing these services as of
10 October 1, 2017. An eligible grant applicant may inform the department of the applicant's
11 request to reduce the grant amount allocated for the applicant's residence and the funds
12 must be distributed proportionally to increase the total grant amount of the remaining
13 grant-eligible residences. Grant amounts shall be paid out monthly with 1/12 of the total
14 grant amount distributed each month to the grantees.

15 (2) Not later than September 15 of the current fiscal year, each Medicaid-enrolled
16 hospice with a residence that receives funds under this section shall provide a report to
17 the department on the utilization of the grant funding provided in subsection (1). The
18 report must be provided in a format prescribed by the department and must include the
19 following information:

20 (a) The number of patients served.

21 (b) The number of days served.

22 (c) The daily room and board rates for the patients served.

23 (d) If there is not sufficient funding to cover the total room and board need, the
24 number of patients who did not receive care due to insufficient grant funding.

25 (3) If funds awarded under this section remain unused at the end of the current
26 fiscal year, the Medicaid-enrolled hospice with a residence shall return those unused funds
27 to this state.

28 Sec. 8-1859. The department shall partner with the Michigan Association of Health
29 Plans and Medicaid health plans to develop and implement strategies for the use of
30 information technology services for Medicaid research activities. The department shall make
31 available state medical assistance program data, including Medicaid behavioral data, to the
32 Michigan Association of Health Plans and Medicaid health plans or any vendor considered

1 qualified by the department to perform research activities consistent with this state's
2 goals of improving health; increasing the quality, reliability, availability, and
3 continuity of care; and reducing the cost of care for the eligible population of Medicaid
4 recipients.

5 Sec. 8-1862. From the funds appropriated in part 1, the department shall maintain
6 payment rates for Medicaid obstetrical services at 95% of Medicare levels effective October
7 1, 2014.

8 Sec. 8-1870. (1) From the funds appropriated in part 1 for hospital services and
9 therapy, the department shall allocate \$6,400,000.00 in general fund/general purpose
10 revenue, plus any contributions from public entities, up to \$5,000,000.00, and any
11 associated federal match to the MiDocs consortium to create new primary care residency
12 slots in underserved communities. The new primary care residency slots must be in 1 of the
13 following specialties: family medicine, general internal medicine, general pediatrics,
14 general OB-GYN, psychiatry, or general surgery.

15 (2) The department shall seek any necessary approvals from CMS to allow the
16 department to implement the program described in this section.

17 (3) Assistance with repayment of medical education loans, loan interest payments, or
18 scholarships provided by the MiDocs consortium shall be contingent upon a minimum 2-year
19 commitment to practice in an underserved community in this state post-residency and an
20 agreement to forego any sub-specialty training for at least 2 years post-residency with the
21 exception of a child and adolescent psychiatry fellowship that must be integrated with a
22 psychiatry residency training program in a MiDocs consortium affiliated institution.

23 (4) The MiDocs consortium shall work with the department to integrate the Michigan
24 inpatient psychiatric admissions discussion (MIPAD) recommendations and, when possible,
25 prioritize training opportunities in state psychiatric hospitals and community mental
26 health organizations.

27 (5) The department shall maintain the MiDocs consortium initiative advisory council
28 to help support implementation of the program described in this section, and to provide
29 oversight. The advisory council must be composed of the MiDocs consortium, the Michigan
30 Area Health Education Centers, the Michigan Primary Care Association, the Michigan Center
31 for Rural Health, the Michigan Academy of Family Physicians, and any other appointees
32 designated by the department.

1 (6) Not later than September 1 of the current fiscal year, the MiDocs consortium
2 shall submit a report to the standard report recipients that includes all of the following
3 information:

4 (a) Audited financial statement of per-resident costs.

5 (b) Education and clinical quality data.

6 (c) Roster of trainees, including areas of specialty and locations of training.

7 (d) Medicaid revenue by training site.

8 (7) The department shall monitor outcome and performance measures for this program,
9 including, but not limited to, the following:

10 (a) Increasing this state's ability to recruit, train, and retain primary care
11 physicians and other select specialty physicians in underserved communities.

12 (b) Maximizing training opportunities with community health centers, rural critical
13 access hospitals, solo or group private practice physician practices, schools, and other
14 community-based clinics, in addition to the required training through rotations at
15 inpatient hospitals.

16 (c) Increasing the number of residency slots for family medicine, general internal
17 medicine, general pediatrics, general OB-GYN, psychiatry, and general surgery.

18 (8) Unexpended and unencumbered funds up to a maximum \$6,400,00.00 in general
19 fund/general purpose revenue plus any contributions from public entities, up to
20 \$5,000,000.00, and any associated federal match remaining in accounts appropriated in part
21 1 for hospital services and therapy are designated as work project appropriations, and any
22 unencumbered or unallotted funds must not lapse at the end of the fiscal year and must be
23 available for expenditures for the MiDocs consortium to create new primary care residency
24 slots in underserved communities under this section until the work project has been
25 completed. All of the following are in compliance with section 451a(1) of the management
26 and budget act, 1984 PA 431, MCL 18.1451a:

27 (a) The purpose of the work project is to fund the cost of the MiDocs consortium to
28 create new primary care residency slots in underserved communities.

29 (b) The work project will be accomplished by contracting with the MiDocs consortium
30 to oversee the creation of new primary care residency slots.

31 (c) The total estimated completion cost of the work project is \$20,200,000.00.

32 (d) The tentative completion date for the work project is September 30, 2030.

1 Sec. 8-1872. From the funds appropriated in part 1 for personal care services, the
2 department shall maintain the monthly Medicaid personal care supplement paid to adult
3 foster care facilities and homes for the aged that provide personal care services to
4 Medicaid recipients in place during the previous fiscal year.

5 Sec. 8-1874. The department shall ensure, in counties where PACE services are
6 available, that PACE is included as an option in all options counseling and enrollment
7 brokering for aging services and managed care programs, including, but not limited to, Area
8 Agencies on Aging, centers for independent living, and the MiChoice home and community-
9 based waiver. The department must include approved marketing and discussion materials for
10 options counseling.

11 Sec. 8-1879. (1) Not later than May 15 of the current fiscal year, the department
12 shall submit to the standard report recipients a report with Medicaid pharmaceutical
13 information. The report shall include, for the previous fiscal year, the total Medicaid
14 pharmaceutical costs and the total Medicaid pharmaceutical rebates. The report must
15 categorize the total Medicaid pharmaceutical costs and total Medicaid pharmaceutical
16 rebates recognized by the contracted health plans and the department. In addition, the
17 report must also include all of the following information:

18 (a) The total estimated pharmaceutical benefit expenses incurred by contracted health
19 plans from the previous fiscal year and through the first 2 quarters of the current fiscal
20 year.

21 (b) The total estimated pharmaceutical benefit expenses included in approved initial
22 rates for contracted health plans from the previous fiscal year and total estimated
23 pharmaceutical benefit expenses included in approved initial rates for contracted health
24 plans for the first 2 quarters of the current fiscal year.

25 (c) The total Medicaid pharmaceutical rebates received by the department in the
26 previous fiscal year and the single preferred drug list supplemental rebates invoices in
27 the previous fiscal year.

28 (d) Information as to whether the average benefit expense for the composite average
29 across all rate cells and service categories included in capitation rates, based on actual
30 enrollment and anticipated recoveries, for the previous fiscal year and through the first 2
31 quarters of the current fiscal year exceeded the reported contracted health plan's
32 experience, adjusted for completion over the same reporting periods.

1 (e) The following information related to the current Medicaid pharmacy carve-out of
2 pharmaceutical products as provided for in section 109h of the social welfare act, 1939 PA
3 280, MCL 400.109h:

4 (i) The number of prescriptions paid by the department during the previous fiscal
5 year.

6 (ii) The total amount of expenditures for prescriptions paid by the department during
7 the previous fiscal year.

8 (iii) The number of and total expenditures for prescriptions paid by the department
9 for generic equivalents during the previous fiscal year.

10 (2) Should a physician order a particular drug off the common formulary, the
11 contracted health plan must cover that drug with the standard Medicaid co-payment applied.

12 Sec. 8-1880. The department shall align all pharmacy-related policies with the United
13 States Food and Drug Administration quality and clinical standards. Any single preferred
14 drug list utilization management criteria will be established in consultation with the
15 Medicaid health plans and the Michigan pharmacy and therapeutics committee described in
16 section 9705 of the public health code, 1978 PA 368, MCL 333.9705, with consideration given
17 to applicable United States Food and Drug Administration dosing guidelines, subsequent
18 evidence-based literature or studies, and current treatment guidelines.

19 Sec. 8-1888. The department shall establish contract performance standards associated
20 with the capitation withhold provisions for Medicaid health plans at least 3 months before
21 the implementation of those standards. The determination of whether performance standards
22 have been met must be based primarily on recognized concepts such as 1-year continuous
23 enrollment and the health care effectiveness data and information set, HEDIS, audited data.

24

25 **INFORMATION TECHNOLOGY**

26 Sec. 8-1901. (1) The department shall submit a report on a semiannual basis to the
27 standard report recipients that lists the projects approved in the previous 6 months and
28 provides the purpose for approving each project including any federal, state, court, or
29 legislative requirement for each project.

30 (2) Once an award for an expansion of information technology is made, the department
31 shall submit a report to the standard report recipients that provides the projected cost of
32 the expansion broken down by use and type of expense.

1 Sec. 8-1903. (1) Not later than November 1 of the current fiscal year, the department
2 shall submit a report to the standard report recipients that describes the status of an
3 implementation plan regarding the appropriation in part 1 to modernize the MiSACWIS. The
4 report must include, but is not limited to, an update on the status of the settlement and
5 efforts to bring the system in compliance with the settlement and other federal guidelines
6 set forth by the United States Department of Health and Human Services Administration for
7 Children and Families.

8 (2) The department shall submit on a quarterly basis a report to the standard report
9 recipients on the planning, implementation, and operation, regardless of the current
10 operational status, regarding the appropriation in part 1 to implement the MiSACWIS. The
11 report must provide details on the planning, implementation, and operation of the MiSACWIS,
12 including, but not limited to, all of the following:

13 (a) Areas where implementation went as planned, and in each area including whether
14 the implementation results in either enhanced user interface or portal access, conversion
15 to new modules, or substantial operation improvement to the MiSACWIS.

16 (b) The number of known issues.

17 (c) The average number of help tickets submitted per day.

18 (d) Any additional overtime or other staffing costs to address known issues and
19 volume of help tickets.

20 (e) Any contract revisions to address known issues and volume of help tickets.

21 (f) Other strategies undertaken to improve implementation, and for each strategy area
22 including whether the implementation results in either enhanced user interface or portal
23 access, conversion to new modules, or substantial operation improvement to the MiSACWIS.

24 (g) Progress in developing cross-system trusted data exchange with the MiSACWIS.

25 (h) Progress in moving away from a statewide automated child welfare information
26 system to a comprehensive child welfare information system.

27 (i) Progress in developing and implementing a program to monitor data quality.

28 (j) Progress in developing and implementing custom integrated systems for private
29 agencies.

30 (k) A list of all change orders, planned or in progress.

31 (l) The status of all change orders, planned or in progress.

32 (m) The estimated costs for all planned change orders.

1 (n) The estimated and actual costs for all change orders in progress.

2 (3) Not later than July 1 of the current fiscal year, the department shall submit to
3 the standard report recipients a report on the department's efforts and recommendations to
4 develop and implement a simpler and more streamlined process for the annual renewal of the
5 licenses for family foster care homes, and the development of a simpler and more efficient
6 version of the application form for renewal of the licenses for family foster care homes.

7 Sec. 8-1906. From the funds appropriated in part 1 for information technology
8 services and projects, the department shall allocate \$1,750,000.00 general fund/general
9 purpose revenue, and all associated federal matching revenue, to a public and private
10 nonprofit collaboration that is designated as this state's statewide health information
11 exchange by cooperative agreement, to implement health information technology strategies
12 for health information exchange development, data management, and population health at a
13 statewide level.

14 Sec. 8-1909. (1) From the funds appropriated in part 1 for child support automation,
15 the department shall only encumber or expend funds for the operation, maintenance, and
16 improvements of the Michigan child support enforcement system.

17 (2) From the funds appropriated in part 1 for bridges information system, the
18 department shall only encumber or expend funds for the operation, maintenance, and
19 improvements of Bridges and MIBridges.

20 (3) From the funds appropriated in part 1 for Michigan Medicaid information system,
21 the department shall only encumber or expend funds for the operation, maintenance, and
22 improvements of the community health automated Medicaid processing system.

23 (4) From the funds appropriated in part 1 for Michigan statewide automated child
24 welfare information system, the department shall only encumber or expend funds for the
25 operation, maintenance, and improvements of MiSACWIS.

26 (5) From the funds appropriated in part 1 for comprehensive child welfare information
27 system, the department shall only encumber or expend funds for the operation, maintenance,
28 and improvements to the comprehensive child welfare information system.

29 (6) From the funds appropriated in part 1 for comprehensive child welfare information
30 system, the department shall continue development of a new information system to replace
31 MiSACWIS consistent with the plan provided by the department to the United States District
32 Court for Eastern District of Michigan as a part of the settlement. The development of the

1 comprehensive child welfare information system must adhere to department of technology,
2 management, and budget and information technology investment fund (ITIF) policies and
3 practices, including use of the state unified information technology environment
4 methodology and agile development. The project team shall also participate in and comply
5 with the enterprise portfolio management office process and product quality assurance. To
6 ensure full transparency, the project must be included in the ITIF portfolio for executive,
7 legislative, and external reporting purposes. As a component of the ITIF portfolio, the
8 project is subject to governance and oversight by the information technology investment
9 management board.

10

11 **ONE-TIME APPROPRIATIONS**

12 Sec. 8-1956. From the funds appropriated in part 1 for first responder and public
13 safety staff mental health, the department shall allocate \$2,500,000.00 for a grant program
14 to support firefighters, police officers, emergency medical services personnel, public
15 safety tele-communicators, local correctional officers, juvenile detention employees,
16 prosecutors, and individuals working on special teams to address crimes such as internet
17 sex crimes, sexual crimes against children, or traffic fatalities suffering from post-
18 traumatic stress syndrome and other mental health conditions. The grant program must
19 primarily provide grants to behavioral health providers and may also include funding to the
20 Michigan crisis and action line established under section 165 of the mental health code,
21 1974 PA 258, MCL 330.1165, to improve information and referrals for these services. The
22 department shall coordinate and integrate the grant program with the Michigan crisis and
23 access line established under section 165 of the mental health code, 1974 PA 258, MCL
24 330.1165.

25 Sec. 8-1965. (1) From the funds appropriated in part 1 for water affordability, the
26 department shall allocate \$6,000,000.00 as grants to qualified providers to assist eligible
27 residents who have a financial burden, have accumulated a balance on their water utility
28 bill, have had their water service shut off, and/or are at risk of having their water
29 service shut off. Eligible expenditures from these funds must be income-based and must
30 include all of the following:

31 (a) Restoring residential water service.

32 (b) Paying down water bills currently in arrears.

1 (c) Supporting reasonable water affordability plans that are based on an individual's
2 ability to pay, including capped payments based on household income to prevent accumulating
3 a balance on future water bills and funding to qualified providers to cover the remaining
4 cost of service.

5 (d) Protecting participating residents from water shutoffs.

6 (2) To be considered a qualified provider under this section, the provider must be 1
7 of the following:

8 (a) A community water system.

9 (b) A community action agency. 197

10 (c) A nonprofit, community-based organization organized under the laws of this state
11 that is exempt from federal income tax under section 501(c)(3) of the internal revenue code
12 of 1986, 26 USC 501, with a history of doing utility assistance work.

13 (3) Qualified providers receiving grants under this section may spend not more than
14 3% of the total grant award for administrative services related to the implementation of
15 this section.

16 (4) Qualified providers receiving grants under this section shall report to the
17 department by September 30 of the current fiscal year on outcomes and performance measures
18 for the program, including, but not limited to, all of the following:

19 (a) The total grant award received by the qualified provider.

20 (b) The percentage of the grant award that was used for administrative costs.

21 (c) The total dollars spent broken down by type of assistance provided.

22 (d) The number of individuals helped broken down by type of assistance provided.

23 (e) The number of individual applicants denied assistance.

24 (5) Upon receipt of the information required under subsection (4), the department
25 shall compile and forward the report to the standard report recipients.

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

31 (a) The purpose of the project is to provide grants to qualified providers that
32 assist eligible residents who have a financial burden, have accumulated a balance on their

1 water utility bill, have had their water service shut off, and/or are at risk of having
2 their water service shut off.

3 (b) The project will be accomplished through competitive grants to qualified
4 providers.

5 (c) The total estimated cost of the project is \$6,000,000.00.

6 (d) The tentative completion date is September 30, 2030.

7 Sec. 8-1985. From the funds appropriated in part 1 for Continuous eligibility study,
8 the department shall conduct a study to determine the feasibility of pursuing a State
9 demonstration under Section 1115 of the Social Security Act for expanded Medicaid coverage
10 to provide for continuous eligibility for beneficiaries aged 0-6.

11 Sec. 8-1986. (1) From the funds appropriated in part 1 for energy assistance, the
12 department shall allocate \$15,000,000.00 to support energy costs for low-income households.

13 (2) The unexpended funds appropriated in part 1 for energy assistance are designated
14 as a work project appropriation. Unencumbered or unallotted funds shall not lapse at the
15 end of the fiscal year and shall be available for expenditures under this section until the
16 project has been completed. The following is in compliance with section 451a(1) of the
17 management and budget act, 1984 PA 431, MCL 18.1451a:

18 (a) The purpose of the project is to provide funds for energy assistance for low-
19 income households.

20 (b) The project will be accomplished by utilizing state employees or contracts.

21 (c) The total estimated cost of the project is \$15,000,000.00.

22 (d) The tentative completion date is September 30, 2030.

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Article 9

DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES

PART 1

LINE-ITEM APPROPRIATIONS AND ANTICIPATED APPROPRIATIONS

Sec. 9-101. Subject to the conditions set forth in this article, the amounts listed in this part for the department of insurance and financial services are appropriated for the fiscal year ending September 30, 2026, and are anticipated to be appropriated for the fiscal year ending September 30, 2027, from the funds indicated in this part. The following is a summary of the appropriations and anticipated appropriations in this part:

For Fiscal
Year Ending
Sept. 30, 2026

For Fiscal
Year Ending
Sept. 30, 2027

1 **DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES**

2 **APPROPRIATION SUMMARY**

3 Full-time equated unclassified positions.....	6.0		6.0
4 Full-time equated classified positions.....	403.5		403.5
5 GROSS APPROPRIATION	\$ 80,255,600	\$	\$ 80,255,600
6 Total interdepartmental grants and intradepartmental			
7 transfers	763,800		763,800
8 ADJUSTED GROSS APPROPRIATION	\$ 79,491,800	\$	\$ 79,491,800
9 Total federal revenues	250,000		250,000
10 Total local revenues	0		0
11 Total private revenues	0		0
12 Total other state restricted revenues	79,241,800		79,241,800
13 State general fund/general purpose	\$ 0	\$	0
14 <i>State general fund/general purpose schedule:</i>			
15 <i>Ongoing state general fund/general purpose</i>	<i>0</i>		<i>0</i>
16 <i>One-time state general fund/general purpose</i>	<i>0</i>		<i>0</i>
17 Sec. 9-102. DEPARTMENTAL ADMINISTRATION AND SUPPORT			
18 Full-time equated unclassified positions.....	6.0		6.0
19 Full-time equated classified positions.....	24.5		24.5
20 Unclassified salaries-6.0 FTE positions	\$ 984,100	\$	\$ 984,100
21 Administrative hearings	173,700		173,700
22 Department services-18.0 FTE positions	8,935,400		8,935,400
23 Executive director programs-6.5 FTE positions	1,737,700		1,737,700
24 Property management	1,217,200		1,217,200
25 Worker's compensation	<u>1,900</u>		<u>1,900</u>
26 GROSS APPROPRIATION	\$ 13,050,000	\$	\$ 13,050,000
27 Appropriated from:			
28 Special revenue funds:			
29 Other state restricted revenues	13,050,000		13,050,000
30 State general fund/general purpose	\$ 0	\$	0
31 Sec. 9-103. INSURANCE AND FINANCIAL SERVICES REGULATION			
32 Full-time equated classified positions.....	379.0		379.0

	For Fiscal Year Ending Sept. 30, 2026	For Fiscal Year Ending Sept. 30, 2027
1 Consumer services and protection-109.0 FTE positions .	\$ 18,413,800	\$ 18,413,800
2 Financial institutions evaluation-138.0 FTE positions	23,061,300	23,061,300
3 Insurance evaluation-132.0 FTE positions	<u>22,117,900</u>	<u>22,117,900</u>
4 GROSS APPROPRIATION	\$ 63,593,000	\$ 63,593,000
5 Appropriated from:		
6 Interdepartmental grant revenues:		
7 IDG from department of licensing and regulatory		
8 affairs	763,800	763,800
9 Federal revenues:		
10 Other federal revenues	250,000	250,000
11 Special revenue funds:		
12 Other state restricted revenues	62,579,200	62,579,200
13 State general fund/general purpose	\$ 0	\$ 0
14 Sec. 9-104. INFORMATION TECHNOLOGY		
15 Information technology services and projects	<u>\$ 3,612,600</u>	<u>\$ 3,612,600</u>
16 GROSS APPROPRIATION	\$ 3,612,600	\$ 3,612,600
17 Appropriated from:		
18 Special revenue funds:		
19 Other state restricted revenues	3,612,600	3,612,600
20 State general fund/general purpose	\$ 0	\$ 0

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FISCAL YEAR 2026

GENERAL SECTIONS

27 Sec. 9-201. Pursuant to section 30 of article IX of the state constitution of 1963,
28 total state spending from state sources under part 1 for the fiscal year 2026 is
29 \$79,241,800.00 and state spending from state sources to be paid to local units of
30 government for fiscal year 2026 is \$0.00.

31 Sec. 9-202. The appropriations under this part and part 1 are subject to the

1 management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

2 Sec. 9-203. As used in this article:

3 (a) "Department" means the department of insurance and financial services.

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

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

6 (d) "IDG" means interdepartmental grant.

7 (e) "MBLSLA fund" means the restricted account established under section 8 of the
8 mortgage brokers, lenders, and servicers licensing act, 1987 PA 173, MCL 445.1658.

9 (f) "Standard report recipients" means the senate and house appropriations
10 subcommittees on the department, the senate and house fiscal agencies, the senate and house
11 policy offices, and the state budget office.

12 Sec. 9-204. A department or agency shall use the internet to fulfill the reporting
13 requirements of this part. This requirement includes transmitting reports to the standard
14 report recipients and any other required recipients by email and posting the reports on an
15 internet site.

16 Sec. 9-205. To the extent permissible under section 261 of the management and budget
17 act, 1984 PA 431, MCL 18.1261, all of the following apply to the expenditure of funds
18 appropriated in part 1:

19 (a) The funds must not be used for the purchase of foreign goods or services, or
20 both, if competitively priced and of comparable quality American goods or services, or
21 both, are available.

22 (b) Preference must be given to goods or services, or both, manufactured or provided
23 by Michigan businesses, if they are competitively priced and of comparable quality.

24 (c) Preference must be given to goods or services, or both, that are manufactured or
25 provided by Michigan businesses owned and operated by veterans, if they are competitively
26 priced and of comparable quality.

27 Sec. 9-207. Consistent with section 217 of the management and budget act, 1984 PA
28 431, MCL 18.1217, each department and agency receiving appropriations in part 1 shall
29 prepare a report on out of state travel expenses not later than January 1. The report must
30 list all travel by classified and unclassified employees outside this state in the previous
31 fiscal year that was funded in whole or in part with funds appropriated in the department's
32 or agency's budget. The department or agency shall submit the report to the standard report

1 recipients and to the house of representatives and senate appropriations committees. The
2 report must include all of the following information:

3 (a) The dates of each travel occurrence.

4 (b) The total transportation and related expenses of each travel occurrence and the
5 proportions funded with state general fund/general purpose revenues, state restricted
6 revenues, federal revenues, and other revenues.

7 Sec. 9-208. A principal executive department, state agency, or authority shall not
8 use funds appropriated in part 1 to hire a person to provide legal services that are the
9 responsibility of the attorney general. This section does not apply to legal services for
10 bonding activities or to outside legal services that the attorney general authorizes.

11 Sec. 9-209. Not later than December 15, the state budget office shall prepare and
12 submit a report that provides for estimates of the total general fund/general purpose
13 appropriation lapses at the close of the previous fiscal year. The report must summarize
14 the projected year-end general fund/general purpose appropriation lapses by major
15 departmental program or program areas. The state budget office shall submit the report to
16 the standard report recipients and the chairpersons of the senate and house of
17 representatives appropriations committees.

18 Sec. 9-210. (1) In addition to the funds appropriated in part 1, there is
19 appropriated an amount not to exceed \$300,000.00 for federal contingency funds. These funds
20 are not available for expenditure until they have been transferred to another line item in
21 this article under section 393(2) of the management and budget act, 1984 PA 431, MCL
22 18.1393.

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

27 Sec. 9-211. A department or agency shall cooperate with the department of technology,
28 management and budget to maintain a searchable website accessible by the public at no cost
29 that includes, but is not limited to, all of the following for each department or agency:

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

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

32 (c) Fiscal year-to-date payments to a selected vendor, including the vendor name,

1 payment date, payment amount, and payment description.

2 (d) The number of active employees by job classification.

3 (e) Job specifications and wage rates.

4 Sec. 9-214. To the extent permissible under the management and budget act, 1984 PA
5 431, MCL 18.1101 to 18.1594, the director of each department or agency receiving
6 appropriations in part 1 shall take all reasonable steps to ensure geographically
7 disadvantaged business enterprises compete for and perform contracts to provide services or
8 supplies, or both. Each director shall strongly encourage firms with which the department
9 or agency contracts to subcontract with certified geographically disadvantaged business
10 enterprises for services, supplies, or both. As used in this section, "geographically-
11 disadvantaged" business enterprises means that term as defined in Executive Directive No.
12 2023-1.

13 Sec. 9-215. On a quarterly basis, a department or agency receiving appropriations in
14 part 1 shall report on the number of FTEs in pay status by type of staff and civil service
15 classification, including comparison by line item of the number of FTEs authorized from
16 funds appropriated in part 1 to the actual number of FTE positions employed by the
17 department or agency at the end of the reporting period. The report must be submitted to
18 the senate and house appropriations committees and to the standard report recipients.

19 Sec. 9-220. Unless prohibited by law, the department may accept credit card or other
20 electronic means of payment for licenses, fees, or permits.

21 Sec. 9-221. (1) Funds appropriated in part 1 must not be used to restrict or impede a
22 marginalized community's access to government resources, programs, or facilities.

23 (2) From the funds appropriated in part 1, local governments shall report any action
24 or policy that attempts to restrict or interfere with the duties of a local health officer.

25

26 **INSURANCE AND FINANCIAL SERVICES REGULATION**

27 Sec. 9-301. The annual health insurance rate change report prepared pursuant to 45
28 CFR 154.301(b) must include the total number of objections issued by the department for
29 health insurance filings in the report.

30 Sec. 9-302. In addition to the funds appropriated in part 1, the funds collected by
31 the department in connection with a conservatorship under section 32 of the mortgage
32 brokers, lenders, and servicers licensing act, 1987 PA 173, MCL 445.1682, and funds

1 collected by the department from corporations being liquidated under the insurance code of
2 1956, 1956 PA 218, MCL 500.100 to 500.8302, are appropriated for all expenses necessary to
3 provide for the required services. Funds are available for expenditure when they are
4 received by the department of treasury and must not lapse to the general fund at the end of
5 the fiscal year. The total amount appropriated under this section and section 303 must not
6 exceed \$1,000,000.00.

7 Sec. 9-303. The department may make available to interested entities customized
8 listings of nonconfidential information in its possession. The department may establish and
9 collect a reasonable charge to provide this service. The revenue from this service is
10 appropriated when received and must be used to offset expenses to provide the service. Any
11 balance of this revenue collected and unexpended at the end of the fiscal year must lapse
12 to the appropriate restricted fund. The total amount appropriated under this section and
13 section 302 must not exceed \$1,000,000.00.

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Article 10

JUDICIARY

PART 1

LINE-ITEM APPROPRIATIONS AND ANTICIPATED APPROPRIATIONS

Sec. 10-101. Subject to the conditions set forth in this article, the amounts listed in this part for the judiciary are appropriated for the fiscal year ending September 30, 2026, and are anticipated to be appropriated for the fiscal year ending September 30, 2027, from the funds indicated in this part. The following is a summary of the appropriations and anticipated appropriations in this part:

1 **JUDICIARY**

2 **APPROPRIATION SUMMARY**

3	Full-time equated exempted positions.....		684.5		684.5
4	GROSS APPROPRIATION	\$	395,013,600	\$	395,013,600
5	Total interdepartmental grants and intradepartmental				
6	transfers		1,902,300		1,902,300
7	ADJUSTED GROSS APPROPRIATION	\$	393,111,300	\$	393,111,300
8	Total federal revenues		7,270,900		7,270,900
9	Total local revenues		0		0
10	Total private revenues		1,906,400		1,906,400
11	Total other state restricted revenues		96,645,800		96,645,800
12	State general fund/general purpose	\$	287,288,200	\$	287,288,200
13	<i>State general fund/general purpose schedule:</i>				
14	<i>Ongoing state general fund/general purpose</i>		<i>287,288,200</i>		<i>287,288,200</i>
15	<i>One-time state general fund/general purpose</i>		<i>0</i>		<i>0</i>
16	Sec. 10-102. SUPREME COURT				
17	Full-time equated exempted positions.....		335.0		335.0
18	Community dispute resolution-4.0 FTE positions	\$	3,566,300	\$	3,566,300
19	Drug treatment courts		13,574,900		13,574,900
20	Foster care review board-10.0 FTE positions		1,445,600		1,445,600
21	Jail reform advisory support-1.0 FTE position		160,100		160,100
22	Judicial information systems-103.0 FTE positions		26,458,000		26,458,000
23	Judicial institute-20.0 FTE positions		3,440,200		3,440,200
24	Justice for all initiative-2.0 FTE positions		1,539,700		1,539,700
25	Mental health courts and diversion services		6,032,900		6,032,900
26	Michigan legal help		1,000,000		1,000,000
27	Next generation Michigan court system		4,116,000		4,116,000
28	Other federal grants		275,100		275,100
29	State court administrative office-90.0 FTE positions .		16,900,000		16,900,000
30	Supreme court administration-105.0 FTE positions		20,924,600		20,924,600
31	Swift and sure sanctions program		3,350,000		3,350,000
32	Veterans courts		<u>1,228,500</u>		<u>1,228,500</u>

	For Fiscal Year Ending Sept. 30, 2026	For Fiscal Year Ending Sept. 30, 2027	
1	GROSS APPROPRIATION	\$ 104,011,900	\$ 104,011,900
2	Appropriated from:		
3	Interdepartmental grant revenues:		
4	IDG from department of corrections	52,300	52,300
5	IDG from department of state police	1,600,000	1,600,000
6	Federal revenues:		
7	Other federal revenues	6,687,100	6,687,100
8	Special revenue funds:		
9	Private revenues	1,438,000	1,438,000
10	Other state restricted revenues	8,079,800	8,079,800
11	State general fund/general purpose	\$ 86,154,700	\$ 86,154,700
12	Sec. 10-103. COURT OF APPEALS		
13	Full-time equated exempted positions.....	179.0	179.0
14	Court of appeals operations-179.0 FTE positions	\$ <u>27,733,200</u>	\$ <u>27,733,200</u>
15	GROSS APPROPRIATION	\$ 27,733,200	\$ 27,733,200
16	Appropriated from:		
17	Special revenue funds:		
18	State general fund/general purpose	\$ 27,733,200	\$ 27,733,200
19	Sec. 10-104. BRANCHWISE APPROPRIATIONS		
20	Full-time equated exempted positions.....	6.0	6.0
21	Branchwise appropriations-6.0 FTE positions	\$ <u>11,160,000</u>	\$ <u>11,160,000</u>
22	GROSS APPROPRIATION	\$ 11,160,000	\$ 11,160,000
23	Appropriated from:		
24	Special revenue funds:		
25	State general fund/general purpose	\$ 11,160,000	\$ 11,160,000
26	Sec. 10-105. JUSTICES' AND JUDGES' COMPENSATION		
27	Full-time judges positions.....	591.0	591.0
28	Supreme court justices' salaries-7.0 justices	\$ 1,270,500	\$ 1,270,500
29	Circuit court judges' state base salaries-223.0		
30	justices	31,326,100	31,326,100
31	Circuit court judicial salary standardization	10,196,800	10,196,800
32	Court of appeals judges' salaries-25.0 judges	5,037,400	5,037,400

	For Fiscal Year Ending Sept. 30, 2026	For Fiscal Year Ending Sept. 30, 2027
1 District court judges' state base salaries-		
2 232.0 judges	32,583,200	32,583,200
3 District court judicial salary standardization	10,608,600	10,608,600
4 Probate court judges' state base salaries-104.0 judges	14,486,400	14,486,400
5 Probate court judicial salary standardization	4,715,300	4,715,300
6 Judges' retirement system defined contributions	9,400,600	9,400,600
7 OASI, social security	<u>8,339,600</u>	<u>8,339,600</u>
8 GROSS APPROPRIATION	\$ 127,964,500	\$ 127,964,500
9 Appropriated from:		
10 Special revenue funds:		
11 Other state restricted revenues	3,028,200	3,028,200
12 State general fund/general purpose	\$ 124,936,300	\$ 124,936,300
13 Sec. 10-106. JUDICIAL AGENCIES		
14 Full-time equated exempted positions.....	14.0	14.0
15 Judicial tenure commission-14.0 FTE positions	<u>\$ 2,944,500</u>	<u>\$ 2,944,500</u>
16 GROSS APPROPRIATION	\$ 2,944,500	\$ 2,944,500
17 Appropriated from:		
18 Special revenue funds:		
19 State general fund/general purpose	\$ 2,944,500	\$ 2,944,500
20 Sec. 10-107. INDIGENT DEFENSE - CRIMINAL		
21 Full-time equated exempted positions.....	124.5	124.5
22 Appellate public defender program-105.0 FTE positions	\$ 19,047,500	\$ 19,047,500
23 Juvenile life resentencing-19.5 FTE positions	3,202,800	3,202,800
24 Michigan appellate assigned counsel system roster		
25 attorney compensation grants	<u>3,208,100</u>	<u>3,208,100</u>
26 GROSS APPROPRIATION	\$ 25,458,400	\$ 25,458,400
27 Appropriated from:		
28 Interdepartmental grant revenues:		
29 IDG from department of state police	250,000	250,000
30 Federal revenues:		
31 Other federal revenues	583,800	583,800
32 Special revenue funds:		

	For Fiscal Year Ending Sept. 30, 2026	For Fiscal Year Ending Sept. 30, 2027
1 Private revenues	468,400	468,400
2 Other state restricted revenues	172,400	172,400
3 State general fund/general purpose	\$ 23,983,800	\$ 23,983,800
4 Sec. 10-108. INDIGENT CIVIL LEGAL ASSISTANCE		
5 Indigent civil legal assistance	\$ <u>7,937,000</u>	\$ <u>7,937,000</u>
6 GROSS APPROPRIATION	\$ 7,937,000	\$ 7,937,000
7 Appropriated from:		
8 Special revenue funds:		
9 Other state restricted revenues	7,937,000	7,937,000
10 State general fund/general purpose	\$ 0	\$ 0
11 Sec. 10-109. TRIAL COURT OPERATIONS		
12 Full-time equated exempted positions.....	26.0	26.0
13 Court equity fund reimbursements	\$ 60,815,700	\$ 60,815,700
14 Drug case-flow program	250,000	250,000
15 Drunk driving case-flow program	3,300,000	3,300,000
16 Judicial technology improvement fund	4,815,000	4,815,000
17 Juror compensation reimbursement-1.0 FTE position	6,616,200	6,616,200
18 Statewide e-file system-25.0 FTE positions	<u>12,007,200</u>	<u>12,007,200</u>
19 GROSS APPROPRIATION	\$ 87,804,100	\$ 87,804,100
20 Appropriated from:		
21 Special revenue funds:		
22 Other state restricted revenues	77,428,400	77,428,400
23 State general fund/general purpose	\$ 10,375,700	\$ 10,375,700

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FISCAL YEAR 2026

GENERAL SECTIONS

Sec. 10-201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state sources under part 1 for the fiscal year 2026 is \$383,934,000.00 and state spending from state sources to be paid to local units of

1 government for fiscal year 2026 is \$153,722,900.00. The itemized statement below identifies
2 appropriations from which spending to local units of government will occur:

3 JUDICIARY

4	Drug treatment courts.....	\$ 9,524,900
5	Mental health courts and diversion services.....	6,032,900
6	Next generation Michigan court system.....	4,116,000
7	State court administrative office.....	200,000
8	Swift and sure sanctions program.....	3,350,000
9	Veterans courts.....	1,228,500
10	Circuit court judicial salary standardization.....	10,196,800
11	District court judicial salary standardization.....	10,608,600
12	Probate court judges' state base salaries.....	14,486,400
13	Probate court judicial salary standardization.....	4,715,300
14	OASI, social security.....	1,459,400
15	Court equity fund reimbursements.....	60,815,700
16	Drug case-flow program.....	250,000
17	Drunk driving case-flow program.....	3,300,000
18	Judicial technology improvement fund.....	4,815,000
19	Juror compensation reimbursement.....	6,616,200
20	Statewide e-file system.....	<u>12,007,200</u>
21	TOTAL	\$ 153,722,900

22 Sec. 10-202. The appropriations under this part and part 1 are subject to the
23 management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

24 Sec. 10-203. As used in this article:

25 (a) "FTE" means full-time equated position.

26 (b) "IDG" means interdepartmental grant.

27 (c) "OASI" means old age survivor's insurance.

28 (d) "Standard report recipients" means the senate and house appropriations
29 subcommittees on judiciary, the senate and house fiscal agencies, the senate and house
30 policy offices, and the state budget office.

31 (e) "SIGMA" means the statewide integrated governmental management applications.

32 Sec. 10-204. The judicial branch shall use the internet to fulfill the reporting

1 requirements of this part. This requirement includes transmitting reports to the standard
2 report recipients and any other required recipients by email and posting the reports on an
3 internet site.

4 Sec. 10-205. To the extent permissible under section 261 of the management and budget
5 act, 1984 PA 431, MCL 18.1261, all of the following apply to the expenditure of funds
6 appropriated in part 1:

7 (a) The funds must not be used for the purchase of foreign goods or services, or
8 both, if competitively priced and of comparable quality American goods or services, or
9 both, are available.

10 (b) Preference must be given to goods or services, or both, manufactured or provided
11 by Michigan businesses, if they are competitively priced and of comparable quality.

12 (c) Preference must be given to goods or services, or both, that are manufactured or
13 provided by Michigan businesses owned and operated by veterans, if they are competitively
14 priced and of comparable quality.

15 Sec. 10-207. The state court administrative office shall prepare a report on out-of-
16 state travel expenses not later than January 1. The report must list all travel outside
17 this state by judicial branch employees in the previous fiscal year that was funded in
18 whole or in part with funds appropriated in the judicial branch's budget. The judicial
19 branch shall submit the report to the standard report recipients and to the senate and
20 house appropriations committees. The report must include all of the following information:

21 (a) The dates of each travel occurrence.

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

25 Sec. 10-209. Not later than December 15, the state budget office shall prepare and
26 submit a report that provides estimates of the total general fund/general purpose
27 appropriation lapses at the close of the previous fiscal year. The report must summarize
28 the projected year-end general fund/general purpose appropriation lapses by major judicial
29 program or program areas. The report must be submitted to the standard report recipients
30 and to the chairpersons of the senate and house appropriations committees.

31 Sec. 10-210. (1) In addition to the funds appropriated in part 1, there is
32 appropriated an amount not to exceed \$2,500,000.00 from federal sources should federal

1 revenue become available.

2 (2) In addition to the funds appropriated in part 1, there is appropriated an amount
3 not to exceed \$2,500,000.00 from state restricted sources should state restricted revenue
4 become available.

5 (3) In addition to the funds appropriated in part 1, there is appropriated an amount
6 not to exceed \$500,000.00 from private sources should private revenue become available.

7 (4) The state court administrative office shall notify the standard report recipients
8 and the senate and house standing committee on appropriations if these contingency funds
9 are utilized. This notification shall include the dollar amount appropriated, the source of
10 the funding, and the purpose for which expenditures will be made. Notice shall be provided
11 within 10 days after the date the appropriation is approved in SIGMA.

12 Sec. 10-211. From the funds appropriated in part 1, the judicial branch shall
13 maintain a searchable website accessible by the public at no cost that posts all of the
14 expenditures made by the judicial branch within a fiscal year. A post must include the
15 purpose for the expenditure. The judicial branch shall not provide financial information on
16 the public website that would violate a federal or state law, rule, regulation, or
17 guideline that establishes privacy or security standards applicable to that financial
18 information.

19 Sec. 10-227. (1) Funds appropriated in part 1 to an entity in the judicial branch
20 must not be expended or transferred to another account without written approval of the
21 authorized agent of the judicial entity. If the authorized agent of the judicial entity
22 notifies the state budget director of its approval of an expenditure or transfer, the state
23 budget director shall immediately make the expenditure or transfer. The authorized judicial
24 entity agent shall be designated by the chief justice of the supreme court.

25 (2) Funds appropriated to the judicial branch must not be expended by a component in
26 the judicial branch without the approval of the supreme court.

27

28 **JUDICIAL BRANCH**

29 Sec. 10-301. From the funds appropriated in part 1 for the judicial branch,
30 \$711,900.00 is allocated for circuit court reimbursement under section 3 of 1978 PA 16, MCL
31 800.453, and for costs associated with the court of claims.

32 Sec. 10-302. A member of the legislature may request a report or data from the data

1 collected in the judicial data warehouse. The report must be made available to the public
2 upon request, unless disclosure is prohibited by court order or state or federal law. If
3 data is provided under this section, the data must be public and nonidentifying
4 information, as determined by the state court administrative office. As used in this
5 section, "nonidentifying information" means information that does not include personal
6 information that, if released, would be considered invasion of privacy.

7 Sec. 10-303. From the funds appropriated in part 1 for community dispute resolution,
8 community dispute resolution centers shall provide dispute resolution services specified in
9 the community dispute resolution act, 1988 PA 260, MCL 691.1551 to 691.1564, help reduce
10 suspensions and truancy, and improve school environment. The funds appropriated in part 1
11 for community dispute resolution may be used to develop or expand juvenile diversion
12 services in coordination with local prosecutors.

13 Sec. 10-304. From the funds appropriated in part 1 for mental health courts and
14 diversion services, \$1,730,000.00 is intended to address the recommendations of the mental
15 health diversion council.

16 Sec. 10-305. If funds in the court fee fund are insufficient to pay judges'
17 compensation, the difference between the appropriated amount from that fund for judges'
18 compensation and the actual amount available after the amount appropriated for trial court
19 reimbursement is made is appropriated from the state general fund for judges' compensation.
20 If an appropriation from the state general fund is necessary under this section, not later
21 than 14 days after the appropriation is approved in SIGMA, the state court administrative
22 office shall submit a report to the standard report recipients and the senate and house
23 standing committees on appropriations.

24 Sec. 10-306. The state court administrative office shall submit a report on drug
25 treatment, mental health, and veterans court programs in this state not later than March 1.
26 The report must include all of the following information for each individual court, by
27 program:

- 28 (a) The number of each type of program.
29 (b) The number of program participants.
30 (c) The impact of the programs on offender criminal involvement and recidivism.
31 (d) An accounting of previous fiscal year expenditures, including grant amounts
32 requested, grant amounts awarded, and grant amounts expended.

1 Sec. 10-307. (1) The funds appropriated in part 1 for drug treatment courts must be
2 administered by the state court administrative office to operate drug treatment court
3 programs. A drug treatment court shall use all available county and state personnel
4 involved in the disposition of cases, including, but not limited to, parole and probation
5 agents, prosecuting attorneys, defense attorneys, and community corrections providers. The
6 funds may be used in connection with other federal, state, and local funding sources.

7 (2) From the funds appropriated in part 1, the chief justice shall allocate
8 sufficient funds for the Michigan judicial institute to provide in-state training for those
9 identified in subsection (1) and new drug treatment court judges.

10 (3) The state court administrative office may prioritize funding for courts that have
11 a higher number of filed substance use disorder cases.

12 (4) To assist the department of corrections and avoid prison bed space growth for
13 nonviolent offenders, the judiciary shall receive \$1,500,000.00 in Byrne formula grant
14 funding through an interdepartmental grant from the department of state police to be used
15 to support drug treatment court costs consistent with Byrne grant program criteria.

16 Sec. 10-308. (1) From the funds appropriated in part 1 for swift and sure sanctions
17 programs, the state court administrative office shall administer a program to distribute
18 grants to qualifying courts in accordance with the objectives and requirements of the
19 probation swift and sure sanctions act, chapter XIA of the code of criminal procedure, 1927
20 PA 175, MCL 771A.1 to 771A.8. Not more than \$150,000.00 of the funds designated for the
21 program is available to the state court administrative office to pay for employee costs
22 associated with the administration of the program funds. Of the funds designated for the
23 program, \$500,000.00 is reserved for programs in counties that had more than 325
24 individuals sentenced to prison in the previous calendar year. Courts interested in
25 participating in the swift and sure sanctions program may apply to the state court
26 administrative office for a portion of the funds appropriated in part 1 under this section.

27 (2) Not later than March 1, the state court administrative office, in coordination
28 with the department of corrections, shall submit a report on the swift and sure sanctions
29 program that includes all of the following information for each individual court, by
30 program:

31 (a) A list of courts that participate in the program.

32 (b) The number of offenders who participate in the program.

1 (c) The criminal history of offenders who participate in the program.

2 (d) The recidivism rate of offenders who participate in the program, including the
3 rate of return to jail, prison, or both.

4 (e) A detailed description of the establishment and parameters of the program.

5 (f) An accounting of previous fiscal year expenditures, including, but not limited
6 to, grant amounts requested by the courts, grant amounts awarded to the courts, and grant
7 amounts expended by the courts.

8 Sec. 10-310. From the funds appropriated in part 1, the judicial branch shall support
9 a statewide legal self-help internet website and local nonprofit self-help centers that use
10 the statewide website to provide assistance to individuals who represent themselves in
11 civil legal proceedings. The state court administrative office shall summarize the costs to
12 maintain the website, provide statistics on the number of individuals who visit the
13 website, and provide information on content usage, form completion, and user feedback not
14 later than March 1 for the previous fiscal year.

15 Sec. 10-311. The state court administrative office shall submit a report on the
16 statewide judicial case management system not later than March 1. The report must provide a
17 status update on development and implementation of the statewide judicial case management
18 system and must include all appropriation and expenditure data for all previous and the
19 current fiscal years.

20 Sec. 10-312. The state court administrative office shall not impose local user fees
21 or collect local user fees from trial courts that are using the statewide judicial case
22 management system.

23 Sec. 10-313. (1) If Byrne formula grant funding is awarded to the state appellate
24 defender office in excess of the amount appropriated in part 1, the state appellate
25 defender office may receive and expend not more than \$250,000.00 of Byrne formula grant
26 funds as an interdepartmental grant from the department of state police.

27 (2) If the state appellate defender office receives federal grant funding from the
28 United States Department of Justice in excess of the amount appropriated in part 1, the
29 state appellate defender office may receive and expend not more than \$300,000.00 in federal
30 grant funds.

31 Sec. 10-316. (1) From the funds appropriated in part 1, the state appellate defender
32 office shall operate the program to ensure this state's compliance with Montgomery v

1 Louisiana, 577 US 190 (2016), People v Parks, 510 Mich 225 (2022), People v Stovall, 510
2 Mich 301 (2022), and People v Poole, ___ Mich App ___ ; ___ NW2d ___ (2024) (COA #352569,
3 January 18, 2024). The purpose of the program is to ensure competent, resourced, and
4 supervised counsel in cases that involve resentencing individuals who are serving a life
5 sentence for an offense committed when the individuals were 18 years of age or younger.

6 (2) The state appellate defender office shall submit a report not later than March 1
7 on the number of cases investigated and prepared by the state appellate defender office
8 under subsection (1). The report must include a calculation of the hours spent and the
9 incremental costs associated with the investigation and robust examination of each case.

10 Sec. 10-317. (1) The funds appropriated in part 1 for Michigan appellate assigned
11 counsel system roster attorney compensation grants must be deposited into the restricted
12 Michigan appellate assigned counsel system attorney compensation fund created in subsection
13 (2).

14 (2) The Michigan appellate assigned counsel system attorney compensation fund is
15 created in the state treasury. The state treasurer may receive money or other assets from
16 any source for deposit into the fund. The state treasurer shall direct the investment of
17 the fund and credit to the fund interest and earnings from fund investments. Unexpended
18 funds at the close of the fiscal year must remain in the fund and shall not lapse to the
19 general fund. The judicial branch shall be the administrator of the fund for auditing
20 purposes. The judicial branch shall expend money from the fund to provide payments to
21 indigent defense systems as provided under section 8a of the appellate defender act, 1978
22 PA 620, MCL 780.718a.

23 (3) All funds available in the Michigan appellate assigned counsel system attorney
24 compensation fund are appropriated and available for expenditure as provided by law.

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Article 11

DEPARTMENT OF LABOR AND ECONOMIC OPPORTUNITY

PART 1

LINE-ITEM APPROPRIATIONS AND ANTICIPATED APPROPRIATIONS

Sec. 11-101. Subject to the conditions set forth in this article, the amounts listed in this part for the department of labor and economic opportunity are appropriated for the fiscal year ending September 30, 2026, and are anticipated to be appropriated for the fiscal year ending September 30, 2027, from the funds indicated in this part. The following is a summary of the appropriations and anticipated appropriations in this part:

For Fiscal
Year Ending
Sept. 30, 2026

For Fiscal
Year Ending
Sept. 30, 2027

1 **DEPARTMENT OF LABOR AND ECONOMIC OPPORTUNITY**

2 **APPROPRIATION SUMMARY**

3	Full-time equated unclassified positions.....	34.5	34.5
4	Full-time equated classified positions.....	2,650.0	2,650.0
5	GROSS APPROPRIATION	\$ 1,886,132,100	\$ 1,802,632,100
6	Total interdepartmental grants and intradepartmental		
7	transfers	0	0
8	ADJUSTED GROSS APPROPRIATION	\$ 1,886,132,100	\$ 1,802,632,100
9	Total federal revenues	1,227,473,300	1,227,473,300
10	Total local revenues	10,700,000	10,700,000
11	Total private revenues	12,588,200	12,588,200
12	Total other state restricted revenues	312,373,900	312,373,900
13	State general fund/general purpose	\$ 322,996,700	\$ 239,496,700
14	<i>State general fund/general purpose schedule:</i>		
15	<i>Ongoing state general fund/general purpose</i>	<i>239,496,700</i>	<i>239,496,700</i>
16	<i>One-time state general fund/general purpose</i>	<i>83,500,000</i>	<i>0</i>
17	Sec. 11-102. DEPARTMENTAL ADMINISTRATION AND SUPPORT		
18	Full-time equated unclassified positions.....	34.5	34.5
19	Full-time equated classified positions.....	66.0	66.0
20	Unclassified salaries-34.5 FTE positions	\$ 4,882,100	\$ 4,882,100
21	Executive direction and operations-66.0 FTE positions	10,913,800	10,913,800
22	Property management	<u>6,642,200</u>	<u>6,642,200</u>
23	GROSS APPROPRIATION	\$ 22,438,100	\$ 22,438,100
24	Appropriated from:		
25	Federal revenues:		
26	Other federal revenues	12,568,500	12,568,500
27	Special revenue funds:		
28	Other state restricted revenues	6,622,600	6,622,600
29	State general fund/general purpose	\$ 3,247,000	\$ 3,247,000
30	Sec. 11-103. WORKFORCE DEVELOPMENT		
31	Full-time equated classified positions.....	236.0	236.0
32	23+ high school diploma program	\$ 3,000,000	\$ 3,000,000

	For Fiscal Year Ending Sept. 30, 2026	For Fiscal Year Ending Sept. 30, 2027
1 At-risk youth grants	5,700,000	5,700,000
2 Community and worker economic transition office-10.0		
3 FTE positions	2,523,700	2,523,700
4 Going pro	54,750,000	54,750,000
5 Helmets to hardhats	250,000	250,000
6 High school equivalency-to-school program	250,000	250,000
7 Michigan office of rural prosperity-4.0 FTE positions	2,299,400	2,299,400
8 MiSTEM advisory council-3.0 FTE positions	673,700	673,700
9 Office of future mobility and electrification	2,000,000	2,000,000
10 Workforce development-219.0 FTE positions	<u>439,083,700</u>	<u>439,083,700</u>
11 GROSS APPROPRIATION	\$ 510,530,500	\$ 510,530,500
12 Appropriated from:		
13 Federal revenues:		
14 Other federal revenues	415,249,000	415,249,000
15 Special revenue funds:		
16 Local revenues	300,000	300,000
17 Private revenues	4,993,800	4,993,800
18 Other state restricted revenues	22,310,000	22,310,000
19 State general fund/general purpose	<u>\$ 67,677,700</u>	<u>\$ 67,677,700</u>
20 Sec. 11-104. REHABILITATION SERVICES		
21 Full-time equated classified positions.....	671.0	671.0
22 Bureau of services for blind persons-116.0 FTE		
23 positions	<u>\$ 32,149,900</u>	<u>\$ 32,149,900</u>
24 Centers for independent living	19,718,600	19,718,600
25 Michigan rehabilitation services-555.0 FTE positions .	201,560,700	201,560,700
26 Subregional libraries state aid	<u>451,800</u>	<u>451,800</u>
27 GROSS APPROPRIATION	\$ 253,881,000	\$ 253,881,000
28 Appropriated from:		
29 Federal revenues:		
30 Other federal revenues	195,045,600	195,045,600
31 Special revenue funds:		
32 Local revenues	5,400,000	5,400,000

	For Fiscal Year Ending Sept. 30, 2026	For Fiscal Year Ending Sept. 30, 2027
1 Private revenues	643,300	643,300
2 Other state restricted revenues	539,500	539,500
3 State general fund/general purpose	\$ 52,252,600	\$ 52,252,600
4 Sec. 11-105. EMPLOYMENT SERVICES		
5 Full-time equated classified positions.....	419.0	419.0
6 Bureau of employment relations-22.0 FTE positions	\$ 4,674,000	\$ 4,674,000
7 Compensation supplement fund	820,000	820,000
8 First responder presumed coverage claims	6,500,000	6,500,000
9 Insurance funds administration-23.0 FTE positions	4,638,900	4,638,900
10 Michigan occupational safety and health administration-		
11 217.0 FTE positions	38,972,300	38,972,300
12 Office of global Michigan-15.0 FTE positions	43,961,500	43,961,500
13 Private and occupational distance learning-3.0 FTE		
14 positions	879,100	879,100
15 Radiation safety section-26.0 FTE positions	4,159,200	4,159,200
16 Wage and hour program-43.0 FTE positions	6,182,200	6,182,200
17 Workers' compensation board of magistrates-10.0 FTE		
18 positions	2,322,200	2,322,200
19 Workers' disability compensation agency-56.0 FTE		
20 positions	10,104,000	10,104,000
21 Workers' disability compensation appeals commission-4.0		
22 FTE positions	<u>359,200</u>	<u>359,200</u>
23 GROSS APPROPRIATION	\$ 123,572,600	\$ 123,572,600
24 Appropriated from:		
25 Federal revenues:		
26 Other federal revenues	55,366,000	55,366,000
27 Special revenue funds:		
28 Other state restricted revenues	55,213,300	55,213,300
29 State general fund/general purpose	\$ 12,993,300	\$ 12,993,300
30 Sec. 11-106. UNEMPLOYMENT		
31 Full-time equated classified positions.....	744.0	744.0
32 Unemployment insurance agency-736.0 FTE positions	\$ 297,138,500	\$ 297,138,500

	For Fiscal Year Ending Sept. 30, 2026	For Fiscal Year Ending Sept. 30, 2027
1 Unemployment insurance agency - advocacy assistance ..	1,500,000	1,500,000
2 Unemployment insurance appeals commission-8.0 FTE		
3 positions	<u>4,430,600</u>	<u>4,430,600</u>
4 GROSS APPROPRIATION	\$ 303,069,100	\$ 303,069,100
5 Appropriated from:		
6 Federal revenues:		
7 Other federal revenues	280,315,100	280,315,100
8 Special revenue funds:		
9 Other state restricted revenues	22,754,000	22,754,000
10 State general fund/general purpose	\$ 0	\$ 0
11 Sec. 11-107. COMMISSIONS		
12 Full-time equated classified positions.....	23.0	23.0
13 Asian Pacific American affairs commission-1.0 FTE		
14 position	\$ 224,500	\$ 224,500
15 Commission on Middle Eastern American affairs-1.0		
16 FTE position	215,100	215,100
17 Hispanic/Latino commission of Michigan-1.0 FTE		
18 position	298,500	298,500
19 Michigan community service commission-14.0 FTE		
20 positions	19,617,400	19,617,400
21 Michigan women's commission-2.0 FTE positions	1,545,100	1,545,100
22 Prosperity-4.0 FTE positions	<u>911,800</u>	<u>911,800</u>
23 GROSS APPROPRIATION	\$ 22,812,400	\$ 22,812,400
24 Appropriated from:		
25 Federal revenues:		
26 Other federal revenues	18,184,400	18,184,400
27 Special revenue funds:		
28 Private revenues	1,551,100	1,551,100
29 State general fund/general purpose	\$ 3,076,900	\$ 3,076,900
30 Sec. 11-108. INFORMATION TECHNOLOGY		
31 Information technology services and projects	<u>\$ 30,821,500</u>	<u>\$ 30,821,500</u>
32 GROSS APPROPRIATION	\$ 30,821,500	\$ 30,821,500

	For Fiscal Year Ending Sept. 30, 2026	For Fiscal Year Ending Sept. 30, 2027
1	Appropriated from:	
2	Federal revenues:	
3	Other federal revenues	27,161,400 27,161,400
4	Special revenue funds:	
5	Other state restricted revenues	2,739,500 2,739,500
6	State general fund/general purpose	\$ 920,600 \$ 920,600
7	Sec. 11-109. STRATEGIC OUTREACH AND ATTRACTION	
8	RESERVE	
9	Critical industry program	\$ 100 \$ 100
10	Michigan strategic site readiness program	<u>100</u> <u>100</u>
11	GROSS APPROPRIATION	\$ 200 \$ 200
12	Appropriated from:	
13	Special revenue funds:	
14	Other state restricted revenues	200 200
15	State general fund/general purpose	\$ 0 \$ 0
16	Sec. 11-110. MICHIGAN STRATEGIC FUND	
17	Full-time equated classified positions.....	164.0 164.0
18	Arts and cultural program	\$ 11,135,200 \$ 11,135,200
19	Business attraction and community revitalization	100,000,000 100,000,000
20	Community college skilled trades equipment program	
21	debt service	4,600,000 4,600,000
22	Entrepreneurship eco-system	15,650,000 15,650,000
23	Facility for rare isotope beams	7,300,000 7,300,000
24	Job creation services-164.0 FTE positions	35,898,200 35,898,200
25	Lighthouse preservation program	250,000 250,000
26	Michigan defense center program	5,000,000 5,000,000
27	Pure Michigan	<u>26,000,000</u> <u>26,000,000</u>
28	GROSS APPROPRIATION	\$ 205,833,400 \$ 205,833,400
29	Appropriated from:	
30	Federal revenues:	
31	Other federal revenues	5,950,000 5,950,000
32	Special revenue funds:	

	For Fiscal Year Ending Sept. 30, 2026	For Fiscal Year Ending Sept. 30, 2027
1 Local revenues	5,000,000	5,000,000
2 Private revenues	5,400,000	5,400,000
3 21st century jobs fund	75,000,000	75,000,000
4 Other state restricted revenues	17,182,200	17,182,200
5 State general fund/general purpose	\$ 97,301,200	\$ 97,301,200
6 Sec. 11-111. MICHIGAN STATE HOUSING DEVELOPMENT		
7 AUTHORITY		
8 Full-time equated classified positions.....	318.0	318.0
9 Community development block grants	\$ 47,000,000	\$ 47,000,000
10 Housing and rental assistance-318.0 FTE positions	52,120,800	52,120,800
11 Michigan housing and community development program ...	50,000,000	50,000,000
12 Michigan state housing development authority technology		
13 services and projects	3,760,900	3,760,900
14 Payments on behalf of tenants	166,860,000	166,860,000
15 Property management	<u>3,519,200</u>	<u>3,519,200</u>
16 GROSS APPROPRIATION	\$ 323,260,900	\$ 323,260,900
17 Appropriated from:		
18 Federal revenues:		
19 Other federal revenues	216,633,300	216,633,300
20 Special revenue funds:		
21 Other state restricted revenues	106,627,600	106,627,600
22 State general fund/general purpose	\$ 0	\$ 0
23 Sec. 11-112. STATE LAND BANK AUTHORITY		
24 Full-time equated classified positions.....	9.0	9.0
25 State land bank authority-9.0 FTE positions	\$ <u>6,412,400</u>	\$ <u>6,412,400</u>
26 GROSS APPROPRIATION	\$ 6,412,400	\$ 6,412,400
27 Appropriated from:		
28 Federal revenues:		
29 Other federal revenues	1,000,000	1,000,000
30 Special revenue funds:		
31 Other state restricted revenues	3,385,000	3,385,000
32 State general fund/general purpose	\$ 2,027,400	\$ 2,027,400

	For Fiscal Year Ending Sept. 30, 2026	For Fiscal Year Ending Sept. 30, 2027
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1	Sec. 11-113. ONE-TIME APPROPRIATIONS		
2	Barrier removal and employment success	\$ 7,500,000	\$ 0
3	Employer assisted housing financing program	25,000,000	0
4	Focus: HOPE	1,000,000	0
5	Growth programming and initiatives	10,000,000	0
6	Office of rural prosperity grants	1,000,000	0
7	Small business support hubs	10,000,000	0
8	Statewide apprenticeship expansion	19,000,000	0
9	Talent action teams	10,000,000	0
10	GROSS APPROPRIATION	\$ 83,500,000	\$ 0
11	Appropriated from:		
12	Special revenue funds:		
13	State general fund/general purpose	\$ 83,500,000	\$ 0

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FISCAL YEAR 2026

GENERAL SECTIONS

20 Sec. 11-201. Pursuant to section 30 of article IX of the state constitution of 1963,
 21 total state spending from state sources under part 1 for the fiscal year 2026 is
 22 \$635,370,600.00 and state spending from state sources to be paid to local units of
 23 government for fiscal year 2026 is \$72,943,700.00. The itemized statement below identifies
 24 appropriations from which spending to local units of government will occur:

25 DEPARTMENT OF LABOR AND ECONOMIC OPPORTUNITY

26	At-risk youth grants.....	\$ 5,700,000	
27	Going pro.....	54,750,000	
28	Workforce development.....	11,018,700	
29	Michigan rehabilitation services.....	275,000	
30	Arts and cultural program.....	1,200,000	
31	TOTAL	\$ 72,943,700	

32 Sec. 11-202. The appropriations under this part and part 1 are subject to the

1 management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

2 Sec. 11-203. As used in this article:

3 (a) "Department" means the department of labor and economic opportunity and entities
4 contained within its organization, including, but not limited to, the fund.

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

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

7 (d) "Fund", unless the context clearly implies a different meaning, means the
8 Michigan strategic fund.

9 (e) "MEDC" means the Michigan economic development corporation, which is the public
10 body corporate created under section 28 of article VII of the state constitution of 1963
11 and the urban cooperation act of 1967, 1967 (Ex Sess) PA 7, MCL 124.501 to 124.512, by
12 contractual interlocal agreement effective April 5, 1999, between local participating
13 economic development corporations formed under the economic development corporations act,
14 1974 PA 338, MCL 125.1601 to 125.1636, and the fund.

15 (f) "MEGA" means the Michigan economic growth authority.

16 (g) "MiSTEM" means Michigan science, technology, engineering, and mathematics.

17 (h) "PATH" means Partnership. Accountability. Training. Hope.

18 (i) "Standard report recipients" means the senate and house appropriations
19 subcommittees on the department, the senate and house fiscal agencies, the senate and house
20 policy offices, and the state budget office.

21 (j) "STEM" means science, technology, engineering, and mathematics.

22 (k) "USDOL" means the United States Department of Labor.

23 Sec. 11-204. A department or agency shall use the internet to fulfill the reporting
24 requirements of this part. This requirement includes transmitting reports to the standard
25 report recipients and any other required recipients by email and posting the reports on an
26 internet site.

27 Sec. 11-205. To the extent permissible under section 261 of the management and budget
28 act, 1984 PA 431, MCL 18.1261, all of the following apply to the expenditure of funds
29 appropriated in part 1:

30 (a) The funds must not be used for the purchase of foreign goods or services, or
31 both, if competitively priced and of comparable quality American goods or services, or
32 both, are available.

1 (b) Preference must be given to goods or services, or both, manufactured or provided
2 by Michigan businesses, if they are competitively priced and of comparable quality.

3 (c) Preference must be given to goods or services, or both, that are manufactured or
4 provided by Michigan businesses owned and operated by veterans, if they are competitively
5 priced and of comparable quality.

6 Sec. 11-207. Consistent with section 217 of the management and budget act, 1984 PA
7 431, MCL 18.1217, each department and agency receiving appropriations in part 1 shall
8 prepare a report on out of state travel expenses not later than January 1. The report must
9 list all travel by classified and unclassified employees outside this state in the previous
10 fiscal year that was funded in whole or in part with funds appropriated in the department's
11 or agency's budget. The department or agency shall submit the report to the standard report
12 recipients and to the house of representatives and senate appropriations committees. The
13 report must include all of the following information:

14 (a) The dates of each travel occurrence.

15 (b) The total transportation and related expenses of each travel occurrence and the
16 proportions funded with state general fund/general purpose revenues, state restricted
17 revenues, federal revenues, and other revenues.

18 Sec. 11-208. A principal executive department, state agency, or authority shall not
19 use funds appropriated in part 1 to hire a person to provide legal services that are the
20 responsibility of the attorney general. This section does not apply to legal services for
21 bonding activities or to outside legal services that the attorney general authorizes.

22 Sec. 11-209. Not later than December 15, the state budget office shall prepare and
23 submit a report that provides for estimates of the total general fund/general purpose
24 appropriation lapses at the close of the previous fiscal year. The report must summarize
25 the projected year-end general fund/general purpose appropriation lapses by major
26 departmental program or program areas. The state budget office shall submit the report to
27 the standard report recipients and the chairpersons of the senate and house of
28 representatives appropriations committees.

29 Sec. 11-210. (1) In addition to the funds appropriated in part 1, there is
30 appropriated an amount not to exceed \$30,000,000.00 for federal contingency funds. These
31 funds are not available for expenditure until they have been transferred to another line
32 item in this article under section 393(2) of the management and budget act, 1984 PA 431,

1 MCL 18.1393.

2 (2) In addition to the funds appropriated in part 1, there is appropriated an amount
3 not to exceed \$715,000,000.00 for state restricted contingency funds. These funds are not
4 available for expenditure until they have been transferred to another line item in this
5 article under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

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

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

14 Sec. 11-211. A department or agency shall cooperate with the department of
15 technology, management and budget to maintain a searchable website accessible by the public
16 at no cost that includes, but is not limited to, all of the following for each department
17 or agency:

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

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

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

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

23 (e) Job specifications and wage rates.

24 Sec. 11-214. To the extent permissible under the management and budget act, 1984 PA
25 431, MCL 18.1101 to 18.1594, the director of each department or agency receiving
26 appropriations in part 1 shall take all reasonable steps to ensure geographically
27 disadvantaged business enterprises compete for and perform contracts to provide services or
28 supplies, or both. Each director shall strongly encourage firms with which the department
29 or agency contracts to subcontract with certified geographically disadvantaged business
30 enterprises for services, supplies, or both. As used in this section, "geographically-
31 disadvantaged" business enterprises means that term as defined in Executive Directive No.
32 2023-1.

1 Sec. 11-215. On a quarterly basis, a department or agency receiving appropriations in
2 part 1 shall report on the number of FTEs in pay status by type of staff and civil service
3 classification, including comparison by line item of the number of FTEs authorized from
4 funds appropriated in part 1 to the actual number of FTE positions employed by the
5 department or agency at the end of the reporting period. The report must be submitted to
6 the senate and house appropriations committees and to the standard report recipients.

7 Sec. 11-220. Requirements under this part applicable to the fund and the fund's
8 activities apply regardless of whether the fund delegates its functions and authority to
9 the MEDC.

10 Sec. 11-221. (1) Funds appropriated in part 1 must not be used to restrict or impede
11 a marginalized community's access to government resources, programs, or facilities.

12 (2) From the funds appropriated in part 1, local governments shall report any action
13 or policy that attempts to restrict or interfere with the duties of a local health officer.

14 Sec. 11-226. Federal pass-through funds to local institutions and governments that
15 are received in amounts in addition to those included in part 1 and that do not require
16 additional state matching funds are appropriated for the purposes intended. The department
17 may carry forward into the succeeding fiscal year unexpended federal pass-through funds to
18 local institutions and governments that do not require additional state matching funds. The
19 department shall report the amount and source of the funds to the standard report
20 recipients not later than 10 business days after receiving any additional pass-through
21 funds.

22 Sec. 11-227. (1) Grants supported with private revenues received by the department
23 are appropriated upon receipt and are available for expenditure by the department for
24 purposes specified within the grant agreement and as permitted under state and federal law.

25 (2) Not later than 10 days after the receipt of a private grant appropriated in
26 subsection (1), the department shall notify the senate and house chairpersons of the
27 subcommittees, the senate and house fiscal agencies, and the state budget director of the
28 receipt of the grant, including the fund source, purpose, and amount of the grant.

29 Sec. 11-228. (1) The department may charge registration fees to attendees of
30 informational, training, or special events that are sponsored by the department and related
31 to activities that are under the department's purview.

32 (2) The fees under subsection (1) must reflect the costs for the department to

1 sponsor the informational, training, or special events.

2 (3) Revenue generated by the registration fees under subsection (1) is appropriated
3 upon receipt and available for expenditure to cover the department's costs of sponsoring
4 informational, training, or special events.

5 (4) Revenue generated by registration fees under this section in excess of the
6 department's costs of sponsoring informational, training, or special events must carry
7 forward to the subsequent fiscal year and not lapse to the general fund.

8 Sec. 11-229. (1) The department may sell documents at a price not to exceed the cost
9 of production and distribution. Money received from the sale of these documents must revert
10 to the department. In addition to the funds appropriated in part 1, these funds are
11 available for expenditure when they are received by the department of treasury. This
12 subsection applies only to R 418.10101 to R 418.101504 of the Michigan Administrative Code.

13 (2) Unexpended funds at the end of the fiscal year must carry forward to the
14 subsequent fiscal year and not lapse to the general fund. The money carried forward under
15 this section must be used as the first source of funds in the subsequent fiscal year.

16 Sec. 11-230. If the revenue collected by the department for radiological health
17 administration and projects from fees and collections exceeds the amount appropriated in
18 part 1, the revenue must be carried forward into the subsequent fiscal year. The revenue
19 carried forward under this section must be used as the first source of funds in the
20 subsequent fiscal year.

21 Sec. 11-231. Funds appropriated in part 1 must not be used by a department,
22 authority, or agency to purchase an ownership interest in a casino.

23

24 **MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY**

25 Sec. 11-402. The funds appropriated in part 1 for the Michigan housing and community
26 development program must be expended for projects as described in sections 58b and 58c of
27 the state housing development authority act of 1966, 1966 PA 346, MCL 125.1458b and
28 125.1458c.

29

30 **STATE LAND BANK AUTHORITY**

31 Sec. 11-451. (1) In addition to the amounts appropriated in part 1, the state land
32 bank authority may expend revenues received under the land bank fast track act, 2003 PA

1 258, MCL 124.751 to 124.774, for the purposes authorized by the act, including, but not
2 limited to, the acquisition, lease, management, demolition, maintenance, or rehabilitation
3 of real or personal property, payment of debt service for notes or bonds issued by the
4 authority, and other expenses to clear or quiet title property held by the authority. The
5 state land bank authority may establish partnerships with local land bank authorities.

6 (2) Not later than March 15, the state land bank authority shall submit a report to
7 the standard report recipients on the number of real properties acquired, leased, managed,
8 demolished, maintained, or rehabilitated in the previous fiscal year and list any
9 partnerships that the state land bank authority has with any local land bank authorities.

10
11 **MICHIGAN STRATEGIC FUND**

12 Sec. 11-501. The report required under section 9 of the Michigan strategic fund act,
13 1984 PA 270, MCL 125.2009, must be transmitted not later than April 10.

14 Sec. 11-502. In addition to the appropriations in part 1, Travel Michigan may receive
15 and expend private revenue related to the use of "Pure Michigan" and all other copyrighted
16 slogans and images. This revenue may come from the direct licensing of the name and image
17 or from the royalty payments from various merchandise sales. Revenue collected is
18 appropriated for the marketing of this state as a travel destination. The funds are
19 available for expenditure when they are received by the department of treasury. If the fund
20 receives revenues from the use of "Pure Michigan", the fund shall provide a report that
21 lists the revenues by source received from the use of "Pure Michigan" and all other
22 copyrighted slogans and images. The report must provide a detailed list of expenditures of
23 revenues received under this section. The report must be provided to the standard report
24 recipients not later than April 10.

25 Sec. 11-503. (1) Funds appropriated in part 1 for Pure Michigan must be used for the
26 following purposes:

27 (a) Conduction of market research regionally, nationally, and internationally for use
28 in market campaigns.

29 (b) Production of advertisements for the promotion of Michigan as a place to live,
30 learn, build, work, play, and succeed.

31 (c) Placement of advertisements that have a diverse representation in regional,
32 national, and international market campaigns to promote Michigan as a state that welcomes

1 all individuals and families.

2 (d) Administration of the program.

3 (e) Matching marketing campaigns funded from the local promotion fund or private
4 promotion fund.

5 (2) The fund may contract any of the activities under subsection (1).

6 (3) The fund may work in cooperation with local units of government, nonprofit
7 entities, and private entities on Pure Michigan promotion campaigns. The fund shall include
8 agreements prior to undertaking cooperative marketing campaigns.

9 (4) The department shall provide an annual report to the standard report recipients
10 not later than April 10, on the utilization of funds for eligible activities in subsection
11 (1), including a breakdown by eligible use, efforts taken to broaden the scope of marketing
12 activities to diverse populations, a breakdown of funds spent within this state and outside
13 of this state, and targeted marketing to encourage residents from other states to move to
14 this state.

15 Sec. 11-504. (1) A local promotion fund is created in the department. The fund may
16 receive funds from local units of government and nonprofit entities and deposit these funds
17 into the local promotion fund. Funds received are available for expenditure for use in Pure
18 Michigan promotion campaigns. The fund may maintain individual accounts for local units of
19 government and nonprofit entities that deposit funds into the local promotion fund upon
20 request from a local unit of government. As used in this subsection, "local unit of
21 government" includes cities, villages, townships, counties, and regional councils of
22 government.

23 (2) Local promotion funds appropriated in part 1 may be used for media production and
24 placements, national and international marketing campaigns, and for other activities that
25 promote Michigan as a place to live, work, and play.

26 (3) Any unexpended or unencumbered balance must be disposed of in accordance with the
27 management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594, unless carryforward
28 authorization has been otherwise provided for.

29 (4) The department shall provide a report to the standard report recipients not later
30 than March 15 on any funds that have been generated by local units of government and how
31 those funds have been expended.

32 Sec. 11-505. (1) A private promotion fund is created in the department. The fund may

1 receive funds from private entities and deposit these funds into the private promotion
2 fund. Funds received are available for expenditure for use in Pure Michigan promotion
3 campaigns. The fund may maintain individual accounts for private entities that deposit
4 funds into the private promotion fund upon request from a private entity.

5 (2) Private promotion funds appropriated in part 1 may be used for media production
6 and placements, national and international marketing campaigns, and for other activities
7 that promote Michigan as a place to live, work, and play.

8 (3) Any unexpended or unencumbered balance shall be disposed of in accordance with
9 the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594, unless carryforward
10 authorization has been otherwise provided for.

11 Sec. 11-510. As a condition for receiving funds in part 1, not later than April 10,
12 the fund shall provide a report for the previous fiscal year on the jobs for Michigan
13 investment fund, created in section 88h of the Michigan strategic fund act, 1984 PA 270,
14 MCL 125.2088h. The report must include, but is not limited to, all of the following:

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

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

20 (c) A fiscal year-end balance of the jobs for Michigan investment fund.

21 Sec. 11-511. (1) From the appropriations in part 1 to the fund and granted or
22 transferred to the MEDC, any unexpended or unencumbered balance must be disposed of in
23 accordance with the requirements in the management and budget act, 1984 PA 431, MCL 18.1101
24 to 18.1594, unless carryforward authorization has been otherwise provided for.

25 (2) Any encumbered funds, including encumbered funds subsequently unobligated, must
26 be used for the same purposes for which funding was originally appropriated in this part
27 and part 1.

28 (3) For funds appropriated in part 1 to the fund, any carryforward authorization
29 subsequently created through a work project must be preserved until a cash or accrued
30 expenditure has been executed or the allowable work project time period has expired.

31 Sec. 11-512. (1) As a condition of receiving funds under part 1, the fund must ensure
32 that the MEDC and the fund comply with all of the following:

1 (a) The freedom of information act, 1976 PA 442, MCL 15.231 to 15.246.

2 (b) The open meetings act, 1976 PA 267, MCL 15.261 to 15.275.

3 (c) Annual audits of all financial records by the auditor general or the auditor
4 general's designee.

5 (d) All reports required by law to be submitted to the legislature.

6 (2) If the MEDC is unable for any reason to perform duties under this part, the fund
7 may exercise those duties.

8 Sec. 11-516. As a condition of receiving an award from the fund, each business
9 incubator or accelerator that received an award from the fund must maintain and update a
10 dashboard of indicators to measure the effectiveness of the business incubator and
11 accelerator programs. Indicators must include the direct jobs created, new companies
12 launched as a direct result of business incubator or accelerator involvement, businesses
13 expanded as a direct result of business incubator or accelerator involvement, direct
14 investment in client companies, private equity financing obtained by client companies,
15 grant funding obtained by client companies, and other measures developed by the recipient
16 business incubators and accelerators in conjunction with the MEDC. Dashboard indicators
17 must be reported for the previous fiscal year and cumulatively, if available. Each
18 recipient shall submit a copy of their dashboard indicators to the fund by March 1. The
19 fund shall transmit the local reports not later than April 10.

20 Sec. 11-517. From the appropriations in part 1, the Michigan arts and culture council
21 shall administer an arts and cultural grant program that maintains an equitable geographic
22 distribution of funding and utilizes past arts and cultural grant programs as a guideline
23 for administering this program. The council shall do all of the following:

24 (a) Not later than October 1, publish proposed application criteria, instructions,
25 and forms for use by eligible applicants. The council shall provide at least a 2-week
26 period for public comment before finalizing the application criteria, instructions, and
27 forms.

28 (b) Assess a nonrefundable application fee that may be applied for each application.
29 Application fees must be deposited in the council for the arts fund and are appropriated
30 for expenses necessary to administer the programs. These funds are available for
31 expenditure when they are received and may be carried forward to the subsequent fiscal
32 year.

1 (c) Issue grants to public and private arts and cultural entities.

2 (d) Not later than 1 business day after the award announcements, provide to each
3 member of the legislature and the fiscal agencies a list of all grant recipients and the
4 total award given to each recipient, sorted by county.

5 (e) In addition to the information in subdivision (d), report on the number of
6 applications received, number of grants awarded, total amount requested from applications
7 received, and total amount of grants awarded.

8 Sec. 11-518. (1) The general fund/general purpose funds appropriated in part 1 to the
9 fund for business attraction and community revitalization must be transferred to the 21st
10 century jobs trust fund per section 90b(3) of the Michigan strategic fund act, 1984 PA 270,
11 MCL 125.2090b.

12 (2) Funds transferred to the 21st century jobs trust fund under subsection (1) are
13 appropriated and available for allocation as authorized in the Michigan strategic fund act,
14 1984 PA 270, MCL 125.2001 to 125.2094.

15 Sec. 11-520. (1) The fund, in conjunction with the department of treasury, shall
16 report not later than November 1 on the annual cost of the MEGA tax credits. The report
17 must include for each year the board-approved credit amount, adjusted for credit amendments
18 where applicable, and the actual and projected value of tax credits for each year from 1995
19 to the expiration of the credit program. For years for which credit claims are complete,
20 the report must include the total of actual certificated credit amounts. For years that
21 claims are still pending or not yet submitted, the report must include a combination of
22 actual credits where available and projected credits. Credit projections must be based on
23 updated estimates of employees, wages, and benefits for eligible companies.

24 (2) In addition to the report under subsection (1), the fund, in conjunction with the
25 department of treasury, shall report to the standard report recipients not later than
26 November 1 on the annual cost of all other certificated credits by program, for each year
27 until the credits expire or can no longer be collected. The report must include estimates
28 on the brownfield redevelopment credit, film credits, MEGA photovoltaic technology credit,
29 MEGA polycrystalline silicon manufacturing credit, MEGA vehicle battery credit, and other
30 certificated credits.

31 Sec. 11-522. (1) From the funds appropriated in part 1 for business attraction and
32 community revitalization, the fund shall identify specific outcomes and performance

1 measures, including, but not limited to, the following:

2 (a) Total verified jobs created by the business attraction program during the
3 previous fiscal year.

4 (b) Total private investment obtained through the business attraction and community
5 revitalization programs during the previous fiscal year.

6 (c) Amount of private and public square footage created and reactivated through the
7 community revitalization program during the previous fiscal year.

8 (2) The fund shall submit a report to the standard report recipients not later than
9 April 10. The report must describe the specific outcomes and measures required in
10 subsection (1) and provide the results and data related to these outcomes and measures for
11 the previous fiscal year if related information is available for the previous fiscal year.
12 The report must also contain a summary of any metrics used to evaluate the outcomes and
13 performance of any programs.

14 Sec. 11-523. In addition to the funds appropriated in part 1, the funds collected by
15 state historic preservation programs for document reproduction and services and application
16 fees are appropriated for all expenses necessary to provide the required services. These
17 funds are available for expenditure when they are received and may be carried forward into
18 the succeeding fiscal year.

19 Sec. 11-524. Tax capture revenues collected in accordance with written agreements
20 under the good jobs for Michigan program and transferred from the general fund for deposit
21 into the good jobs for Michigan fund, and for both calculated payments from the good jobs
22 for Michigan fund to authorized businesses and distributions to the fund for administrative
23 expenses, are appropriated under the provisions of chapter 8D of the Michigan strategic
24 fund act, 1984 PA 270, MCL 125.2090g to 125.2090j.

25 Sec. 11-526. The funds appropriated in part 1 for Michigan defense center program
26 must be used by the fund to protect and grow the defense and homeland security industry in
27 Michigan by protecting the state's current department of defense missions, infrastructure,
28 and industry, including securing new missions and increasing defense and homeland security
29 spending in this state. These funds may be used for, but are not limited to, the following
30 activities:

31 (a) Helping Michigan businesses identify federal defense contract opportunities.

32 (b) Providing technical assistance for bid responses to federal defense contracts.

1 (c) Strengthening cybersecurity compliance at Michigan businesses to qualify for
2 federal defense contracts.

3 Sec. 11-527. (1) The funds appropriated for revitalization and placemaking program
4 must be expended for activities as described in section 696 of the income tax act of 1967,
5 1967 PA 281, MCL 206.696

6 (2) Any interest and earnings from the revitalization and placemaking fund
7 established in section 696 of the income tax act of 1967, 1967 PA 281, MCL 206.696, is
8 appropriated to the revitalization and placemaking program and must be used to support
9 activities as described in section 696 of the income tax act of 1967, 1967 PA 281, MCL
10 206.696.

11
12 **EMPLOYMENT SERVICES**

13 Sec. 11-601. From the funds appropriated in part 1 for wage and hour program, the
14 department shall continue to engage with employers and employees to enhance education and
15 outreach, in accordance with the youth employment standards act 1978 PA 90, the payment of
16 wages and fringe benefits act, 1978 PA 390, the improved workforce opportunity wage act,
17 2018 PA 337, the earned sick time act, 2018 PA 338, the human trafficking notification act,
18 2016 PA 62, and the prevailing wage on state projects act, 2023 PA 10.

19 Sec. 11-602. (1) In addition to the funds appropriated in part 1, all funds necessary
20 to pay approved claims and administrative costs incurred during this fiscal year, as
21 allowed in the Christopher R. Slezak first responder presumed coverage fund, created in
22 section 405 of the worker's disability compensation act of 1969, 1969 PA 317, MCL 418.405,
23 are appropriated for the purposes authorized under MCL 418.405.

24 (2) The department shall provide a yearend report to the Michigan gaming control
25 board, the department of treasury and the state budget office, which shall include, but is
26 not limited to, the total of all approved claims and administrative costs incurred as of
27 September 30.

28
29 **WORKFORCE DEVELOPMENT**

30 Sec. 11-701. The department shall administer the PATH training program in accordance
31 with the requirements of section 407(d) of title IV of the social security act, 42 USC 607,
32 the state social welfare act, 1939 PA 280, MCL 400.1 to 400.119b, and all other applicable

1 laws and regulations.

2 Sec. 11-702. From the funds appropriated in part 1 for workforce development, the
3 department may allocate funding for grants to nonprofit organizations that offer programs
4 under the workforce innovation and opportunity act, 29 USC 3101 to 3361, for eligible youth
5 that focus on apprenticeship readiness, pre-apprenticeship and apprenticeship activities,
6 entrepreneurship, work-readiness skills, job shadowing, or financial literacy.
7 Organizations eligible for funding under this section must have the capacity to provide
8 similar programs in urban areas, as determined by the United States Census Bureau according
9 to the most recent federal decennial census. Additionally, programs eligible for funding
10 under this section must include the participation of local business partners. The
11 department shall develop other appropriate eligibility requirements to ensure compliance
12 with applicable federal rules and regulations.

13 Sec. 11-703. From the funds appropriated in part 1, the department shall make
14 available, in person or by telephone, 1 disabled veterans outreach program specialist or
15 local veterans employment representative to Michigan works service centers, as resources
16 permit, during hours of operation, and shall continue to make the appropriate placement of
17 veterans and disabled veterans a priority.

18 Sec. 11-704. (1) In addition to the funds appropriated in part 1, any unencumbered
19 and unrestricted funds allocated under the federal workforce innovation and opportunity
20 act, 29 USC 3101 to 3361, or trade adjustment assistance funds available from previous
21 fiscal years are appropriated for the purposes originally intended.

22 (2) The department shall report to the standard report recipients not later than
23 February 15 on the amount, by fiscal year, of funds allocated under the federal workforce
24 innovation and opportunity act, 29 USC 3101 to 3361, appropriated under this section.

25 Sec. 11-705. (1) The department shall publish data and reports on April 30 and
26 October 30 on the department website concerning the status of going pro funded in part 1.
27 The report must include the following:

28 (a) The number of awardees participating in the program and the names of those
29 awardees organized by major industry group.

30 (b) The amount of funding received by each awardee under the program.

31 (c) The amount of funding leveraged from each awardee.

32 (d) The training models established by each awardee and the number of individuals

1 enrolled in classroom training, on-the-job training, or new USDOL registered apprentices.

2 (e) The number of qualified employees who completed the approved training.

3 (f) The number of applications received and the number of grants awarded for each
4 region.

5 (g) The number of individuals hired and trained, number of incumbent workers trained,
6 and number of USDOL registered apprentices.

7 (h) Going pro expenditures by fiscal year. Active fiscal years will display projected
8 expenditure data and closed fiscal years will display final expenditure data.

9 (2) The department shall expand workforce training and reemployment services to
10 better connect workers to in-demand jobs and identify specific outcomes with performance
11 metrics for this initiative, including, but not limited to, new apprenticeships,
12 individuals to be hired and trained, current employees trained, training completed,
13 employment retention rate at 6 months, and hourly wage at 6 months.

14 Sec. 11-706. To the extent consistent with sections 7 and 9 of 2018 PA 260, MCL
15 408.157 and 408.159, the department shall administer the going pro program as follows:

16 (a) The department shall work cooperatively with grantees to maximize the amount of
17 funds from part 1 that are available for direct training.

18 (b) The department, workforce development partners, including regional Michigan works
19 agencies, and employers shall collaborate and work cooperatively to prioritize and
20 streamline the expenditure of the funds appropriated in part 1. The department shall ensure
21 that going pro provides a collaborative statewide network of workforce and employee skill
22 development partners that addresses the employee talent needs throughout this state.

23 (c) The department shall ensure that grants are utilized for individual skill
24 enhancement and to address in-demand talent needs in Michigan.

25 (d) The department shall do all of the following:

26 (i) Develop program goals and detailed guidance for prospective participants to
27 follow to qualify under the program.

28 (ii) Post the program goals and detailed guidance on the department's website and
29 distribute the program goals and detailed guidance to workforce development partners,
30 including local Michigan works agencies, not later than October 1.

31 (iii) Conduct periodic assessments of employer and employee needs that are evaluated
32 on a regional basis.

1 (iv) Identify solutions and goals to be implemented to satisfy employer and employee
2 needs.

3 (v) Add scoring criteria that incentivize awards to new and diverse program
4 applicants.

5 (e) Not less than 5% of available funding must be reserved for businesses in talent
6 fund priority industry sectors that submit competitive applications.

7 Sec. 11-707. The funds appropriated in part 1 for MiSTEM advisory council must be
8 used to support the staff for the MiSTEM network, and for administrative, training, and
9 travel costs related to the MiSTEM council. The staff for the MiSTEM network shall do all
10 of the following:

11 (a) Serve as a liaison among and between the department, the department of lifelong
12 education, advancement, and potential, the department of education, the MiSTEM council, the
13 governor's workforce development board, the MiSTEM regions, and any other relevant
14 organization or entity in a manner that creates a robust statewide STEM culture, empowers
15 STEM teachers, integrates business and education into the STEM network, and ensures high-
16 quality STEM experiences for pupils.

17 (b) Coordinate the implementation of a marketing campaign, including, but not limited
18 to, a website that includes dashboards of outcomes, to build STEM awareness and communicate
19 STEM needs and opportunities to pupils, parents, educators, and the business community.

20 (c) Work with the department of education and the MiSTEM council to coordinate,
21 award, and monitor MiSTEM state and federal grants to the MiSTEM network regions and
22 conduct reviews of grant recipients, including, but not limited to, pupil experience and
23 feedback.

24 (d) Report to the governor, the legislature, and the MiSTEM council annually on the
25 activities and performance of the MiSTEM network regions.

26 (e) Coordinate recurring discussions and work with regional staff to ensure that a
27 network or loop of feedback and best practices are shared, including funding, programming,
28 professional learning opportunities, discussion of MiSTEM strategic vision, and regional
29 objectives.

30 (f) Coordinate major grant application efforts with the MiSTEM council to assist
31 regional staff with grant applications on a local level. The MiSTEM council shall leverage
32 private and nonprofit relationships to coordinate and align private funds in addition to

1 funds appropriated under this section.

2 (g) Train state and regional staff in the STEMworks rating system, in collaboration
3 with the MiSTEM council and the Michigan department of education.

4 (h) Hire MiSTEM network region staff in collaboration with the network region fiscal
5 agent.

6 Sec. 11-708. (1) From the funds appropriated in part 1 for workforce development, the
7 department shall provide a report on the status of workforce development not later than
8 March 15 to the standard report recipients. The report must include the following:

9 (a) The amount of funding allocated to each Michigan works agency and the total
10 funding allocated to the workforce training programs statewide by fund source.

11 (b) The number of participants enrolled in education or training programs by each
12 Michigan works agency.

13 (c) The average duration of training for training program participants by each
14 Michigan works agency.

15 (d) The number of participants enrolled in remedial education programs and the number
16 of participants enrolled in literacy programs.

17 (e) The number of participants enrolled in programs at 2-year institutions.

18 (f) The number of participants enrolled in programs at 4-year institutions.

19 (g) The number of participants enrolled in proprietary schools or other technical
20 training programs.

21 (h) The number of participants that have completed education or training programs.

22 (i) The number of participants who secured employment in Michigan within 1 year of
23 completing a training program.

24 (j) The number of participants who completed a training program and secured
25 employment in a field related to their training.

26 (k) The average wage earned by participants who completed a training program and
27 secured employment within 1 year.

28 (l) The actual revenues received by the fund source and fund appropriated for each
29 discrete workforce development program area.

30 (2) Data collection for the report must be for the previous state fiscal year.

31 Sec. 11-709. From the funds appropriated in part 1 for helmets to hardhats, funds
32 must be awarded to a national nonprofit program that connects national guard, reserve,

1 retired, and transitioning active-duty military service members with skilled training and
2 quality career opportunities in the construction industry. Grant funding must be used to
3 recruit and assist veterans to transition into apprenticeship programs in this state.

4 Sec. 11-710. (1) The funds appropriated in part 1 for the 23+ high school diploma
5 program must be awarded for a program to assist adults 23 years of age and over in
6 obtaining high school diplomas and placement in career training programs.

7 (2) For purposes of this section, an eligible program provider may be a public,
8 nonprofit, or private accredited diploma-granting institution, but must have at least 2
9 years of experience providing dropout recovery services in this state.

10 (3) The department shall issue a request for qualifications for eligible program
11 providers to participate in the program. To be considered a qualified program provider, the
12 institution must offer all of the following:

13 (a) Dropout reengagement services.

14 (b) Academic intake assessments.

15 (c) An integrated learning plan.

16 (d) A course catalog that includes all graduation requirements.

17 (e) Remediation coursework.

18 (f) Academic resilience assessment and intervention.

19 (g) Employability skills development.

20 (h) Industry-recognized credentials.

21 (i) Credit for on-the-job training.

22 (j) A robust support framework, including technology, social support, and academic
23 support.

24 (k) WorkKeys preparation.

25 (4) The department shall announce qualified program providers not later than January
26 1 of the current fiscal year. Qualified program providers must start providing programming
27 by February 1 of the current fiscal year.

28 (5) The department shall reimburse qualified program providers for each month of
29 satisfactory monthly progress as described in section 23a of the state school aid act of
30 1979, 1979 PA 94, MCL 388.1623a, at a rate of \$500.00 per month. A payment shall be made to
31 a qualified program provider for the completion of the following by a pupil:

32 (a) \$500.00 for the completion of an employability skills program equal to at least 1

1 unit of high school credit obtained through classroom or online instruction.

2 (b) \$250.00 for the attainment of an industry-recognized credential requiring up to
3 50 hours of training.

4 (c) \$500.00 for the attainment of an industry-recognized credential requiring 50 to
5 100 hours of training.

6 (d) \$750.00 for the attainment of an industry-recognized credential requiring more
7 than 100 hours of training.

8 (e) \$1,000.00 for the attainment of a high school diploma.

9 (f) \$2,500.00 for placement in a job in an in-demand career pathway.

10 (6) The department shall develop policies and guidelines to implement this section.

11 Sec. 11-711. The funds appropriated in part 1 for at-risk youth grants must be
12 awarded to the Michigan franchise holder of the national Jobs for America's Graduates
13 program for the administration of the Jobs for Michigan's Graduates program.

14 Sec. 11-712. (1) The funds appropriated in part 1 for the high school equivalency-to-
15 school program must be used to purchase and distribute vouchers that cover the cost of high
16 school equivalency testing and certification under this section. The department shall
17 administer a Michigan high school equivalency-to-school program that covers the cost of
18 taking a high school equivalency test free of charge for individuals who meet all of the
19 following requirements:

20 (a) The individual has not previously been administered a high school equivalency
21 test free of charge under this section.

22 (b) The individual meets at least 1 of the following requirements:

23 (i) Prior to taking the high school equivalency test, the individual successfully
24 completed a department approved high school equivalency preparation program.

25 (ii) Prior to taking the high school equivalency test, the individual completed the
26 official high school equivalency practice test and the individual's score indicated that
27 the individual is likely to pass.

28 (2) A department-approved high school equivalency preparation program must include
29 all of the following:

30 (a) Instructional and tutorial assistances.

31 (b) High school equivalency test practice.

32 (c) Required attendance at program instructional sessions.

1 (d) A curriculum that prepares students for opportunities in postsecondary education
2 and the job market.

3 (e) Information on potential postsecondary and career pathways.

4 (f) Counseling on preparing for and applying to college.

5 (g) Personal and job readiness skills development.

6 (h) Comprehensive information on college costs and financial aid.

7 (i) College and career assessments.

8 (j) Computer-based instruction, practice, or remediation.

9 (3) The department shall post online an announcement of the Michigan high school
10 equivalency-to-school program, minimum standards for high school equivalency preparation
11 program approval, and approval procedures.

12 (4) The department shall do all of the following:

13 (a) Develop procedures consistent with this section under which individuals can take
14 the high school equivalency test without charge.

15 (b) Provide program information for educators and students on the department website,
16 including explanations of the procedures developed under this subsection, and contact
17 information for questions about the program.

18 (c) Provide an estimate of the full-year cost of the program to the standard report
19 recipients.

20 (5) Not later than September 30, the department shall report on utilization of the
21 high school equivalency incentive program to the standard report recipients, including
22 numbers of high school equivalency certifications issued by location, year-to-date
23 expenditures, and numbers of participants qualifying under subsection (1)(b)(i) or (ii), or
24 both.

25 Sec. 11-714. (1) The office of rural prosperity shall encourage and enable
26 appropriate community advancements and improvements, including, but not limited to, all of
27 the following:

28 (a) Housing.

29 (b) Infrastructure.

30 (c) Education.

31 (d) Workforce development.

32 (e) Other activities that address needs uniquely present in rural areas of this state

1 and assist in expansion of rural development.

2 (2) Not later than March 15, the office of rural prosperity shall submit a report to
3 the standard report recipients that outlines the office's activities, programs, and
4 accomplishments in the previous fiscal year.

5 Sec. 11-715. (1) From the funds appropriated in part 1 for community and worker
6 economic transition office, the department may hire employees and deploy capabilities to
7 evaluate and address the impacts of economic transitions on workers, communities, and
8 employers in sectors that include, but are not limited to, the auto, utility,
9 manufacturing, and building trades sectors. Activities of the office may include developing
10 transition mitigation strategies, conducting data analysis, coordinating across state and
11 federal agencies, engaging stakeholders, and providing resource navigation support. The
12 department shall develop and submit to the governor and the legislature a community and
13 worker economic transition plan not later than December 31, 2025, as required under
14 sections 7(3)(f) and 9(2) of the community and worker economic transition act, 2023 PA 232,
15 MCL 408.917 and 408.919. No later than March 15, the department shall also submit an annual
16 report on office activities and progress made on the transition plan to the standard report
17 recipients and to the legislature, as required under section 7(5) of the community and
18 worker economic transition act, 2023 PA 232, MCL 408.917.

19 (2) In the annual report submitted under subsection (1), the department shall include
20 information on the mission statement, goals, metrics, and recommendations of the community
21 and worker economic transition office.

22 Sec. 11-717. The department's office of rural prosperity shall collaborate with the
23 department of agriculture and rural development on the rural development fund grant program
24 as part of the state's coordinated strategy for achieving rural prosperity across the
25 state.

26

27 **UNEMPLOYMENT**

28 Sec. 11-801. The unemployment insurance agency shall provide a report updated at
29 least quarterly that includes, but is not limited to, fiscal year-to-date expenditures by
30 division and program unit. The unemployment insurance agency shall transmit each quarterly
31 report no later than 60 days after the end of each quarter.

32 Sec. 11-802. (1) From the funds appropriated in part 1, the department, on behalf of

1 the unemployment insurance agency, shall provide a quarterly report to the standard report
2 recipients not later than 60 days after the end of each quarter that includes, but is not
3 limited to, the following:

4 (a) The average number of unique claimants for the quarter.

5 (b) The average number of eligible claimants with certification for the quarter.

6 (c) The average number of claims paid for the quarter.

7 (d) The total amount of standard unemployment insurance payments paid for the
8 quarter.

9 (e) The total amount of unemployment insurance tax generated for the quarter.

10 (f) The balance of the Michigan unemployment trust fund at the end of the quarter.

11 (2) The department shall include the same information required in subsection (1) for
12 the previous 12 months. The department shall include the most recent quarterly report on
13 the department's webpage.

14 Sec. 11-803. From the funds appropriated in part 1, the department shall provide a
15 quarterly report not later than 60 days after the end of each quarter that includes, but is
16 not limited to, the following:

17 (a) The number of new fraudulent and noncompliant cases that have been identified or
18 issued by the unemployment insurance agency, classified by employer or claimant, during the
19 quarter.

20 (b) The total amount of penalties and interest issued on fraudulent and noncompliant
21 cases during the quarter.

22 (c) The total amount of penalties and interest dollars received during the quarter by
23 employer or claimant.

24 (d) The total amount of collectible penalties and interest still owed to this state
25 by employer or claimant.

26 (e) The number of fraudulent and noncompliant cases that have been appealed by an
27 employer or claimant during the quarter.

28 Sec. 11-804. (1) The funds appropriated in part 1 for unemployment insurance agency
29 must be used to staff unemployment insurance agency branch offices for in-person
30 appointments for unemployment insurance agency claimant services.

31 (2) The department shall provide a biannual report to the standard report recipients
32 not later than March 15 and September 30 that includes all of the following:

1 (a) The number and location of in-person offices.

2 (b) The average number of staff at each location over the previous 6 months.

3 (c) The volume of in-person claimants served at each location in the previous 6
4 months.

5 Sec. 11-805. Funds appropriated in part 1 for the unemployment insurance agency may
6 be used by the unemployment insurance agency to increase capacity by an estimated 500
7 limited-term employees only if the unemployment insurance agency provides full-time, in-
8 person services at existing unemployment insurance local offices.

9 Sec. 11-806. (1) From the funds appropriated in part 1 for unemployment insurance
10 agency, the department shall maintain customer service standards for employers and
11 claimants making use of the various means by which they can access the system.

12 (2) The department shall identify specific outcomes and performance metrics for this
13 initiative, including, but not limited to, the following:

14 (a) Unemployment benefit fund balance.

15 (b) Process improvement - fiscal integrity.

16 (c) Process improvement - determination timeliness.

17 (d) Process improvement - determination quality.

18 Sec. 11-807. Funds earned or authorized by the USDOL in addition to the appropriation
19 in part 1 for the unemployment insurance agency are appropriated and may be expended for
20 staffing and related expenses incurred in the operation of its programs. These funds may be
21 spent after the department notifies the standard report recipients of the purpose and
22 amount of each grant award.

23
24 **REHABILITATION SERVICES**

25 Sec. 11-901. The Michigan rehabilitation services and bureau of services for blind
26 persons shall work collaboratively with service organizations and government entities to
27 identify allowable match dollars to secure available federal vocational rehabilitation
28 funds.

29 Sec. 11-903. (1) From the funds appropriated in part 1 for Michigan rehabilitation
30 services, the department shall allocate funding along with available federal match to
31 support the provision of vocational rehabilitation services to eligible agricultural
32 workers with disabilities. Authorized services shall assist agricultural workers with

1 disabilities in acquiring or maintaining quality employment and independence.

2 (2) Not later than March 1, the department shall report to the standard report
3 recipients on the total number of clients served and the total amount of federal matching
4 funds obtained throughout the duration of the program.

5 Sec. 11-904. If the department is at risk of entering into an order of selection for
6 services, the department shall notify the standard report recipients within 2 weeks of
7 receiving notification.

8 Sec. 11-905. (1) Funds appropriated in part 1 for independent living must be used to
9 support the general operations of centers for independent living in delivering mandated
10 independent living services in compliance with federal rules and regulations, including 45
11 CFR Part 1329, for the centers, by existing centers for independent living to serve
12 underserved areas, and for projects to build the capacity of centers for independent living
13 to deliver independent living services. Applications for the funds must be reviewed in
14 accordance with criteria and procedures established by the department. Funds must be used
15 in a manner consistent with the state plan for independent living. Services provided should
16 assist people with disabilities to move toward self-sufficiency, including, but not limited
17 to, support for accessing transportation and health care, obtaining employment, community
18 living, nursing home transition, information and referral services, education, youth
19 transition services, veterans, and stigma reduction activities and community education.
20 This includes the independent living guide services that specifically focus on economic
21 self-sufficiency.

22 (2) Not later than March 1 and in partnership with service providers, the department
23 shall provide a report to the standard report recipients on direct customer and system
24 outcomes and performance measures.

25 Sec. 11-907. (1) The appropriation in part 1 for bureau of services for blind persons
26 includes funds for case services. These funds may be used for tuition payments for blind
27 clients.

28 (2) Revenue collected by the bureau of services for blind persons and from private
29 and local sources that is unexpended at the end of the fiscal year must carry forward to
30 the subsequent fiscal year.

31 Sec. 11-908. The bureau of services for blind persons may provide and enter into
32 agreements to provide general services, training, meetings, information, special equipment,

1 software, facility use, and technical consulting services to other principal executive
2 departments, state agencies, local units of government, the judicial branch of government,
3 other organizations, and patrons of department facilities. The department may charge fees
4 for these services that are reasonably related to the cost of providing the services. In
5 addition to the funds appropriated in part 1, funds collected by the department for these
6 services are appropriated for all expenses necessary. The funds appropriated under this
7 section are allotted for expenditure when they are received by the department of treasury.

8 Sec. 11-909. (1) The funds appropriated in part 1 for a regional or subregional
9 library must not be released until a budget for that regional or subregional library has
10 been approved by the department for expenditures for library services directly serving the
11 blind and persons with disabilities.

12 (2) To receive subregional state aid appropriated in part 1, a regional or
13 subregional library's fiscal agency must agree to maintain local funding support at the
14 same level in the current fiscal year as in the fiscal agency's preceding fiscal year. If a
15 reduction in expenditures equally affects all agencies in a local unit of government that
16 includes the regional or subregional library's fiscal agency, the reduction must not be
17 interpreted as a reduction in local support and must not disqualify a regional or
18 subregional library from receiving state aid under part 1. If a reduction in income affects
19 a library cooperative or district library that includes a regional or subregional library's
20 fiscal agency or a reduction in expenditures for the regional or subregional library's
21 fiscal agency, a reduction in expenditures for the regional or subregional library must not
22 be interpreted as a reduction in local support and must not disqualify a regional or
23 subregional library from receiving state aid under part 1.

24

25 **COMMISSIONS**

26 Sec. 11-953. The office of global Michigan must submit a report to the standard
27 report recipients not later than January 31. The report must include all of the following
28 information:

29 (a) The number of individuals served through each major program and activity.

30 (b) The number of refugee arrivals, the job placement rate of those refugees actively
31 receiving services under global Michigan grants, and the average wages and initial job
32 placements for those refugees.

1 (c) A list and description of the activities that the office has conducted to attract
2 and retain international, advanced degree, and entrepreneurial talent.

3 (d) A list of goals for the office and the metrics used to determine whether each
4 goal is achieved.

5

6 **ONE-TIME APPROPRIATIONS**

7 Sec. 11-1001. From the funds appropriated in part 1 for Focus: HOPE, \$1,000,000.00
8 shall be awarded to Focus: HOPE for education and workforce development programming, early
9 childhood education, youth development, food assistance, or community empowerment and
10 advocacy.

11 Sec. 11-1002. From the funds appropriated in part 1 for office of rural prosperity
12 grants, the department shall operate a grant program and provide services and support for
13 community activities, including, but not limited to, enhancing or elevating broadband,
14 housing, infrastructure, education, and workforce development, and addressing other needs
15 uniquely experienced in rural areas of this state.

16 Sec. 11-1003. (1) Funds appropriated in part 1 for the employer assisted housing
17 financing program must be allocated to the Michigan state housing development authority to
18 incentivize employers to participate in the creation of housing opportunities for the local
19 workforce by providing an up to 1:1 match of the employer's investment. All households
20 served must be below 120% of the area median income, as determined by the Michigan state
21 housing development authority. Housing opportunities may include, but are not limited to,
22 housing acquisition, rental housing, down payment assistance, and rehabilitation.

23 (2) The Michigan state housing development authority must develop program guidelines
24 and eligibility criteria for the program and must post that information on its publicly
25 accessible website. Efforts must be made to ensure a broad geographic distribution of funds
26 awarded under the program to both urban and rural communities.

27 Sec. 11-1004. Funds appropriated in part 1 for talent action teams shall be used by
28 the department for the operation of the talent action teams fast track system to provide or
29 contract for services to provide specialized economic assistance to qualified businesses.
30 The Michigan strategic fund shall collaborate with institutions of higher education,
31 community colleges, Michigan Works! agencies, private training providers, nonprofit
32 entities, state agencies, and local units of government on this program. Services may

1 include, but are not limited to, assistance in recruitment of talent to Michigan,
2 facilitating contracting with third parties to provide workforce training, recruitment and
3 screening of job seekers on behalf of qualified businesses, and scholarships and resources
4 for individuals qualifying for in-demand occupations. Up to 3 percent of the funds
5 appropriated for this section may be retained by the department for administration.

6 Sec. 11-1005. Funds appropriated in part 1 for growth programming and initiatives may
7 be used for growth programs and activities including, but not limited to, programs and
8 pilots to support growth in communities across the state, engagement efforts to advance
9 Michigan's growth, and strategies to support talent attraction and retention. Up to 3
10 percent of the funds appropriated for this section may be retained by the department for
11 administration.

12 Sec. 11-1006. The funds appropriated in part 1 for barrier removal and employment
13 success shall be used to provide supportive services to at-risk individuals to address and
14 remove barriers preventing them from taking a job or staying in a job if they are currently
15 employed. At-risk individuals include, but are not limited to, low-income, poor, and
16 working poor citizens of Michigan. Services provided will address a wide range of barriers
17 including, but not limited to, transportation, childcare, clothing needs, tools for work,
18 legal services, and other barriers that may prevent at-risk individuals from working. Up to
19 3 percent of the funds appropriated for this section may be retained by the department for
20 administration.

21 Sec. 11-1007. (1) Funds appropriated in part 1 for statewide apprenticeship expansion
22 shall be used for expanding available apprenticeship opportunities for occupations critical
23 to Michigan's economy, assisting citizens with obtaining industry credentials recognized by
24 the United States Department of Labor, and supporting registered apprenticeship program
25 expansion efforts across this state. Up to 3 percent of the funds appropriated for this
26 section may be retained by the department for administration.

27 (2) Not later than September 30, the department shall provide a report to the
28 standard report recipients on the number of active, new, and completing registered
29 apprentices served under the program.

30 Sec. 11-1008. Funds appropriated in part 1 for small business support hubs shall be
31 used by the Michigan strategic fund for continued support of small businesses statewide.
32 Funds may be used for grants to small business support organizations for incubators,

1 accelerators, and networking and mentorship programming, as well as other entrepreneurial
2 support initiatives related to best-in-class delivery of resources, services, and access to
3 capital to drive growth in Michigan small businesses. Up to 3 percent of the funds
4 appropriated for this section may be retained by the Michigan strategic fund for
5 administration.

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Article 12

LEGISLATURE

PART 1

LINE-ITEM APPROPRIATIONS AND ANTICIPATED APPROPRIATIONS

Sec. 12-101. Subject to the conditions set forth in this article, the amounts listed in this part for the legislature are appropriated for the fiscal year ending September 30, 2026, and are anticipated to be appropriated for the fiscal year ending September 30, 2027, from the funds indicated in this part. The following is a summary of the appropriations and anticipated appropriations in this part:

	For Fiscal Year Ending Sept. 30, 2026	For Fiscal Year Ending Sept. 30, 2027
1	LEGISLATURE	
2	APPROPRIATION SUMMARY	
3	GROSS APPROPRIATION	\$ 235,755,400 \$ 235,755,400
4	Total interdepartmental grants and intradepartmental	
5	transfers	7,555,600 7,555,600
6	ADJUSTED GROSS APPROPRIATION	\$ 228,199,800 \$ 228,199,800
7	Total federal revenues	0 0
8	Total local revenues	0 0
9	Total private revenues	481,700 481,700
10	Total other state restricted revenues	8,134,500 8,134,500
11	State general fund/general purpose	\$ 219,583,600 \$ 219,583,600
12	<i>State general fund/general purpose schedule:</i>	
13	<i>Ongoing state general fund/general purpose</i>	<i>219,583,600 219,583,600</i>
14	<i>One-time state general fund/general purpose</i>	<i>0 0</i>
15	Sec. 12-102. LEGISLATURE	
16	Senate	\$ 52,057,000 \$ 52,057,000
17	Senate automated data processing	3,290,000 3,290,000
18	Senate fiscal agency	4,878,400 4,878,400
19	House of representatives	76,450,500 76,450,500
20	House automated data processing	3,290,000 3,290,000
21	House fiscal agency	<u>4,878,400</u> <u>4,878,400</u>
22	GROSS APPROPRIATION	\$ 144,844,300 \$ 144,844,300
23	Appropriated from:	
24	Special revenue funds:	
25	State general fund/general purpose	\$ 144,844,300 \$ 144,844,300
26	Sec. 12-103. LEGISLATIVE COUNCIL	
27	Legislative corrections ombudsman	\$ 1,633,400 \$ 1,633,400
28	Legislative council	16,966,700 16,966,700
29	Legislative service bureau automated data processing .	3,823,500 3,823,500
30	Michigan veterans facility ombudsman	379,700 379,700
31	National association dues	724,800 724,800
32	Sentencing commission	100 100

	For Fiscal Year Ending Sept. 30, 2026	For Fiscal Year Ending Sept. 30, 2027
1 Tribal legislative liaison	515,000	515,000
2 Worker's compensation	<u>182,400</u>	<u>182,400</u>
3 GROSS APPROPRIATION	\$ 24,225,600	\$ 24,225,600
4 Appropriated from:		
5 Special revenue funds:		
6 State general fund/general purpose	\$ 24,225,600	\$ 24,225,600
7 Sec. 12-104. LEGISLATIVE RETIREMENT SYSTEM		
8 Actuarially determined contribution	\$ 100	\$ 100
9 General nonretirement expenses	<u>6,468,500</u>	<u>6,468,500</u>
10 GROSS APPROPRIATION	\$ 6,468,600	\$ 6,468,600
11 Appropriated from:		
12 Special revenue funds:		
13 Other state restricted revenues	1,505,200	1,505,200
14 State general fund/general purpose	\$ 4,963,400	\$ 4,963,400
15 Sec. 12-105. PROPERTY MANAGEMENT		
16 Binsfeld Office Building and other properties	\$ 10,161,000	\$ 10,161,000
17 Cora Anderson building	<u>7,029,800</u>	<u>7,029,800</u>
18 GROSS APPROPRIATION	\$ 17,190,800	\$ 17,190,800
19 Appropriated from:		
20 Special revenue funds:		
21 State general fund/general purpose	\$ 17,190,800	\$ 17,190,800
22 Sec. 12-106. STATE CAPITOL HISTORIC SITE		
23 Bond/lease obligations	\$ 100	\$ 100
24 General operations	6,771,300	6,771,300
25 Restoration, renewal, and maintenance	<u>4,079,900</u>	<u>4,079,900</u>
26 GROSS APPROPRIATION	\$ 10,851,300	\$ 10,851,300
27 Appropriated from:		
28 Special revenue funds:		
29 Private revenues	481,700	481,700
30 Other state restricted revenues	4,079,900	4,079,900
31 State general fund/general purpose	\$ 6,289,700	\$ 6,289,700
32 Sec. 12-107. OFFICE OF THE AUDITOR GENERAL		

	For Fiscal Year Ending Sept. 30, 2026	For Fiscal Year Ending Sept. 30, 2027
1 Unclassified salaries	\$ 446,500	\$ 446,500
2 Field operations	<u>31,728,300</u>	<u>31,728,300</u>
3 GROSS APPROPRIATION	\$ 32,174,800	\$ 32,174,800
4 Appropriated from:		
5 Interdepartmental grant revenues:		
6 IDG from department of health and human services	40,000	40,000
7 IDG from department of labor and economic opportunity	526,300	526,300
8 IDG from department of licensing and regulatory		
9 affairs	150,400	150,400
10 IDG from department of military and veterans affairs .	108,200	108,200
11 IDG from department of state police	70,000	70,000
12 IDG from department of technology, management and		
13 budget	1,050,200	1,050,200
14 IDG from department of transportation	1,395,400	1,395,400
15 IDG from department of treasury	306,900	306,900
16 IDG from other restricted funding	3,908,200	3,908,200
17 Special revenue funds:		
18 21st century jobs fund	120,300	120,300
19 Other state restricted revenues	2,429,100	2,429,100
20 State general fund/general purpose	\$ 22,069,800	\$ 22,069,800

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FISCAL YEAR 2026

GENERAL SECTIONS

Sec. 12-201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state sources under part 1 for the fiscal year 2026 is \$227,718,100.00 and state spending from state sources to be paid to local units of government for fiscal year 2026 is \$0.00.

Sec. 12-202. The appropriations under this part and part 1 are subject to the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

1 Sec. 12-203. As used in this article:

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

3 (b) "IDG" means interdepartmental grant.

4
5 **LEGISLATURE**

6 Sec. 12-600. The senate, the house of representatives, or an agency within the
7 legislative branch may receive, expend, and transfer funds in addition to those authorized
8 in part 1.

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

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

21 Sec. 12-602. The senate may charge rent and assess charges for utility costs. The
22 amounts received for rent charges and utility assessments are appropriated to the senate
23 for the renovation, operation, and maintenance of the Binsfeld Office Building.

24 Sec. 12-603. (1) From the appropriation contained in part 1 for national association
25 dues, the first \$34,800.00 must be paid to the National Conference of Commissioners on
26 Uniform State Laws. The remaining funds must be distributed by the legislative council in
27 accordance with subsection (2).

28 (2) If any funds remain after all required dues have been paid under subsection (1),
29 the legislative council may approve the use of not more than \$10,000.00 to pay for the
30 registration fees of any state employees who serve as board members to any of the national
31 associations receiving state funds for annual dues to attend that national association's
32 annual conference. If any of the \$10,000.00 remains after national board member's

1 registration fees are paid, the legislative council may use the remaining funds to pay for
2 the registration fees for any other state employees to attend the annual conference of any
3 of the national associations receiving state funds for annual dues.

4 Sec. 12-604. (1) The appropriation in part 1 to the Michigan state capitol historic
5 site includes funds to operate the legislative parking facilities in the capitol area. The
6 Michigan state capitol commission shall establish rules regarding the operation of the
7 legislative parking facilities.

8 (2) The Michigan state capitol commission may collect a fee from state employees and
9 the general public using certain legislative parking facilities. The revenues received from
10 the parking fees are appropriated on receipt and must be allocated by the Michigan state
11 capitol commission.

12 (3) As used in this section, "Michigan state capitol commission" means the Michigan
13 state capitol commission established in the Michigan state capitol historic site act, 2013
14 PA 240, MCL 4.1945.

15 Sec. 12-605. The unexpended funds appropriated in part 1 for the legislative council
16 are designated as a work project appropriation, and any unencumbered or unallotted funds
17 shall not lapse at the end of the fiscal year and shall be available for expenditures for
18 projects under this section until the projects have been completed. The following is in
19 compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

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

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

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

24 (d) The tentative completion date is September 30, 2030.

25 Sec. 12-606. The unexpended funds appropriated in part 1 for property management are
26 designated as a work project appropriation, and any unencumbered or unallotted funds shall
27 not lapse at the end of the fiscal year and shall be available for expenditures for
28 projects under this section until the projects have been completed. The following is in
29 compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

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

32 (b) The project will be accomplished by utilizing state employees or contracts with

1 service providers, or both.

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

3 (d) The tentative completion date is September 30, 2030.

4 Sec. 12-607. The unexpended funds appropriated in part 1 for automated data
5 processing are designated as a work project appropriation, and any unencumbered or
6 unallotted funds shall not lapse at the end of the fiscal year and shall be available for
7 expenditures for projects under this section until the projects have been completed. The
8 following is in compliance with section 451a of the management and budget act, 1984 PA 431,
9 MCL 18.1451a:

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

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

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

15 (d) The tentative completion date is September 30, 2030.

16 Sec. 12-608. In addition to funds appropriated in part 1, the Michigan capitol
17 committee publications save the flags fund account may accept contributions, gifts,
18 bequests, devises, grants, and donations. Those funds that are not expended in the fiscal
19 year ending September 30, 2026 do not lapse at the close of the fiscal year, and must be
20 carried forward for expenditure in the following fiscal years.

21 Sec. 12-611. (1) From the funds appropriated in part 1 for senate, \$250,000.00 must
22 be allocated for an internship program.

23 (2) From the funds appropriated in part 1 for house of representatives, \$250,000.00
24 must be allocated for an internship program.

25 Sec. 12-612. It is the intent of the legislature that, from the funds appropriated in
26 part 1, the Michigan state capitol commission established in section 5 of the Michigan
27 state capitol historic site act, 2013 PA 240, MCL 4.1945, ensure that the Capitol Building
28 is open for not less than 3 hours on Saturdays that are not state holidays

29

30 **LEGISLATIVE AUDITOR GENERAL**

31 Sec. 12-620. In accordance with section 53 of article IV of the state constitution of
32 1963, the auditor general shall conduct audits of the executive, judicial, and legislative

1 branches.

2 Sec. 12-621. (1) The auditor general shall take all reasonable steps to ensure that
3 certified minority- and women-owned and operated accounting firms, accounting firms owned
4 and operated by persons with disabilities, and accounting firms that are geographically
5 disadvantaged business enterprises participate in the audits of the books, accounts, and
6 financial affairs of each principal executive department, branch, institution, agency, and
7 office of this state.

8 (2) If the auditor general contracts with a firm to perform audits of the principal
9 executive departments and state agencies, the auditor general shall strongly encourage the
10 firm to subcontract with certified minority- and women-owned and operated accounting firms,
11 accounting firms owned and operated by persons with disabilities, and accounting firms that
12 are geographically disadvantaged business enterprises.

13 (3) Not later than November 1, the auditor general shall submit a report to the
14 standard report recipients regarding the number of contracts entered into with certified
15 minority- and women-owned and operated accounting firms, accounting firms owned and
16 operated by persons with disabilities, and accounting firms that are geographically
17 disadvantaged business enterprises.

18 Sec. 12-622. From the funds appropriated in part 1 to the office of the auditor
19 general, the auditor general's salary and the salaries of the remaining 2.0 FTE
20 unclassified positions shall be set by the speaker of the house of representatives, the
21 senate majority leader, the house of representatives minority leader, and the senate
22 minority leader.

23 Sec. 12-623. Any audits, reviews, or investigations requested of the auditor general
24 by the legislature or by legislative leadership, legislative committees, or individual
25 legislators must include an estimate of the additional costs involved and, if those costs
26 exceed \$50,000.00, must provide supplemental funding. The auditor general shall determine
27 whether to perform those activities in accordance with Operations Manual Policy No. 2-26.

28 Sec. 12-627. The unexpended funds appropriated in part 1 for field operations are
29 designated as a work project appropriation, and any unencumbered or unallotted funds shall
30 not lapse at the end of the fiscal year and shall be available for expenditures for
31 projects under this section until the projects have been completed. The following is in
32 compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

1 (a) The purpose of the project is to conduct the state of Michigan annual
2 comprehensive financial report.

3 (b) The project will be accomplished by utilizing state employees and contract
4 audits.

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

6 (d) The tentative completion date is September 30, 2030.

7 Sec. 12-628. On a quarterly basis, the auditor general shall submit a report to the
8 standard report recipients, the chairpersons of the senate and house of representatives
9 appropriations committees, and the senate and house of representatives oversight committees
10 that includes all of the following information related to projects initiated during the
11 immediately preceding quarter:

12 (a) Audit title.

13 (b) Audit type.

14 (c) Audit period.

15 (d) Audit objectives.

16 (e) Branch of government being audited.

17 (f) Whether the auditor general or a contracted auditor is conducting the audit and,
18 if a contracted auditor is conducting the audit, the identity of the contracted auditor.

19 (g) Details regarding the reason for initiating the audit, including whether it was
20 discretionary or required by statute.

21 (h) Details regarding any similar audit the auditor general has completed in the
22 past.

23 (i) Estimated time frame for completion of the audit.

24 (j) Estimated total auditor general resources necessary to complete the audit and
25 release a report.

26 Sec. 12-629. On a quarterly basis, the auditor general shall submit a report to the
27 standard report recipients, the chairpersons of the senate and house of representatives
28 appropriations committees, and the senate and house of representatives oversight committees
29 that includes all of the following information for each project in progress during the
30 immediately preceding quarter:

31 (a) Audit title.

32 (b) Date the audit was initiated.

- 1 (c) Audit status.
- 2 (d) Estimated time frame for completion of the audit.
- 3 (e) Details regarding the resources spent on the audit to date.
- 4 (f) Estimated total auditor general resources necessary to complete the audit and
- 5 release a report.

6 Sec. 12-630. On a quarterly basis, the auditor general shall submit a report to the
7 standard report recipients, the chairpersons of the senate and house of representatives
8 appropriations committees, and the senate and house of representatives oversight committees
9 that contains all of the following information for each project completed during the
10 immediately preceding quarter:

- 11 (a) Audit title.
- 12 (b) Date the audit was initiated.
- 13 (c) Date the audit report was released.
- 14 (d) Results of the audit, including the number and type of findings.
- 15 (e) Details regarding total auditor general resources spent on the audit.
- 16 (f) To the extent authorized by law, details regarding any inquiry, tip, or request
- 17 related to the audit that the auditor general received before initiating the audit.

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Article 13

DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS

PART 1

LINE-ITEM APPROPRIATIONS AND ANTICIPATED APPROPRIATIONS

Sec. 13-101. Subject to the conditions set forth in this article, the amounts listed in this part for the department of licensing and regulatory affairs are appropriated for the fiscal year ending September 30, 2026, and are anticipated to be appropriated for the fiscal year ending September 30, 2027, from the funds indicated in this part. The following is a summary of the appropriations and anticipated appropriations in this part:

1 **DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS**

2 **APPROPRIATION SUMMARY**

3	Full-time equated unclassified positions.....	30.0		30.0
4	Full-time equated classified positions.....	1,827.0		1,827.0
5	GROSS APPROPRIATION	\$ 650,640,500	\$	650,640,500
6	Total interdepartmental grants and intradepartmental			
7	transfers	30,192,600		30,192,600
8	ADJUSTED GROSS APPROPRIATION	\$ 620,447,900	\$	620,447,900
9	Total federal revenues	34,478,800		34,478,800
10	Total local revenues	0		0
11	Total private revenues	0		0
12	Total other state restricted revenues	284,429,800		284,429,800
13	State general fund/general purpose	\$ 301,539,300	\$	301,539,300
14	<i>State general fund/general purpose schedule:</i>			
15	<i>Ongoing state general fund/general purpose</i>	<i>301,539,300</i>		<i>301,539,300</i>
16	<i>One-time state general fund/general purpose</i>	<i>0</i>		<i>0</i>
17	Sec. 13-102. DEPARTMENTAL ADMINISTRATION AND SUPPORT			
18	Full-time equated unclassified positions.....	30.0		30.0
19	Full-time equated classified positions.....	107.0		107.0
20	Unclassified salaries-30.0 FTE positions	\$ 3,083,500	\$	3,083,500
21	Administrative services-73.0 FTE positions	8,560,700		8,560,700
22	Executive director programs-23.0 FTE positions	3,454,400		3,454,400
23	Property management	6,924,200		6,924,200
24	Regulatory effectiveness office-11.0 FTE positions ...	1,700,200		1,700,200
25	Worker's compensation	72,000		72,000
26	GROSS APPROPRIATION	\$ 23,795,000	\$	23,795,000
27	Appropriated from:			
28	Interdepartmental grant revenues:			
29	IDG from department of insurance and financial			
30	services	150,000		150,000
31	Federal revenues:			
32	Other federal revenues	1,040,500		1,040,500

	For Fiscal Year Ending Sept. 30, 2026	For Fiscal Year Ending Sept. 30, 2027
1	Special revenue funds:	
2	Other state restricted revenues	22,332,600
3	State general fund/general purpose	\$ 271,900
4	Sec. 13-103. PUBLIC SERVICE COMMISSION	
5	Full-time equated classified positions.....	223.0
6	Public service commission-223.0 FTE positions	\$ <u>41,910,800</u>
7	GROSS APPROPRIATION	\$ 41,910,800
8	Appropriated from:	
9	Federal revenues:	
10	Other federal revenues	2,671,500
11	Special revenue funds:	
12	Other state restricted revenues	39,239,300
13	State general fund/general purpose	\$ 0
14	Sec. 13-104. LIQUOR CONTROL COMMISSION	
15	Full-time equated classified positions.....	152.0
16	Liquor licensing and enforcement-119.0 FTE positions .	\$ 18,176,300
17	Management support services-33.0 FTE positions	<u>5,282,200</u>
18	GROSS APPROPRIATION	\$ 23,458,500
19	Appropriated from:	
20	Special revenue funds:	
21	Other state restricted revenues	23,458,500
22	State general fund/general purpose	\$ 0
23	Sec. 13-105. OCCUPATIONAL REGULATION	
24	Full-time equated classified positions.....	941.0
25	Bureau of community and health systems-167.0	
26	FTE positions	\$ 27,403,400
27	Bureau of construction codes-197.0 FTE positions	37,244,800
28	Bureau of fire services-86.0 FTE positions	14,451,900
29	Bureau of professional licensing-198.0 FTE positions .	42,847,800
30	Bureau of survey and certification-184.0 FTE positions	32,137,900
31	Corporations, securities, and commercial licensing	
32	bureau-109.0 FTE positions	16,975,900

	For Fiscal Year Ending Sept. 30, 2026	For Fiscal Year Ending Sept. 30, 2027
1 Urban search and rescue	1,000,000	1,000,000
2 GROSS APPROPRIATION	\$ 172,061,700	\$ 172,061,700
3 Appropriated from:		
4 Federal revenues:		
5 Other federal revenues	29,487,400	29,487,400
6 Special revenue funds:		
7 Other state restricted revenues	105,849,700	105,849,700
8 State general fund/general purpose	\$ 36,724,600	\$ 36,724,600
9 Sec. 13-106. CANNABIS REGULATORY AGENCY		
10 Full-time equated classified positions.....	183.0	183.0
11 Cannabis regulatory agency-183.0 FTE positions	\$ 33,842,500	\$ 33,842,500
12 GROSS APPROPRIATION	\$ 33,842,500	\$ 33,842,500
13 Appropriated from:		
14 Special revenue funds:		
15 Other state restricted revenues	33,842,500	33,842,500
16 State general fund/general purpose	\$ 0	\$ 0
17 Sec. 13-107. MICHIGAN OFFICE OF ADMINISTRATIVE		
18 HEARINGS AND RULES		
19 Full-time equated classified positions.....	176.0	176.0
20 Michigan office of administrative hearings and rules-		
21 176.0 FTE positions	\$ 37,034,900	\$ 37,034,900
22 GROSS APPROPRIATION	\$ 37,034,900	\$ 37,034,900
23 Appropriated from:		
24 Interdepartmental grant revenues:		
25 IDG from other restricted funding	28,594,000	28,594,000
26 Special revenue funds:		
27 Other state restricted revenues	7,852,700	7,852,700
28 State general fund/general purpose	\$ 588,200	\$ 588,200
29 Sec. 13-108. COMMISSIONS		
30 Full-time equated classified positions.....	45.0	45.0
31 Michigan indigent defense commission-25.0 FTE		
32 positions	\$ 3,947,900	\$ 3,947,900

	For Fiscal Year Ending Sept. 30, 2026	For Fiscal Year Ending Sept. 30, 2027
1 Michigan tax tribunal-20.0 FTE positions	4,213,900	4,213,900
2 Michigan unarmed combat commission	<u>126,200</u>	<u>126,200</u>
3 GROSS APPROPRIATION	\$ 8,288,000	\$ 8,288,000
4 Appropriated from:		
5 Special revenue funds:		
6 Other state restricted revenues	4,340,100	4,340,100
7 State general fund/general purpose	\$ 3,947,900	\$ 3,947,900
8 Sec. 13-109. GRANTS		
9 Firefighter training grants	\$ 2,300,000	\$ 2,300,000
10 Liquor law enforcement grants	9,900,000	9,900,000
11 Marihuana operation and oversight grants	3,000,000	3,000,000
12 Michigan indigent defense commission grants	258,345,300	258,345,300
13 Remonumentation grants	6,800,000	6,800,000
14 Utility consumer representation	<u>2,100,000</u>	<u>2,100,000</u>
15 GROSS APPROPRIATION	\$ 282,445,300	\$ 282,445,300
16 Appropriated from:		
17 Special revenue funds:		
18 Other state restricted revenues	24,400,000	24,400,000
19 State general fund/general purpose	\$ 258,045,300	\$ 258,045,300
20 Sec. 13-110. INFORMATION TECHNOLOGY		
21 Information technology services and projects	\$ <u>27,803,800</u>	\$ <u>27,803,800</u>
22 GROSS APPROPRIATION	\$ 27,803,800	\$ 27,803,800
23 Appropriated from:		
24 Interdepartmental grant revenues:		
25 IDG from other restricted funding	1,448,600	1,448,600
26 Federal revenues:		
27 Other federal revenues	1,279,400	1,279,400
28 Special revenue funds:		
29 Other state restricted revenues	23,114,400	23,114,400
30 State general fund/general purpose	\$ 1,961,400	\$ 1,961,400

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FISCAL YEAR 2026

GENERAL SECTIONS

Sec. 13-201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state sources under part 1 for the fiscal year 2026 is \$585,969,100.00 and state spending from state sources to be paid to local units of government for fiscal year 2026 is \$280,345,300.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS

Firefighter training grants.....	\$	2,300,000
Liquor law enforcement grants.....		9,900,000
Marihuana operation and oversight grants.....		3,000,000
Michigan indigent defense commission grants.....		258,345,300
Remonumentation grants.....		<u>6,800,000</u>
TOTAL	\$	280,345,300

Sec. 13-202. The appropriations under this part and part 1 are subject to the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

Sec. 13-203. As used in this article:

- (a) "Department" means the department of licensing and regulatory affairs.
- (b) "Director" means the director of the department.
- (c) "FTE" means full-time equated.
- (d) "IDG" means interdepartmental grant.
- (e) "Standard report recipients" means the senate and house appropriations

subcommittees on the department, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office.

Sec. 13-204. A department or agency shall use the internet to fulfill the reporting requirements of this part. This requirement includes transmitting reports to the standard report recipients and any other required recipients by email and posting the reports on an internet site.

Sec. 13-205. To the extent permissible under section 261 of the management and budget

1 act, 1984 PA 431, MCL 18.1261, all of the following apply to the expenditure of funds
2 appropriated in part 1:

3 (a) The funds must not be used for the purchase of foreign goods or services, or
4 both, if competitively priced and of comparable quality American goods or services, or
5 both, are available.

6 (b) Preference must be given to goods or services, or both, manufactured or provided
7 by Michigan businesses, if they are competitively priced and of comparable quality.

8 (c) Preference must be given to goods or services, or both, that are manufactured or
9 provided by Michigan businesses owned and operated by veterans, if they are competitively
10 priced and of comparable quality.

11 Sec. 13-207. Consistent with section 217 of the management and budget act, 1984 PA
12 431, MCL 18.1217, each department and agency receiving appropriations in part 1 shall
13 prepare a report on out of state travel expenses not later than January 1. The report must
14 list all travel by classified and unclassified employees outside this state in the previous
15 fiscal year that was funded in whole or in part with funds appropriated in the department's
16 or agency's budget. The department or agency shall submit the report to the standard report
17 recipients and to the house of representatives and senate appropriations committees. The
18 report must include all of the following information:

19 (a) The dates of each travel occurrence.

20 (b) The total transportation and related expenses of each travel occurrence and the
21 proportions funded with state general fund/general purpose revenues, state restricted
22 revenues, federal revenues, and other revenues.

23 Sec. 13-208. A principal executive department, state agency, or authority shall not
24 use funds appropriated in part 1 to hire a person to provide legal services that are the
25 responsibility of the attorney general. This section does not apply to legal services for
26 bonding activities or to outside legal services that the attorney general authorizes.

27 Sec. 13-209. Not later than December 15, the state budget office shall prepare and
28 submit a report that provides for estimates of the total general fund/general purpose
29 appropriation lapses at the close of the previous fiscal year. The report must summarize
30 the projected year-end general fund/general purpose appropriation lapses by major
31 departmental program or program areas. The state budget office shall submit the report to
32 the standard report recipients and the chairpersons of the senate and house of

1 representatives appropriations committees.

2 Sec. 13-210. (1) In addition to the funds appropriated in part 1, there is
3 appropriated an amount not to exceed \$1,000,000.00 for federal contingency funds. These
4 funds are not available for expenditure until they have been transferred to another line
5 item in this article under section 393(2) of the management and budget act, 1984 PA 431,
6 MCL 18.1393.

7 (2) In addition to the funds appropriated in part 1, there is appropriated an amount
8 not to exceed \$25,000,000.00 for state restricted contingency funds. These funds are not
9 available for expenditure until they have been transferred to another line item in this
10 article under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

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

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

19 Sec. 13-211. A department or agency shall cooperate with the department of
20 technology, management and budget to maintain a searchable website accessible by the public
21 at no cost that includes, but is not limited to, all of the following for each department
22 or agency:

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

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

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

27 (d) The number of active employees by job classification.

28 (e) Job specifications and wage rates.

29 Sec. 13-214. To the extent permissible under the management and budget act, 1984 PA
30 431, MCL 18.1101 to 18.1594, the director of each department or agency receiving
31 appropriations in part 1 shall take all reasonable steps to ensure geographically
32 disadvantaged business enterprises compete for and perform contracts to provide services or

1 supplies, or both. Each director shall strongly encourage firms with which the department
2 or agency contracts to subcontract with certified geographically disadvantaged business
3 enterprises for services, supplies, or both. As used in this section, "geographically-
4 disadvantaged" business enterprises means that term as defined in Executive Directive No.
5 2023-1.

6 Sec. 13-215. On a quarterly basis, a department or agency receiving appropriations in
7 part 1 shall report on the number of FTEs in pay status by type of staff and civil service
8 classification, including comparison by line item of the number of FTEs authorized from
9 funds appropriated in part 1 to the actual number of FTE positions employed by the
10 department or agency at the end of the reporting period. The report must be submitted to
11 the senate and house appropriations committees and to the standard report recipients.

12 Sec. 13-221. (1) Funds appropriated in part 1 must not be used to restrict or impede
13 a marginalized community's access to government resources, programs, or facilities.

14 (2) From the funds appropriated in part 1, local governments shall report any action
15 or policy that attempts to restrict or interfere with the duties of a local health officer.

16 Sec. 13-250. (1) The department may charge registration fees to attendees of
17 informational, training, or special events that are sponsored by the department and related
18 to activities under the department's purview.

19 (2) The registration fees must reflect the costs for the department to sponsor the
20 informational, training, or special events.

21 (3) Revenue generated by the registration fees is appropriated on receipt and may be
22 expended by the department to cover the department's costs of sponsoring informational,
23 training, or special events.

24 (4) Revenue generated by registration fees in excess of the department's costs of
25 sponsoring informational, training, or special events carries forward to the subsequent
26 fiscal year and does not lapse to the general fund.

27 Sec. 13-251. The department may provide to interested entities otherwise unavailable
28 customized listings of nonconfidential information, such as the names and addresses of
29 licensees, in the department's possession. The department may establish and collect a
30 reasonable fee to provide this service. Revenue generated from this service is appropriated
31 on receipt and must be used to offset the expenses of the service. Any balance of this
32 revenue collected and unexpended at the end of the fiscal year lapses to the appropriate

1 restricted fund.

2 Sec. 13-252. (1) The department shall sell documents at a price not to exceed the
3 cost of production and distribution. Money received from the sale of these documents
4 reverts to the department. In addition to the funds appropriated in part 1, funds received
5 by the department under this subsection may be expended by the department upon receipt by
6 the department of treasury. This subsection applies for only the following:

7 (a) Corporation and securities division documents, reports, and papers required or
8 permitted by law in accordance with section 1060(6) of the business corporation act, 1972
9 PA 284, MCL 450.2060.

10 (b) The Michigan liquor control code of 1998, 1998 PA 58, MCL 436.1101 to 436.2303.

11 (c) The mobile home commission act, 1987 PA 96, MCL 125.2301 to 125.2350; the
12 business corporation act, 1972 PA 284, MCL 450.1101 to 450.2098; the nonprofit corporation
13 act, 1982 PA 162, MCL 450.2101 to 450.3192; and the uniform securities act (2002), 2008 PA
14 551, MCL 451.2101 to 451.2703.

15 (d) Construction code manuals.

16 (e) Copies of transcripts from administrative law hearings.

17 (2) In addition to the funds appropriated in part 1, funds appropriated for the
18 department under sections 57, 58, and 59 of the administrative procedures act of 1969, 1969
19 PA 306, MCL 24.257, 24.258, and 24.259, and section 203 of the legislative council act,
20 1986 PA 268, MCL 4.1203, are appropriated for all expenses necessary to provide for the
21 cost of publication and distribution.

22 (3) Unexpended funds at the end of the fiscal year carry forward to the subsequent
23 fiscal year and do not lapse to the general fund.

24 Sec. 13-253. (1) Not later than December 31, the department shall submit a report
25 that pertains to licensing and regulatory programs overseen by the following agencies:

26 (a) Liquor control commission.

27 (b) Bureau of fire services.

28 (c) Corporations, securities, and commercial licensing bureau.

29 (d) Bureau of professional licensing.

30 (2) The report under subsection (1) must be in a format that is consistent between
31 the agencies listed in subsection (1) and must provide, but is not limited to, the
32 following information for the previous fiscal year, as applicable, for each agency:

- 1 (a) Revenue generated by and expenditures disbursed for each regulatory fund.
- 2 (b) The renewal cycle and amount of each fee charged.
- 3 (c) Number of initial applications.
- 4 (d) Number of initial applications denied.
- 5 (e) Number of license renewals.
- 6 (f) Average amount of time to approve or deny completed applications.
- 7 (g) Number of examinations proctored for initial applications.
- 8 (h) A description of the types of complaints received.
- 9 (i) A description of the process used to resolve complaints.
- 10 (j) Number of complaints received.
- 11 (k) Number of complaints investigated.
- 12 (l) Number of complaints closed with no action.
- 13 (m) Number of complaints resulting in administrative actions or citations.
- 14 (n) Average amount of time to complete investigations.
- 15 (o) Number of enforcement actions, including license revocations, suspensions, and
- 16 fines.
- 17 (p) A description of the types of enforcement actions taken against licensees.
- 18 (q) Number of administrative hearing adjudications.
- 19 (3) An agency listed in subsection (1) (a) or (b) shall report by regulated activity
- 20 and an agency listed in subsection (1) (c) or (d) shall report by regulatory product or
- 21 regulated activity, or both.
- 22 (4) As used in this section:
- 23 (a) "Regulated activity" means the particular activities, entities, facilities, and
- 24 industries regulated by the agencies specified in subsection (1).
- 25 (b) "Regulatory product" means each occupation, profession, trade, or program, which
- 26 includes licensure, certification, registration, inspection, review, permitting, approval,
- 27 or any other regulatory service provided by the agencies specified in subsection (1) for
- 28 each regulated activity.
- 29 Sec. 13-254. (1) Grants supported with private revenues received by the department
- 30 are appropriated on receipt and may be expended by the department for the purposes
- 31 specified within the grant agreement and as permitted under state and federal law.
- 32 (2) Not later than 10 days after the receipt of a private grant appropriated in

1 subsection (1), the department shall notify the chairpersons of the subcommittees, the
2 senate and house fiscal agencies, and the state budget office of the receipt of the grant,
3 including the fund source, purpose, and amount of the grant.

4 Sec. 13-255. Unless prohibited by law, the department may accept credit card or other
5 electronic means of payment for licenses, fees, or permits.

6 Sec. 13-256. The department may carry into the succeeding fiscal year unexpended
7 federal pass-through funds to local institutions and governments that do not require
8 additional state matching funds. Federal pass-through funds to local institutions and
9 governments that are received in amounts in addition to those included in part 1 and that
10 do not require additional state matching funds are appropriated for the purposes intended
11 for the federal pass-through funds. Not later than 14 days after the receipt of federal
12 pass-through funds, the department shall notify the chairpersons of the subcommittees, the
13 senate and house fiscal agencies, and the state budget office of pass-through funds
14 appropriated under this section.

15

16 **PUBLIC SERVICE COMMISSION**

17 Sec. 13-301. The public service commission administers the low-income energy
18 assistance grant program on behalf of the Michigan department of health and human services
19 via an interagency agreement. Funds supporting the grant program are appropriated to the
20 department upon the awarding of grants and may be expended for grant payments and
21 administrative-related expenses incurred in the operation of the grant program.

22

23 **LIQUOR CONTROL COMMISSION**

24 Sec. 13-401. (1) From the funds appropriated in part 1 from the direct shipper
25 enforcement revolving fund, the liquor control commission shall expend the funds as
26 required under section 203(11) of the Michigan liquor control code of 1998, 1998 PA 58, MCL
27 436.1203, to investigate and audit unlawful direct shipments of wine by unlicensed wineries
28 and retailers. In addition to other investigative methods, the commission shall use
29 shipping records available to the commission under section 203(21) of the Michigan liquor
30 control code of 1998, 1998 PA 58, MCL 436.1203, to assist with this effort.

31 (2) Not later than February 1, the liquor control commission shall provide a report
32 to the legislature and the standard report recipients that details the commission's

1 activities to investigate and audit the illegal shipping of wine and the results of the
2 activities. The report must include all of the following:

3 (a) Work hours spent, specific actions performed, and the number of full-time equated
4 positions dedicated to identifying and stopping unlicensed out-of-state retailers, third-
5 party marketers, and wineries that ship illegally in Michigan.

6 (b) General overview of expenditures associated with efforts to identify and stop
7 unlicensed out-of-state retailers, third-party marketers, and wineries that ship illegally
8 in Michigan.

9 (c) Number of out-of-state entities found to have illegally shipped wine into
10 Michigan and total number of 750 ml bottles, number of cases with 750 ml bottles, number of
11 liters, number of gallons, or weight of illegally shipped wine. These items must be
12 itemized by total number of retailers and total number of wineries.

13

14 **OCCUPATIONAL REGULATION**

15 Sec. 13-501. The department shall not expend the funds appropriated under this part
16 and part 1 for the bureau of fire services unless, in accordance with section 2c of the
17 fire prevention code, 1941 PA 207, MCL 29.2c, inspection and plan review fees are charged
18 according to the following fee schedule:

19 Operation and maintenance inspection fee

<u>Facility type</u>	<u>Facility size</u>	<u>Fee</u>
Hospitals	Any	\$8.00 per bed
<u>Facility type</u>	<u>Facility size</u>	<u>Fee</u>
Nursing homes	Any	\$5.00 per bed
<u>Facility type</u>	<u>Facility size</u>	<u>Fee</u>
Homes for the Aged	Any	\$5.00 per bed
<u>Facility type</u>	<u>Facility size</u>	<u>Fee</u>
Adult Foster Care	Greater than 6 residents	\$5.00 per bed

28

29 Plan review and construction inspection fees for hospitals and schools

<u>Project cost range</u>	<u>Fee</u>
\$101,000.00 or less	minimum fee of \$155.00
\$101,001.00 to \$1,500,000.00	\$1.60 per \$1,000.00

32

1	\$1,500,001.00 to \$10,000,000.00	\$1.30 per \$1,000.00
2	\$10,000,001.00 or more	\$1.10 per \$1,000.00
3		or a maximum fee of \$60,000.00.

4 Sec. 13-502. The funds collected by the department for licenses, permits, and other
5 elevator regulation fees under the Michigan Administrative Code and as determined under
6 section 8 of 1976 PA 333, MCL 338.2158, and section 16 of 1967 PA 227, MCL 408.816, that
7 are unexpended at the end of the fiscal year carry forward to the subsequent fiscal year.

8 Sec. 13-503. Not later than February 15, the department shall submit a report to the
9 standard report recipients that provides all of the following information:

10 (a) The number of veterans who were separated from service in the Armed Forces of the
11 United States with an honorable character of service or under honorable conditions
12 (general) character of service, individually or if the veteran holds a majority interest of
13 a corporation or limited liability company, that were exempted from paying licensure,
14 registration, filing, or any other fees collected under each licensure or regulatory
15 program administered by the bureau of construction codes, the bureau of professional
16 licensing, and the corporations, securities, and commercial licensing bureau during the
17 previous fiscal year.

18 (b) The specific fees and total amount of revenue exempted under each licensure or
19 regulatory program administered by the bureau of construction codes, the bureau of
20 professional licensing, and the corporations, securities, and commercial licensing bureau
21 during the previous fiscal year.

22 (c) The actual costs of providing licensing and other regulatory services to veterans
23 exempted from paying licensure, registration, filing, or any other fees during the previous
24 fiscal year and a description of how the actual costs were calculated.

25 (d) The estimated amount of revenue that will be exempted under each licensure or
26 regulatory program administered by the bureau of construction codes, the bureau of
27 professional licensing, and the corporations, securities, and commercial licensing bureau
28 in both the current and subsequent fiscal years and a description of how the exempted
29 revenue was estimated.

30 Sec. 13-504. If the revenue collected by the department for the bureau of community
31 and health systems from fees and collections exceeds the amount appropriated in part 1, the
32 revenue must be carried forward into the subsequent fiscal year. The revenue carried

1 forward under this section must be used as the first source of funds in the subsequent
2 fiscal year.

3 Sec. 13-505. (1) To defray the costs associated with responding to false final
4 inspection appointments and to discourage the practice of calling for final inspections
5 when a project is incomplete or noncompliant with a plan of correction previously provided
6 by the bureau of fire services, the bureau of fire services may assess a fee of not more
7 than \$800.00 for responding to a second or subsequent confirmed false inspection
8 appointment. Fees collected under this section must be deposited into the restricted
9 account described in section 2c of the fire prevention code, 1941 PA 207, MCL 29.2c, and
10 explicitly identified within the statewide integrated governmental management applications
11 system.

12 (2) Not later than September 30, the department shall submit a report to the standard
13 report recipients that provides all of the following:

14 (a) The amount of the fee assessed under subsection (1).

15 (b) The number of fees assessed and issued per region.

16 (c) The cost allocation for the work performed and reduced as a result of this
17 section.

18 (d) Any recommendations for consideration by the legislature.

19 Sec. 13-506. Not later than November 30, the department shall submit a report to the
20 standard report recipients on the Michigan automated prescription system. The report must
21 include, but is not limited to, the total number of all of the following:

22 (a) Licensed health professionals registered to the Michigan automated prescription
23 system.

24 (b) Dispensers registered to the Michigan automated prescription system.

25 (c) Prescribers using the Michigan automated prescription system.

26 (d) Dispensers using the Michigan automated prescription system.

27 (e) Cases related to overprescribing, overdispensing, and drug diversion where the
28 department took administrative action because of information and data generated from the
29 Michigan automated prescription system.

30 (f) Hospitals, doctor's offices, pharmacies, and other health facilities that have
31 integrated the Michigan automated prescription system into the facility's electronic health
32 records systems.

1 (g) Delegate users registered to the Michigan automated prescription system.

2 Sec. 13-507. (1) From the funds appropriated in part 1 for bureau of construction
3 codes, resources shall be allocated for inspections and enforcement activities related to
4 the carnival-amusement safety act of 1966, 1966 PA 225, MCL 408.651 to 408.670, and the ski
5 area safety act of 1962, 1962 PA 199, MCL 408.321 to 408.344.

6 (2) Not later than March 30, the department shall submit a report to the standard
7 report recipients that details the allocation of funds under this section. The report must
8 include an itemized listing of how the funds were used.

9 Sec. 13-508. Funds remaining in the homeowner construction lien recovery fund are
10 appropriated to the department for payment of court-ordered homeowner construction lien
11 recovery fund judgments entered before August 23, 2010. Subject to available funds, the
12 payment of final judgments must be made in the order in which the final judgments were
13 entered and began accruing interest.

14 Sec. 13-509. From the funds appropriated in part 1 for the bureau of fire services,
15 in accordance with the requirements under section 21c of the fire prevention code, 1941 PA
16 207, MCL 29.21c, the bureau shall perform or work in cooperation with local units of
17 government to perform inspections at places of public assembly that pose the highest risk
18 to occupants for injury or fatality based on the size, density, or the nature of activities
19 performed within the facility.

20 Sec. 13-510. From the funds appropriated in part 1 for bureau of survey and
21 certification, the department shall submit a report pertaining to bureau activities,
22 including surveys and investigations of nursing homes, hospitals, and acute and continuing
23 care providers to the standard report recipients not later than March 30.

24
25 **CANNABIS REGULATORY AGENCY**

26 Sec. 13-601. Not later than January 31, the department shall submit a comprehensive
27 report to the standard report recipients for all marihuana programs administered by the
28 cannabis regulatory agency. This report must include, but is not limited to, all of the
29 following information for the previous fiscal year regarding the marihuana programs under
30 the Michigan Medical Marihuana Act, 2008 IL 1, MCL 333.26421 to 333.26430, the medical
31 marihuana facilities licensing act, 2016 PA 281, MCL 333.27101 to 333.27801, and the
32 Michigan Regulation and Taxation of Marihuana Act, 2018 IL 1, MCL 333.27951 to 333.27967:

- 1 (a) The number of initial applications received, by license category.
- 2 (b) The number of initial applications approved and the number of initial
3 applications denied, by license category.
- 4 (c) The average amount of time, from receipt to approval or denial, to process an
5 initial application, by license category.
- 6 (d) The number of renewal applications approved, by license category and by county.
- 7 (e) The number of renewal applications received, by license category and by county,
8 if applicable.
- 9 (f) The number of renewal applications denied, by license category and by county.
- 10 (g) The average amount of time, from receipt to approval or denial, to process a
11 renewal application, by license category, if applicable.
- 12 (h) The percentage of initial applications not approved or denied within the time
13 requirements established in the respective act, by license category, if applicable.
- 14 (i) The percentage of renewal applications not approved or denied within the time
15 requirements established in the respective act, by license category, if applicable.
- 16 (j) The total amount collected from application fees or established regulatory
17 assessment and the specific fund the amount is deposited into, by license category.
- 18 (k) The registered names and addresses of all facilities licensed under each act, by
19 license category and by county.
- 20 (l) The number of complaints received pertaining to each act, by license type or
21 regulatory activity.
- 22 (m) A description of the types of complaints received.
- 23 (n) A description of the process used to resolve complaints.
- 24 (o) The number of investigations opened pertaining to each license category.
- 25 (p) The number of investigations closed pertaining to each license category.
- 26 (q) The average amount of time to complete investigations pertaining to each license
27 category.
- 28 (r) The number of enforcement actions pertaining to each license category.
- 29 (s) A description of the types of enforcement actions taken against licensees.
- 30 (t) The number of administrative-hearing adjudications pertaining to each license
31 type.
- 32 (u) A list of the fees charged for license applications, license renewals, and

1 registry cards.

2 Sec. 13-602. From the funds appropriated in part 1, the cannabis regulatory agency
3 shall post on a publicly accessible website a list of all of the following:

4 (a) The number of investigative reports that identify violations of the Michigan
5 Medical Marihuana Act, 2008 IL 1, MCL 333.26421 to 333.26430, the medical marihuana
6 facilities licensing act, 2016 PA 281, MCL 333.27101 to 333.27801, or the Michigan
7 Regulation and Taxation of Marihuana Act, 2018 IL 1, MCL 333.27951 to 333.27967, or
8 violations of administrative rules promulgated under the Michigan Medical Marihuana Act,
9 2008 IL 1, MCL 333.26421 to 333.26430, the medical marihuana facilities licensing act, 2016
10 PA 281, MCL 333.27101 to 333.27801, or the Michigan Regulation and Taxation of Marihuana
11 Act, 2018 IL 1, MCL 333.27951 to 333.27967.

12 (b) The number of investigative reports that identify suspected marihuana product
13 that does not have the tracking numbers assigned by the statewide monitoring system
14 affixed, tagged, or labeled as required by law.

15 (c) The number of complaints filed by the public with the agency that concern either
16 of the following:

17 (i) Marihuana product that does not have the tracking numbers assigned by the
18 statewide monitoring system affixed, tagged, or labeled as required by law.

19 (ii) Unlicensed commercial production or sale of delta-8 THC.

20 (d) The number and outcome of all agency disciplinary proceedings initiated against
21 any licensee subject to the reports or complaints in subdivisions (a), (b), and (c).

22 (e) The number of reports the agency referred to the department of state police or
23 other appropriate law enforcement agency.

24 (f) For any licensee subject to disciplinary proceedings initiated by the agency:

25 (i) Name of the licensee.

26 (ii) Description of the allegation.

27 (iii) Complaint type.

28 (iv) Process used to resolve the allegation.

29 (v) Name of the law enforcement agency the allegation was referred to, including the
30 date of the referral.

31 Sec. 13-603. Not later than January 31, the department shall submit a comprehensive
32 report to the standard report recipients for all hemp programs administered by the cannabis

1 regulatory agency. The report must include, but is not limited to, all of the following:

2 (a) The total amount of fees collected by the cannabis regulatory agency from
3 regulatory and licensing activities related to hemp and hemp processor-handlers.

4 (b) The total cost of administering hemp regulatory and licensing programs.

5 (c) The total number of hemp processor-handlers and any other hemp licensees licensed
6 in this state, by county.

7 (d) A list and description of any fees that the cannabis regulatory agency assesses
8 on hemp licensees.

9

10 **COMMISSIONS**

11 Sec. 13-801. If Byrne formula grant funding is awarded to the Michigan indigent
12 defense commission created under section 5 of the Michigan indigent defense commission act,
13 2013 PA 93, MCL 780.985, the Michigan indigent defense commission may receive and expend
14 Byrne formula grant funds as an interdepartmental grant from the department of state
15 police. The Michigan indigent defense commission may receive and expend federal grant funds
16 from the United States Department of Justice.

17 Sec. 13-803. Not later than March 1, the Michigan indigent defense commission shall
18 submit a report to the standard report recipients that contains all of the following:

19 (a) A detailed explanation of the total cost calculation for each indigent defense
20 standard for which grant recipients are receiving state grant funding. The explanation must
21 include a comprehensive itemization of the types of costs included for each standard.

22 (b) An itemized listing of how much funding each grant recipient is receiving for
23 each indigent defense standard.

24 (c) An explanation of the specific causal factors associated with any increase or
25 decrease of Michigan indigent defense commission grant funding from the previous fiscal
26 year level.

27 Sec. 13-804. From the funds appropriated in part 1, the Michigan indigent defense
28 commission shall notify the standard report recipients not more than 60 days after the
29 adoption of any new indigent defense standard. The notification must include an estimated
30 cost projection to fund the adopted indigent defense standard for the initial and
31 subsequent fiscal years.

32

1 **GRANTS**

2 Sec. 13-901. (1) From the funds appropriated in part 1 for marihuana operation and
3 oversight grants, the department shall expend the funds for grants to counties for
4 education and outreach programs that relate to the Michigan medical marihuana program and
5 the adult-use marihuana program, in accordance with section 6(1) of the Michigan Medical
6 Marihuana Act, 2008 IL 1, MCL 333.26426, and section 14 of the Michigan Regulation and
7 Taxation of Marihuana Act, 2018 IL 1, MCL 333.27964. The grant funds may be generated from
8 application and license fees authorized under section 8(1)(b) of the Michigan Regulation
9 and Taxation of Marihuana Act, 2018 IL 1, MCL 333.27958. The grants must be distributed
10 proportionately based on the number of registry identification cards issued to or renewed
11 for the residents of each county that applied for a grant under subsection (2). For the
12 purposes of this subsection, operation and oversight grants are for education,
13 communication, and outreach regarding the Michigan Medical Marihuana Act, 2008 IL 1, MCL
14 333.26421 to 333.26430, and the Michigan Regulation and Taxation of Marihuana Act, 2018 IL
15 1, MCL 333.27951 to 333.27967. Grants provided under this section must not be used for law
16 enforcement purposes.

17 (2) Not later than December 1, the department shall post a listing of potential grant
18 funds available to each county on the department's website. In addition, the department
19 shall work collaboratively with counties regarding the availability of the grant funds. A
20 county that requests grant funds shall apply on a form developed by the department and
21 available on the department's website. The form must contain the county's specific
22 projected plan for use of the grant funds and its agreement to maintain all records and to
23 submit documentation to the department to support the use of the grant funds.

24 (3) To be eligible to receive a grant under subsection (1), a county shall apply not
25 later than January 1 and submit a report to the department not later than September 15 on
26 how the grant was expended. The department shall submit a report to the standard report
27 recipients not later than October 15 of the subsequent fiscal year that details the grant
28 amounts by recipient and the reported uses of the grants in the previous fiscal year.

29 Sec. 13-902. (1) The funds appropriated in part 1 for firefighter training grants
30 must be expended only for payments to counties to reimburse organized fire departments for
31 firefighter training and other activities required under the firefighters training council
32 act, 1966 PA 291, MCL 29.361 to 29.377.

1 (2) If the funds appropriated in part 1 for firefighter training grants are expended
2 by the firefighters training council created under section 3 of the firefighters training
3 council act, 1966 PA 291, MCL 29.363, for payments to counties under section 14 of the
4 firefighters training council act, 1966 PA 291, MCL 29.374, all of the following apply to
5 the extent otherwise permissible by law:

6 (a) The funds appropriated in part 1 for firefighter training grants must be
7 allocated in accordance with section 14(2) of the firefighters training council act, 1966
8 PA 291, MCL 29.374.

9 (b) If the funds allocated to any county under subdivision (a) are less than
10 \$5,000.00, the funds allocated to each county under subdivision (a) must be adjusted to
11 provide for a minimum payment of \$5,000.00 to each county.

12 (3) Not later than February 1, the department shall submit a financial report to the
13 standard report recipients that identifies all of the following information for the
14 previous fiscal year:

15 (a) The amount of the payments that would be made to each county if the distribution
16 formula described in section 14(2) of the firefighters training council act, 1966 PA 291,
17 MCL 29.374, would have been utilized to allocate the total amount appropriated in part 1
18 for firefighter training grants.

19 (b) The amount of the payments approved by the firefighters training council for
20 allocation to each county.

21 (c) The amount of the payments actually expended or encumbered within each county.

22 (d) A description of any other payments or expenditures made under the authority of
23 the firefighters training council.

24 (e) The amount of payments approved for allocations to counties that was not expended
25 or encumbered and lapsed back to the fireworks safety fund.

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Article 14

DEPARTMENT OF LIFELONG EDUCATION, ADVANCEMENT, AND POTENTIAL

PART 1

LINE-ITEM APPROPRIATIONS AND ANTICIPATED APPROPRIATIONS

Sec. 14-101. Subject to the conditions set forth in this article, the amounts listed in this part for the department of lifelong education, advancement, and potential are appropriated for the fiscal year ending September 30, 2026, and are anticipated to be appropriated for the fiscal year ending September 30, 2027, from the funds indicated in this part. The following is a summary of the appropriations and anticipated appropriations in this part:

1 DEPARTMENT OF LIFELONG EDUCATION, ADVANCEMENT, AND		
2 POTENTIAL		
3 APPROPRIATION SUMMARY		
4 Full-time equated unclassified positions.....	6.0	6.0
5 Full-time equated classified positions.....	348.0	348.0
6 GROSS APPROPRIATION	\$ 736,217,000	\$ 744,512,400
7 Total interdepartmental grants and intradepartmental		
8 transfers	0	0
9 ADJUSTED GROSS APPROPRIATION	\$ 736,217,000	\$ 744,512,400
10 Total federal revenues	506,428,200	506,428,200
11 Total local revenues	0	0
12 Total private revenues	1,000,000	1,000,000
13 Total other state restricted revenues	1,880,000	1,880,000
14 State general fund/general purpose	\$ 226,908,800	\$ 235,204,200
15 <i>State general fund/general purpose schedule:</i>		
16 <i>Ongoing state general fund/general purpose</i>	<i>161,908,800</i>	<i>235,204,200</i>
17 <i>One-time state general fund/general purpose</i>	<i>65,000,000</i>	<i>0</i>
18 Sec. 14-102. DEPARTMENTAL ADMINISTRATION AND SUPPORT		
19 Full-time equated unclassified positions.....	6.0	6.0
20 Full-time equated classified positions.....	38.0	38.0
21 Executive direction and operations-38.0 FTE positions	\$ 7,852,200	\$ 7,852,200
22 Property management	268,800	268,800
23 Unclassified salaries-6.0 FTE positions	1,029,500	1,029,500
24 Worker's compensation	<u>3,000</u>	<u>3,000</u>
25 GROSS APPROPRIATION	\$ 9,153,500	\$ 9,153,500
26 Appropriated from:		
27 Federal revenues:		
28 Other federal revenues	1,027,700	1,027,700
29 Special revenue funds:		
30 State general fund/general purpose	\$ 8,125,800	\$ 8,125,800
31 Sec. 14-103. INFORMATION TECHNOLOGY		
32 Information technology services and projects	<u>\$ 1,004,100</u>	<u>\$ 1,004,100</u>

	For Fiscal Year Ending Sept. 30, 2026	For Fiscal Year Ending Sept. 30, 2027	
1	GROSS APPROPRIATION	\$ 1,004,100	\$ 1,004,100
2	Appropriated from:		
3	Federal revenues:		
4	Other federal revenues	223,700	223,700
5	Special revenue funds:		
6	State general fund/general purpose	\$ 780,400	\$ 780,400
7	Sec. 14-104. OFFICE OF EARLY CHILDHOOD EDUCATION		
8	Full-time equated classified positions.....	244.0	244.0
9	Child development and care contracted services	\$ 22,900,000	\$ 22,900,000
10	Child development and care external support	11,028,800	11,028,800
11	Child development and care public assistance	562,035,800	635,331,200
12	Childcare licensing and regulation-172.0 FTE positions	30,237,600	30,237,600
13	Head start collaboration office-1.0 FTE position	426,600	426,600
14	Office of great start operations-71.0 FTE positions ..	17,818,500	17,818,500
15	Tri-share child care program	<u>3,400,000</u>	<u>3,400,000</u>
16	GROSS APPROPRIATION	\$ 647,847,300	\$ 721,142,700
17	Appropriated from:		
18	Federal revenues:		
19	Other federal revenues	505,176,800	505,176,800
20	Special revenue funds:		
21	Private revenues	1,000,000	1,000,000
22	Other state restricted revenues	566,300	566,300
23	State general fund/general purpose	\$ 141,104,200	\$ 214,399,600
24	Sec. 14-105. OFFICE OF EDUCATION PARTNERSHIPS		
25	Full-time equated classified positions.....	15.0	15.0
26	Before-and after-school administration-2.0 FTE		
27	positions	\$ 371,200	\$ 371,200
28	Camp licensing unit-7.0 FTE positions	700,300	700,300
29	Family and community engagement-6.0 FTE positions	<u>2,383,200</u>	<u>2,383,200</u>
30	GROSS APPROPRIATION	\$ 3,454,700	\$ 3,454,700
31	Appropriated from:		
32	Special revenue funds:		

	For Fiscal Year Ending Sept. 30, 2026	For Fiscal Year Ending Sept. 30, 2027
1 Other state restricted revenues	42,900	42,900
2 State general fund/general purpose	\$ 3,411,800	\$ 3,411,800
3 Sec. 14-106. OFFICE OF HIGHER EDUCATION		
4 Full-time equated classified positions.....	51.0	51.0
5 Michigan Indian tuition waiver-1.0 FTE position	\$ 159,700	\$ 159,700
6 Student financial assistance programs-50.0 FTE		
7 positions	<u>9,597,700</u>	<u>9,597,700</u>
8 GROSS APPROPRIATION	\$ 9,757,400	\$ 9,757,400
9 Appropriated from:		
10 Special revenue funds:		
11 Michigan merit award trust fund	1,270,800	1,270,800
12 State general fund/general purpose	\$ 8,486,600	\$ 8,486,600
13 Sec. 14-107. ONE-TIME APPROPRIATIONS		
14 Child development and care public assistance	\$ 50,000,000	\$ 0
15 College success fund and student wraparound supports .	<u>15,000,000</u>	<u>0</u>
16 GROSS APPROPRIATION	\$ 65,000,000	\$ 0
17 Appropriated from:		
18 Special revenue funds:		
19 State general fund/general purpose	\$ 65,000,000	\$ 0

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FISCAL YEAR 2026

GENERAL SECTIONS

Sec. 14-201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state sources under part 1 for the fiscal year 2026 is \$228,788,800.00 and state spending from state sources to be paid to local units of government for fiscal year 2026 is \$7,500,000.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF LIFELONG EDUCATION, ADVANCEMENT, AND POTENTIAL

College success fund and student wraparound supports..... \$ 7,500,000

1 TOTAL \$ 7,500,000

2 Sec. 14-202. The appropriations under this part and part 1 are subject to the
3 management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

4 Sec. 14-203. As used in this article:

5 (a) "Department" means the department of lifelong education, advancement, and
6 potential.

7 (b) "DHHS" means the Michigan department of health and human services.

8 (c) "Director" means the director of the department.

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

10 (e) "IDG" means interdepartmental grant.

11 (f) "Standard report recipients" means the senate and house appropriations
12 subcommittees on the department, the senate and house fiscal agencies, the senate and house
13 policy offices, and the state budget office.

14 Sec. 14-204. A department or agency shall use the internet to fulfill the reporting
15 requirements of this part. This requirement includes transmitting reports to the standard
16 report recipients and any other required recipients by email and posting the reports on an
17 internet site.

18 Sec. 14-205. To the extent permissible under section 261 of the management and budget
19 act, 1984 PA 431, MCL 18.1261, all of the following apply to the expenditure of funds
20 appropriated in part 1:

21 (a) The funds must not be used for the purchase of foreign goods or services, or
22 both, if competitively priced and of comparable quality American goods or services, or
23 both, are available.

24 (b) Preference must be given to goods or services, or both, manufactured or provided
25 by Michigan businesses, if they are competitively priced and of comparable quality.

26 (c) Preference must be given to goods or services, or both, that are manufactured or
27 provided by Michigan businesses owned and operated by veterans, if they are competitively
28 priced and of comparable quality.

29 Sec. 14-207. Consistent with section 217 of the management and budget act, 1984 PA
30 431, MCL 18.1217, each department and agency receiving appropriations in part 1 shall
31 prepare a report on out of state travel expenses not later than January 1. The report must
32 list all travel by classified and unclassified employees outside this state in the previous

1 fiscal year that was funded in whole or in part with funds appropriated in the department's
2 or agency's budget. The department or agency shall submit the report to the standard report
3 recipients and to the house of representatives and senate appropriations committees. The
4 report must include all of the following information:

5 (a) The dates of each travel occurrence.

6 (b) The total transportation and related expenses of each travel occurrence and the
7 proportions funded with state general fund/general purpose revenues, state restricted
8 revenues, federal revenues, and other revenues.

9 Sec. 14-208. A principal executive department, state agency, or authority shall not
10 use funds appropriated in part 1 to hire a person to provide legal services that are the
11 responsibility of the attorney general. This section does not apply to legal services for
12 bonding activities or to outside legal services that the attorney general authorizes.

13 Sec. 14-209. Not later than December 15, the state budget office shall prepare and
14 submit a report that provides for estimates of the total general fund/general purpose
15 appropriation lapses at the close of the previous fiscal year. The report must summarize
16 the projected year-end general fund/general purpose appropriation lapses by major
17 departmental program or program areas. The state budget office shall submit the report to
18 the standard report recipients and the chairpersons of the senate and house of
19 representatives appropriations committees.

20 Sec. 14-210. (1) In addition to the funds appropriated in part 1, there is
21 appropriated an amount not to exceed \$10,000,000.00 for federal contingency funds. These
22 funds are not available for expenditure until they have been transferred to another line
23 item in this article under section 393(2) of the management and budget act, 1984 PA 431,
24 MCL 18.1393.

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

29 (3) In addition to the funds appropriated in part 1, there is appropriated an amount
30 not to exceed \$350,000.00 for local contingency funds. These funds are not available for
31 expenditure until they have been transferred to another line item in this article under
32 section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

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

5 Sec. 14-211. A department or agency shall cooperate with the department of
6 technology, management and budget to maintain a searchable website accessible by the public
7 at no cost that includes, but is not limited to, all of the following for each department
8 or agency:

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

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

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

13 (d) The number of active employees by job classification.

14 (e) Job specifications and wage rates.

15 Sec. 14-214. To the extent permissible under the management and budget act, 1984 PA
16 431, MCL 18.1101 to 18.1594, the director of each department or agency receiving
17 appropriations in part 1 shall take all reasonable steps to ensure geographically
18 disadvantaged business enterprises compete for and perform contracts to provide services or
19 supplies, or both. Each director shall strongly encourage firms with which the department
20 or agency contracts to subcontract with certified geographically disadvantaged business
21 enterprises for services, supplies, or both. As used in this section, "geographically-
22 disadvantaged" business enterprises means that term as defined in Executive Directive No.
23 2023-1.

24 Sec. 14-215. On a quarterly basis, a department or agency receiving appropriations in
25 part 1 shall report on the number of FTEs in pay status by type of staff and civil service
26 classification, including comparison by line item of the number of FTEs authorized from
27 funds appropriated in part 1 to the actual number of FTE positions employed by the
28 department or agency at the end of the reporting period. The report must be submitted to
29 the senate and house appropriations committees and to the standard report recipients.

30 Sec. 14-221. (1) Funds appropriated in part 1 must not be used to restrict or impede
31 a marginalized community's access to government resources, programs, or facilities.

32 (2) From the funds appropriated in part 1, local governments shall report any action

1 or policy that attempts to restrict or interfere with the duties of a local health officer.

2

3 **OFFICE OF EDUCATION PARTNERSHIPS**

4 Sec. 14-401. From the funds appropriated in part 1 for family and community
5 engagement, the department shall, at a minimum, do all of the following:

6 (a) Establish or partner with family engagement centers across this state to increase
7 parent and guardian involvement in their child's education.

8 (b) Ensure translation and interpretation services are available and implemented
9 pursuant to department guidance.

10 (c) Partner with intermediate school districts to assist in getting information and
11 resources to their constituent districts.

12 (d) Develop an early literacy engagement plan to help parents or guardians become
13 involved in their child's education.

14

15 **OFFICE OF HIGHER EDUCATION**

16 Sec. 14-701. (1) From the funds appropriated in part 1, in addition to other
17 statutorily required duties, the department shall do all of the following:

18 (a) Review and evaluate all state financial aid programs. The department shall
19 prioritize improving postsecondary educational outcomes, including student completion
20 rates, and improving affordability of postsecondary programs in this state.

21 (b) Serve as the coordinating office for all agencies of the executive branch of
22 government that are responsible for financial aid programs administered by this state.

23 (c) Survey stakeholders, including public, tribal, and private not-for-profit
24 colleges and universities, state departments and agencies, and statewide postsecondary
25 education associations on student financial aid policy to improve this state's
26 administration of programs.

27 (d) Collaborate with the center for educational performance and information and
28 individual colleges and universities to ensure streamlined and coordinated collection of
29 data analyzing the following:

30 (i) Postsecondary education costs, including a comparison to national and regional
31 averages.

32 (ii) Student enrollment.

1 (iii) Degree completion.

2 (e) Provide access to higher education institutional data inventory on an accessible,
3 public facing dashboard to assist students, prospective students, and their families in
4 making decisions on postsecondary education.

5 (f) Coordinate with other state agencies and school districts to increase utilization
6 and awareness of postsecondary opportunities, including, but not limited to, early and
7 middle college, dual enrollment, and private skills training scholarships.

8 (g) Promote, track, and provide resources to increase completion of the free
9 application for federal student aid.

10 (2) From the funds appropriated in part 1, the department shall meet, at a minimum,
11 the following transparency requirements:

12 (a) Collect data necessary to complete all statutory reporting requirements. The
13 department shall notify the chairs of the house and senate appropriations committees within
14 10 days if an entity receiving funds from part 1 fails to comply with data collection
15 requirements.

16 (b) Maintain a link on the department's website to find data submitted by
17 postsecondary institutions through higher education institutional data inventory.

18 (c) Maintain a link on the department's website to the center for educational
19 performance and information's MI School Data page on postsecondary enrollment and
20 completion tracking.

21 (3) As used in this section, "center for educational performance and information"
22 means the center for educational performance and information created in section 94a of the
23 state school aid act of 1979, 1979 PA 94, MCL 388.1694a.

24
25 **OFFICE OF EARLY CHILDHOOD EDUCATION**

26 Sec. 14-1002. (1) From the funds appropriated in part 1, the department shall ensure
27 that the final child development and care provider reimbursement rates are published on the
28 department and Great Start to Quality webpages.

29 (2) In addition to the funds appropriated in part 1, upon receiving approval from the
30 state budget director, the department may receive and expend federal child care development
31 block grant funds at risk of being lapsed back to the federal government. The department
32 may do this only if all of the following criteria are met:

1 (a) The funds are at risk of being lapsed by the end of the current fiscal year.

2 (b) The department plans to expend the funds through a 1-time rate increase to
3 providers.

4 (c) The department makes this request to the state budget director not less than 30
5 days before the expenditure of the funds.

6 (3) If the average cases over a 3-month period in the child development and care
7 program result in the current projected fiscal year caseloads falling below the caseload
8 agreement from the May consensus revenue estimating conference, the department may increase
9 the hourly reimbursement rate to child care providers if the following conditions are met:

10 (a) The level of expenditures for the remainder of the year is estimated to be
11 significantly below the level estimated from the May consensus revenue estimating
12 conference.

13 (b) The department plans to expend the funds through an ongoing rate increase to
14 providers for the remainder of the fiscal year.

15 (c) The department makes this request to the state budget director not less than 30
16 days before the expenditure of the funds that includes the rate increase.

17 (4) Upon receiving approval from the state budget director under subsection (2) or
18 (3), the department must notify the senate and house fiscal agencies of the amount being
19 appropriated, the estimated rate increase to providers, and if the rate increase to
20 providers is 1-time or ongoing in nature.

21 (5) The department may withdraw the intent to expend the funds under subsections (2)
22 or (3) by notifying the state budget director in writing.

23 Sec. 14-1003. (1) From the funds appropriated in part 1 for child development and
24 care contracted service, the department shall create a report on all funding appropriated
25 to contracts for the early childhood comprehensive systems planning by this state during
26 the previous fiscal year. The report is due by April 1 and must contain at least the
27 following information:

28 (a) Total funding appropriated to contracts for the early childhood comprehensive
29 systems planning by the state during the previous fiscal year.

30 (b) The amount of funding for each grant awarded.

31 (c) The grant recipients.

32 (d) The activities funded by each grant.

1 (e) An analysis of each grant recipient's success in addressing the development of a
2 comprehensive system of early childhood services and supports.

3 (2) All department contracts for early childhood comprehensive systems planning shall
4 be bid out through a statewide request-for-proposal process.

5 Sec. 14-1007. (1) From the funds appropriated in part 1 for child development and
6 care - external support, child development and care contracted services, and child care
7 licensing and regulation, the department shall create a joint report that includes, but is
8 not limited to, the following:

9 (a) The affordability of child care in this state, including, but not limited to, the
10 number of children eligible for and participating in the child development and care
11 program, the number of children eligible for and participating in the child development and
12 care program for the last 5 years, and key takeaways from the most recent market rate
13 survey.

14 (b) The availability of child care in this state by county, including, but not
15 limited to, the number of licensed child care providers, the change in the number of
16 licensed child care providers and slots over time, and the estimated demand for care.

17 (c) The health and safety of child care, including, but not limited to, the 10 most
18 common rule violations, the number of licenses revoked and summarily suspended, and the
19 number of license violations for incomplete health and safety training and safe sleep
20 training.

21 (d) Any actions taken to strengthen health and safety of care, including, but not
22 limited to, the number of licensing consultants, their average caseload, the number of on-
23 site visits they complete by provider type and region, the types of activities that are
24 intended to improve health and safety in licensed care, and the number of times those
25 activities are performed by licensing consultants.

26 (e) Information on the child care licensing process, including, but not limited to,
27 all of the following:

28 (i) The number of initial applications, initial applications denied, license
29 renewals, and licenses allowed to expire, aggregated by license type.

30 (ii) The average amount of time to approve or deny completed applications and a
31 description of the most common reasons applications are denied.

32 (iii) A description of the types of complaints received, a description of the process

1 used to resolve complaints, the average amount of time to complete investigations, and the
2 percentage of investigations completed on time.

3 (iv) The number of complaints received, investigated, determined to be
4 unsubstantiated, and that result in disciplinary action or rule violations.

5 (v) The number of administrative hearing adjudications.

6 (f) The quality of child care, including, but not limited to, the number of licensed
7 providers participating in the Great Start to Quality program and the workforce registry,
8 the number of new participants and how participation has changed over the last 5 years, and
9 the number of children participating in the child development and care program enrolled in
10 an enhancing quality level or higher program.

11 (g) Any actions taken to improve child care quality, including, but not limited to,
12 the number of quality consultants, the average caseload, the number of on-site visits
13 completed by region, the types of activities that are intended to improve quality and the
14 number of times those activities are performed, and the number of providers that have
15 improved the provider's quality rating since the start of the current fiscal year compared
16 to the same time period in the preceding fiscal year, reported as the number of providers
17 in each region.

18 (h) The child care workforce, including, but not limited to, the number of child care
19 professionals, average wages by role, the number of individuals participating in the TEACH
20 scholarship and earning a credential, and the level of demand for staff.

21 (2) The department must post the joint report on the department website and send the
22 joint report to the state budget director, the house and senate subcommittees that oversee
23 the department budget, and the house and senate fiscal agencies by April 1 of the current
24 fiscal year reflecting data for the previous fiscal year.

25 Sec. 14-1008. From the funds appropriated in part 1 for office of early childhood
26 education, the department shall ensure efficient service provision to coordinate services
27 provided to families for home visits, reduce duplication of state services and spending,
28 increase efficiencies including the home visits funded under section 32p of the state
29 school aid act of 1979, 1979 PA 94, MCL 388.1632p, and work with the DHHS as necessary.

30 Sec. 14-1009. From the funds appropriated in part 1 for child development and care
31 public assistance, the income entrance eligibility threshold for the child development and
32 care program is set to not more than 200% of the federal poverty guidelines.

1 Sec. 14-1011. From the funds appropriated in part 1 for child development and care
2 public assistance, for eligible children in the child development and care program, the
3 department shall implement payments to providers based on enrollment rather than based on
4 attendance. This shall be done in a manner determined by the department.

5 Sec. 14-1012. From the funds appropriated in part 1 for child development and care
6 contracted services, \$1,500,000.00 shall be for the department to work in collaboration
7 with DHHS to continue the network of infant and early childhood mental health consultation,
8 which provides mental health consultation to child care providers.

9 Sec. 14-1025. (1) Private revenues received by the department are appropriated upon
10 receipt and are available for expenditure by the department as permitted under state and
11 federal law.

12 (2) Not later than 10 days after the receipt of a private revenues appropriated in
13 subsection (1), the department shall notify the state and house chairpersons of the
14 subcommittees, the senate and house fiscal agencies, and the state budget director of the
15 receipt of the funds, including source, purpose, and amount.

16 (3) The amount appropriated under subsection (1) must not exceed \$3,000,000.00.

17 Sec. 14-1030. (1) The funds appropriated in part 1 for the tri-share child care
18 program must be awarded for the continuation of the child care facilitator program
19 originally initiated and funded as a pilot project in section 1047(31) of article 5 of 2020
20 PA 166.

21 (2) The department shall establish and support tri-share regional facilitator hubs
22 and statewide services.

23 (3) The department must create benchmarks for regional facilitator hubs receiving
24 appropriated funding.

25 (4) Any child care facilitator receiving funds under this section must be a
26 nonprofit, limited liability company, C-corporation, S-corporation, or a sole proprietor.

27

28 **ONE-TIME APPROPRIATIONS**

29 Sec. 14-1101. (1) From the funds appropriated in part 1 for child development and
30 care public assistance one-time, the department shall begin the implementation of making
31 payments prospectively to child care providers and begin contracting for children who are
32 infants and toddlers, from underserved geographic area, or have a disability.

1 (2) Any unexpended funds appropriated in part 1 for the child development and care
2 public assistance one-time are designated as a work project appropriation, and any
3 unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be
4 available for expenditures to sustain the project until the expiration date of this work
5 project as stated in subsection (d). The following are in compliance with section 451a(1)
6 of the management and budget act, 1984 PA 431, MCL 18.1451a:

7 (a) The purpose of the project is to begin implementing federally mandated
8 requirements to pay child care providers prospectively, and to contract for vulnerable
9 populations of children including those who are infants and toddlers, from underserved
10 area, or have a disability.

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

13 (c) The estimated cost of the project is \$50,000,000.00.

14 (d) The completion date of the project is September 30, 2028.

15 Sec. 14-1102. (1) From the funds appropriated in part 1 for college success fund and
16 student wraparound supports, the department shall provide competitive grants to public and
17 private universities as well as community colleges that support student success. These
18 grants focus on implementing best practices for student wraparound services to improve
19 student retention and completion of postsecondary degrees.

20 (2) Any unexpended funds appropriated in part 1 for the college success fund and
21 student wraparound supports are designated as a work project appropriation, and any
22 unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be
23 available for expenditures to sustain the project until the expiration date of this work
24 project as stated in subsection (d). The following are in compliance with section 451a(1)
25 of the management and budget act, 1984 PA 431, MCL 18.1451a:

26 (a) The purpose of the project is to provide competitive grants to public
27 universities, private universities, and community colleges to support student success.

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

30 (c) The estimated cost of the project is \$15,000,000.00.

31 (d) The completion date of the project is September 30, 2028.

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Article 15

DEPARTMENT OF MILITARY AND VETERANS AFFAIRS

PART 1

LINE-ITEM APPROPRIATIONS AND ANTICIPATED APPROPRIATIONS

Sec. 15-101. Subject to the conditions set forth in this article, the amounts listed in this part for the department of military and veterans affairs are appropriated for the fiscal year ending September 30, 2026, and are anticipated to be appropriated for the fiscal year ending September 30, 2027, from the funds indicated in this part. The following is a summary of the appropriations and anticipated appropriations in this part:

1 **DEPARTMENT OF MILITARY AND VETERANS AFFAIRS**

2 **APPROPRIATION SUMMARY**

3	Full-time equated unclassified positions.....	9.0		9.0
4	Full-time equated classified positions.....	1,056.0		1,056.0
5	GROSS APPROPRIATION	\$ 293,080,100	\$	262,080,100
6	Total interdepartmental grants and intradepartmental			
7	transfers	101,800		101,800
8	ADJUSTED GROSS APPROPRIATION	\$ 292,978,300	\$	261,978,300
9	Total federal revenues	148,840,000		148,840,000
10	Total local revenues	0		0
11	Total private revenues	100,000		100,000
12	Total other state restricted revenues	12,953,500		12,953,500
13	State general fund/general purpose	\$ 131,084,800	\$	100,084,800
14	<i>State general fund/general purpose schedule:</i>			
15	<i>Ongoing state general fund/general purpose</i>	<i>100,084,800</i>		<i>100,084,800</i>
16	<i>One-time state general fund/general purpose</i>	<i>31,000,000</i>		<i>0</i>
17	Sec. 15-102. MILITARY			
18	Full-time equated unclassified positions.....	9.0		9.0
19	Full-time equated classified positions.....	423.5		423.5
20	Unclassified salaries-9.0 FTE positions	\$ 1,878,100	\$	1,878,100
21	Headquarters and armories-104.0 FTE positions	23,231,200		23,231,200
22	Michigan national guard member benefits program-11.5			
23	FTE positions	11,244,800		11,244,800
24	Michigan youth challenge academy-68.0 FTE positions ..	10,441,800		10,441,800
25	Military family relief fund	150,000		150,000
26	Military retirement	2,585,600		2,585,600
27	Military training sites and support facilities-240.0			
28	FTE positions	46,533,200		46,533,200
29	National guard operations	600,500		600,500
30	Starbase grant	<u>2,322,000</u>		<u>2,322,000</u>
31	GROSS APPROPRIATION	\$ 98,987,200	\$	98,987,200

32 Appropriated from:

	For Fiscal Year Ending Sept. 30, 2026	For Fiscal Year Ending Sept. 30, 2027
1	Interdepartmental grant revenues:	
2	IDG from department of state police	101,800 101,800
3	Federal revenues:	
4	Other federal revenues	64,491,600 64,491,600
5	Special revenue funds:	
6	Private revenues	90,000 90,000
7	Other state restricted revenues	1,915,300 1,915,300
8	State general fund/general purpose	\$ 32,388,500 \$ 32,388,500
9	Sec. 15-103. MICHIGAN VETERANS AFFAIRS AGENCY	
10	Full-time equated classified positions.....	61.0 61.0
11	County veteran service grants-2.0 FTE positions	\$ 4,255,500 \$ 4,255,500
12	Michigan veterans affairs agency administration-49.0	
13	FTE positions	10,120,100 10,120,100
14	Veterans' trust fund administration-8.0 FTE positions	1,185,200 1,185,200
15	Veterans' trust fund grants	2,500,000 2,500,000
16	Veterans service grants-2.0 FTE positions	4,255,500 4,255,500
17	GROSS APPROPRIATION	\$ 22,316,300 \$ 22,316,300
18	Appropriated from:	
19	Federal revenues:	
20	Other federal revenues	753,400 753,400
21	Special revenue funds:	
22	Private revenues	10,000 10,000
23	Other state restricted revenues	3,735,200 3,735,200
24	State general fund/general purpose	\$ 17,817,700 \$ 17,817,700
25	Sec. 15-104. MICHIGAN VETERANS' FACILITY AUTHORITY	
26	Full-time equated classified positions.....	571.5 571.5
27	Chesterfield Township home for veterans-115.0 FTE	
28	positions	\$ 34,663,700 \$ 34,663,700
29	D.J. Jacobetti home for veterans-200.0 FTE positions .	26,342,500 26,342,500
30	Grand Rapids home for veterans-238.0 FTE positions ...	39,801,000 39,801,000
31	Information technology services and projects	1,738,100 1,738,100
32	Michigan veteran homes administration-18.0 FTE	

	For Fiscal Year Ending Sept. 30, 2026	For Fiscal Year Ending Sept. 30, 2027
1 positions	4,920,500	4,920,500
2 Veterans cemetery-0.5 FTE position	<u>133,100</u>	<u>133,100</u>
3 GROSS APPROPRIATION	\$ 107,598,900	\$ 107,598,900
4 Appropriated from:		
5 Federal revenues:		
6 Other federal revenues	53,437,100	53,437,100
7 Special revenue funds:		
8 Other state restricted revenues	6,303,000	6,303,000
9 State general fund/general purpose	\$ 47,858,800	\$ 47,858,800
10 Sec. 15-105. CAPITAL OUTLAY		
11 Armory maintenance	\$ 1,000,000	\$ 1,000,000
12 Land and acquisitions	1,000,000	1,000,000
13 Special maintenance - National Guard	30,000,000	30,000,000
14 Special maintenance - veterans' facilities	<u>500,000</u>	<u>500,000</u>
15 GROSS APPROPRIATION	\$ 32,500,000	\$ 32,500,000
16 Appropriated from:		
17 Federal revenues:		
18 Other federal revenues	30,000,000	30,000,000
19 Special revenue funds:		
20 Other state restricted revenues	1,000,000	1,000,000
21 State general fund/general purpose	\$ 1,500,000	\$ 1,500,000
22 Sec. 15-106. INFORMATION TECHNOLOGY		
23 Information technology services and projects	<u>\$ 677,700</u>	<u>\$ 677,700</u>
24 GROSS APPROPRIATION	\$ 677,700	\$ 677,700
25 Appropriated from:		
26 Federal revenues:		
27 Other federal revenues	157,900	157,900
28 Special revenue funds:		
29 State general fund/general purpose	\$ 519,800	\$ 519,800
30 Sec. 15-107. ONE-TIME APPROPRIATIONS		
31 Selfridge Air National Guard Base	\$ 26,000,000	\$ 0
32 State veterans cemetery	<u>5,000,000</u>	<u>0</u>

1	GROSS APPROPRIATION	\$	31,000,000	\$	0
2	Appropriated from:				
3	Special revenue funds:				
4	State general fund/general purpose	\$	31,000,000	\$	0

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FISCAL YEAR 2026

GENERAL SECTIONS

Sec. 15-201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state sources under part 1 for the fiscal year 2026 is \$144,038,300.00 and state spending from state sources to be paid to local units of government for fiscal year 2026 is \$4,178,000.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF MILITARY AND VETERANS AFFAIRS

Military training sites and support facilities.....	\$	46,500
County veteran service grants.....		4,041,500
Michigan veterans affairs agency administration.....		90,000
TOTAL	\$	4,178,000

Sec. 15-202. The appropriations under this part and part 1 are subject to the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

Sec. 15-203. As used in this article:

(a) "CMS" means the United States Department of Health and Human Services, Centers for Medicare and Medicaid Services.

(b) "Department" means the department of military and veterans affairs.

(c) "DHHS" means the department of health and human services.

(d) "Director" means the director of the department.

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

(f) "IDG" means interdepartmental grant.

(g) "MVAA" means the Michigan veterans affairs agency created by Executive Reorganization Order No. 2013 2, MCL 32.92.

1 (h) "MVFA" means the Michigan veterans' facility authority created under section 3 of
2 the Michigan veterans' facility authority act, 2016 PA 560, MCL 36.103.

3 (i) "MVH" means the Michigan veteran homes as that term is defined in the Michigan
4 veterans' facility authority act, 2016 PA 560, MCL 36.102.

5 (j) "MYCA" means the Michigan youth challenge academy.

6 (k) "Standard report recipients" means the senate and house appropriations
7 subcommittees on the department, the senate and house fiscal agencies, the senate and house
8 policy offices, and the state budget office.

9 (l) "USDVA" means the United States Department of Veterans Affairs.

10 (m) "VSO" means veterans service organization.

11 (n) "Veterans' facility" means that term as defined in section 2 of the Michigan
12 veterans' facility authority act, 2016 PA 560, MCL 36.102.

13 Sec. 15-204. A department or agency shall use the internet to fulfill the reporting
14 requirements of this part. This requirement includes transmitting reports to the standard
15 report recipients and any other required recipients by email and posting the reports on an
16 internet site.

17 Sec. 15-205. To the extent permissible under section 261 of the management and budget
18 act, 1984 PA 431, MCL 18.1261, all of the following apply to the expenditure of funds
19 appropriated in part 1:

20 (a) The funds must not be used for the purchase of foreign goods or services, or
21 both, if competitively priced and of comparable quality American goods or services, or
22 both, are available.

23 (b) Preference must be given to goods or services, or both, manufactured or provided
24 by Michigan businesses, if they are competitively priced and of comparable quality.

25 (c) Preference must be given to goods or services, or both, that are manufactured or
26 provided by Michigan businesses owned and operated by veterans, if they are competitively
27 priced and of comparable quality.

28 Sec. 15-207. Consistent with section 217 of the management and budget act, 1984 PA
29 431, MCL 18.1217, each department and agency receiving appropriations in part 1 shall
30 prepare a report on out of state travel expenses not later than January 1. The report must
31 list all travel by classified and unclassified employees outside this state in the previous
32 fiscal year that was funded in whole or in part with funds appropriated in the department's

1 or agency's budget. The department or agency shall submit the report to the standard report
2 recipients and to the house of representatives and senate appropriations committees. The
3 report must include all of the following information:

4 (a) The dates of each travel occurrence.

5 (b) The total transportation and related expenses of each travel occurrence and the
6 proportions funded with state general fund/general purpose revenues, state restricted
7 revenues, federal revenues, and other revenues.

8 Sec. 15-208. A principal executive department, state agency, or authority shall not
9 use funds appropriated in part 1 to hire a person to provide legal services that are the
10 responsibility of the attorney general. This section does not apply to legal services for
11 bonding activities or to outside legal services that the attorney general authorizes.

12 Sec. 15-209. Not later than December 15, the state budget office shall prepare and
13 submit a report that provides for estimates of the total general fund/general purpose
14 appropriation lapses at the close of the previous fiscal year. The report must summarize
15 the projected year-end general fund/general purpose appropriation lapses by major
16 departmental program or program areas. The state budget office shall submit the report to
17 the standard report recipients and the chairpersons of the senate and house of
18 representatives appropriations committees.

19 Sec. 15-210. (1) In addition to the funds appropriated in part 1, there is
20 appropriated an amount not to exceed \$10,000,000.00 for federal contingency funds. These
21 funds are not available for expenditure until they have been transferred to another line
22 item in this article under section 393(2) of the management and budget act, 1984 PA 431,
23 MCL 18.1393.

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

28 (3) In addition to the funds appropriated in part 1, there is appropriated an amount
29 not to exceed \$250,000.00 for local contingency funds. These funds are not available for
30 expenditure until they have been transferred to another line item in this article under
31 section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

32 (4) In addition to the funds appropriated in part 1, there is appropriated an amount

1 not to exceed \$100,000.00 for private contingency funds. These funds are not available for
2 expenditure until they have been transferred to another line item in this article under
3 section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

4 Sec. 15-211. A department or agency shall cooperate with the department of
5 technology, management and budget to maintain a searchable website accessible by the public
6 at no cost that includes, but is not limited to, all of the following for each department
7 or agency:

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

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

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

12 (d) The number of active employees by job classification.

13 (e) Job specifications and wage rates.

14 Sec. 15-214. To the extent permissible under the management and budget act, 1984 PA
15 431, MCL 18.1101 to 18.1594, the director of each department or agency receiving
16 appropriations in part 1 shall take all reasonable steps to ensure geographically
17 disadvantaged business enterprises compete for and perform contracts to provide services or
18 supplies, or both. Each director shall strongly encourage firms with which the department
19 or agency contracts to subcontract with certified geographically disadvantaged business
20 enterprises for services, supplies, or both. As used in this section, "geographically-
21 disadvantaged" business enterprises means that term as defined in Executive Directive No.
22 2023-1.

23 Sec. 15-215. On a quarterly basis, a department or agency receiving appropriations in
24 part 1 shall report on the number of FTEs in pay status by type of staff and civil service
25 classification, including comparison by line item of the number of FTEs authorized from
26 funds appropriated in part 1 to the actual number of FTE positions employed by the
27 department or agency at the end of the reporting period. The report must be submitted to
28 the senate and house appropriations committees and to the standard report recipients.

29 Sec. 15-221. (1) Funds appropriated in part 1 must not be used to restrict or impede
30 a marginalized community's access to government resources, programs, or facilities.

31 (2) From the funds appropriated in part 1, local governments shall report any action
32 or policy that attempts to restrict or interfere with the duties of a local health officer.

1 Sec. 15-223. Funds appropriated in part 1 for capital outlay must be carried forward
2 at the end of the fiscal year consistent with section 248 of the management and budget act,
3 1984 PA 431, MCL 18.1248.

4 Sec. 15-225. The department shall provide biannual reports that include the following
5 data:

6 (a) A list of all major work projects, including a status report of each project.

7 (b) The department's financial status, featuring a report of budgeted versus actual
8 expenditures by part 1 line item, including a year-end projection of budget requirements.

9
10 **MILITARY**

11 Sec. 15-301. Not later than October 30, the department shall report a list of the
12 current unclassified positions, which shall include the official titles and
13 responsibilities of each position.

14 Sec. 15-302. (1) The department shall operate and maintain National Guard armories
15 and implement a system to measure the condition and adequacy of those armories.

16 (2) Not later than December 1, the department shall submit a report on the status of
17 the armories that includes the following information:

18 (a) An assessment of the grounds and facilities of each armory to objectively measure
19 and determine the current facility condition and capability to support authorized manpower,
20 unit training, and operations.

21 (b) Recommendations for the placement of new armories, the relocation or
22 consolidation of existing armories, or a change in the mission of units assigned to
23 armories to ideally position the National Guard in current or projected population centers.

24 (c) Recommendations for the enhanced use of armories to facilitate family support
25 programs during deployments.

26 (d) An analysis of the feasibility, potential costs, and benefits of use of armories
27 shared with other local, state, or federal agencies to improve responses to local
28 emergencies as well as the community support provided to armories.

29 (e) An investment strategy and proposed funding amounts in a prioritized project list
30 to correct the most critical facility shortfalls across the inventory of armories in this
31 state.

32 (f) A review of the status of construction activities and expenditures of the armory

1 modernization project funded in section 107 of article 10 of 2022 PA 166 and section 104 of
2 2022 PA 194.

3 Sec. 15-303. (1) The department shall maintain the MYCA to provide values, skills,
4 education, and self-discipline instruction for at-risk youth as provided under 32 USC 509.

5 (2) The department shall take steps to recruit candidates to the MYCA from
6 economically-disadvantaged areas, including those with low-income and high-unemployment
7 backgrounds.

8 (3) The department shall partner with the DHHS to identify youth who may be eligible
9 for MYCA from those youth served by DHHS services programs. The department shall give these
10 eligible youth priority for enrollment.

11 (4) The department shall maintain the MYCA to graduate at least the target number of
12 graduates consistent with the state's cooperative agreement with the National Guard Bureau
13 regarding program operations.

14 (5) The department shall monitor individual academic success as measured by the
15 number of individuals who have received a general equivalency diploma, high school diploma,
16 or high school credit recovery or by the improvement of tests of adult basic education
17 scores, or both.

18 (6) Any unexpended and unencumbered private donations to support the MYCA at the
19 close of this fiscal year do not lapse to the general fund and must be carried forward to
20 the subsequent fiscal year.

21 Sec. 15-304. (1) Not later than January 15, the department shall provide a report on
22 the revenues, expenditures, and fund balance of the military family relief fund created in
23 section 3 of the military family relief fund act, 2004 PA 363, MCL 35.1213. The report must
24 itemize expenditures by purpose, including, but not limited to, for advertising and
25 assistance and include information on the number of applications for assistance received,
26 approved, and denied for the previous fiscal year.

27 (2) From the funds appropriated in part 1, the department shall provide outreach to
28 the Michigan families of members of the reserve component of the Armed Forces of the United
29 States called into active duty on the availability of assistance through the military
30 family relief fund.

31 Sec. 15-305. (1) The department shall do all of the following:

32 (a) Provide Army and Air National Guard forces, when directed, for state and local

1 emergencies and in support of national military requirements.

2 (b) Operate and maintain Army National Guard training facilities, including Fort
3 Custer and Camp Grayling.

4 (c) Maintain a system that measures the condition and adequacy of air facilities
5 using both quality and functionality criteria.

6 (d) Operate and maintain Air National Guard air bases, including Selfridge Air
7 National Guard base, Battle Creek Air National Guard base, and Alpena combat readiness
8 training center.

9 (2) Not later than March 1, the department shall report the following information for
10 the previous calendar year:

11 (a) The apportioned and assigned strength of the Michigan Army National Guard.

12 (b) The apportioned and assigned strength of the Michigan Air National Guard.

13 (c) Recruiting, retention, and attrition data, including measurement against stated
14 performance goals, for the Michigan Army National Guard.

15 (d) Recruiting, retention, and attrition data, including measurement against stated
16 performance goals, for the Michigan Air National Guard.

17 Sec. 15-306. (1) The billeting fund is created within the state treasury.

18 (2) The state treasurer shall deposit money and other assets received from any source
19 into the fund. The state treasurer shall direct the investment of money in the fund and
20 credit interest and earnings from the investments to the fund.

21 (3) All of the fees and other revenues generated from the operation of the chargeable
22 transient quarters program must be deposited in the fund.

23 (4) Money in the fund at the close of the fiscal year remains in the fund and does
24 not lapse to the general fund.

25 (5) The department is the administrator of the fund for auditing purposes.

26 (6) The department shall expend money from the fund to support program operations and
27 the maintenance and operations of the chargeable transient quarters program as appropriated
28 in part 1.

29 (7) Not later than January 15, the department shall submit a report of operations and
30 expenditures regarding the fund for the previous fiscal year.

31 Sec. 15-307. (1) The department shall maintain a Michigan National Guard tuition
32 assistance program under the Michigan National Guard tuition assistance act, 2014 PA 259,

1 MCL 32.431 to 32.433. The Michigan National Guard tuition assistance program must do the
2 following:

3 (a) Bolster military readiness by increasing recruitment and retention of Michigan
4 Army and Air National Guard members.

5 (b) Fill federally authorized strength levels for the state.

6 (c) Improve the Michigan Army and Air National Guard's competitive draw from other
7 military enlistment options in the state.

8 (d) Enhance the ability of the Michigan Army and Air National Guard to compete for
9 guard members and federal dollars with surrounding states.

10 (e) Increase the pool of eligible candidates within the Michigan Army and Air
11 National Guard to become commissioned officers.

12 (2) The department shall make efforts to increase the number of National Guard
13 members who have received a credential or are still enrolled in the Michigan National Guard
14 tuition assistance program after their initial term of enlistment. To evaluate the
15 effectiveness of the program, the department shall monitor the number of new recruits and
16 new reenlistments and the percentage of those who become participants in the program to
17 determine whether the percentage of authorized Michigan Army and Air National Guard
18 strength obtained and retained is competitive in comparison with the neighboring army and
19 air national guards from Illinois, Indiana, Ohio, and Wisconsin.

20 (3) Not later than March 1, the department shall provide a report on the Michigan
21 National Guard tuition assistance program. The report must include the following
22 information for the previous fiscal year:

23 (a) The number of guard members, spouses, and children receiving tuition assistance,
24 broken down by the number of each type of recipient.

25 (b) The educational institutions from which those guard members received education or
26 training under the program, broken down by the number of each type of recipient.

27 (c) The total amount of financial assistance received by each educational
28 institution.

29 (d) The total funds expended on the program for financial assistance for each type of
30 recipient.

31 (e) The total funds expended on the program for administrative costs of the
32 department.

1 (f) The total number of applications for tuition assistance denied.

2 (g) A list of any educational institutions and training programs removed from
3 eligibility and the rationale for that removal.

4 (h) An explanation of any identified barriers to the successful utilization of the
5 program, or other unmet needs of the program and applicable proposals for legislative
6 action to address those barriers and needs.

7 Sec. 15-308. The department shall maintain the starbase program at Air National Guard
8 facilities, as provided under 10 USC 2193b, to improve the knowledge, skills, and interest
9 of students, primarily in the fifth grade, in math, science, and technology. The starbase
10 program is to specifically target minority and at-risk students for participation.

11 Sec. 15-309. (1) The National Guard test projects fund is created within the state
12 treasury.

13 (2) The state treasurer shall deposit money and other assets received from any source
14 into the fund. The state treasurer shall direct the investment of money in the fund and
15 credit interest and earnings from the investments to the fund.

16 (3) All of the fees and other revenues generated from the operation of the test
17 projects program shall be deposited in the fund.

18 (4) Money in the fund at the close of the fiscal year remains in the fund and does
19 not lapse to the general fund.

20 (5) The department is the administrator of the fund for auditing purposes.

21 (6) Money in the fund shall be available for expenditure for the support of program
22 operations as appropriated in part 1.

23 Sec. 15-310. (1) The morale, welfare, and recreation fund is created within the state
24 treasury.

25 (2) The state treasurer shall deposit money and other assets received from any source
26 into the fund. The state treasurer shall direct the investment of money in the fund and
27 shall credit interest and earnings from the investments to the fund.

28 (3) The department is the administrator of the fund for auditing purposes.

29 (4) All of the fees and other revenues generated from the operation of the morale,
30 welfare, and recreation program must be deposited in the morale, welfare, and recreation
31 fund. Money in the fund is available for expenditure for the support of program operations
32 as appropriated in part 1.

1 (5) Money remaining in the fund at the close of the fiscal year remains in the fund
2 and does not lapse to the general fund.

3 Sec. 15-311. (1) The National Guard facilities rental fund is created in the state
4 treasury.

5 (2) The state treasurer shall deposit money and other assets received from any source
6 into the fund. The state treasurer shall direct the investment of money in the fund and
7 shall credit interest and earnings from the investments to the fund.

8 (3) All of the fees and other revenues generated from the operation of the National
9 Guard facilities rental program must be deposited in the fund.

10 (4) Money in the fund at the close of the fiscal year remains in the fund and does
11 not lapse to the general fund.

12 (5) The department is the administrator of the fund for auditing purposes.

13 (6) Money in the fund is available for expenditure for the support of program
14 operations as appropriated in part 1.

15 Sec. 15-312. Not later than February 1, the department shall provide the report
16 required under section 251(7) of the Michigan military act, 1967 PA 150, MCL 32.651.

17 Sec. 15-313. The Michigan Army National Guard and Air National Guard shall work to
18 provide a culture that is free of sexual assault, through an environment of prevention,
19 education and training, response capability, victim support, reporting procedures, and
20 appropriate accountability that enhances the safety and well-being of all guard member.

21 Sec. 15-314. (1) The department shall maintain a child care assistance program under
22 the Michigan child care assistance act, 2025 PA XXX, MCL 32.XXX to 32.XXX.

23 (2) Not later than March 1, the department shall provide a report on the child care
24 assistance program that includes the following information:

25 (a) The number of eligible members, by service branch, receiving a child care stipend
26 and the total number of National Guard members by service branch.

27 (b) The number of children for whom a stipend is paid and the associated number of
28 hours paid, by an eligible member's service branch.

29 (c) The hourly rate paid.

30 (d) Program expenditures paid for child care stipends.

31 (e) Program expenditures paid for administrative costs.

32 (f) Other pertinent information on the program's operations and administration.

1 Sec. 15-315. (1) The funds appropriated in part 1 for Michigan National Guard member
2 benefits program must be deposited into the restricted Michigan National Guard member
3 benefit fund created in section XXX of 2025 PA XXX, MCL 32.XXX.

4 (2) All available funds in the restricted Michigan National Guard member benefit
5 fund are appropriated and available for expenditure for the following programs:

6 (a) The Michigan National Guard tuition assistance act, 2014 PA 259, MCL 32.431 to
7 MCL 32.433 and section 307 of this part.

8 (b) The Michigan National Guard child care assistance act, 2025 PA XX, MCL 32.XXX to
9 32.XXX and section 314 of this part.

10 (3) Not later than March 1, the department shall provide a report detailing the
11 revenues, expenditures by program, and starting and year-end balances of the fund.

12
13 **MICHIGAN VETERANS AFFAIRS AGENCY**

14 Sec. 15-404. (1) Money privately donated to the department for the MVAA in excess of
15 the appropriation in part 1 is appropriated and available for expenditure for the benefit
16 and life enrichment of veterans and for the purpose designated by the private source, if
17 specified and in compliance with this section.

18 (2) Any unexpended and unencumbered private donations to support the MVAA at the
19 close of this fiscal year do not lapse to the general fund and must be carried forward to
20 the subsequent fiscal year.

21 (3) Not later than January 15, the department shall submit a report that provides an
22 itemized listing of private donations received by the department for the MVAA for the
23 previous fiscal year and the purpose for which the funds will be, or were, expended, if
24 known.

25 Sec. 15-405. Not later than January 31, the MVAA shall provide a report of the
26 Michigan veterans' trust fund that includes, for the previous fiscal year, the following
27 information:

28 (a) A description of the methodology of allocations and the selection of emergency
29 grant program authorized agents.

30 (b) A description of how the emergency grant program is administered in each county.

31 (c) The number of approved emergency grant applications, by category of assistance,
32 and the number of denied applications, by reason of denial.

1 (d) A description of the MVAA's efforts to reduce program administrative costs and
2 maintain the Michigan veterans' trust fund corpus at or above its original amount of
3 \$50,000,000.00.

4 (e) The financial status of the Michigan veterans' trust fund, including beginning
5 and year-end balances, revenues, and a breakdown of expenditures for state and local
6 administrative purposes, grants, and other program partnerships and initiatives, including
7 details by county and organization.

8 Sec. 15-406. The MVAA shall do all of the following:

9 (a) Provide outreach services to Michigan veterans to advise them on the benefits and
10 assistance to which they are entitled, or eligible, including the military family relief
11 fund, Michigan veterans' trust fund, and USDVA health, financial, and memorial benefits to
12 which veterans are entitled.

13 (b) Fulfill requests for military discharge certificates (DD-214) upon request.

14 (c) Not later than March 1, submit a report on the activities and outcomes of its
15 outreach services, including the percentage of Michigan veterans contacted through its
16 outreach programs.

17 Sec. 15-408. From the funds appropriated in part 1, the MVAA shall provide for the
18 regional coordination of services and do all of the following:

19 (a) Coordinate with veteran benefit counselors throughout a specified region.

20 (b) Coordinate services with all state departments and agencies.

21 (c) Coordinate with regional workforce and economic development agencies.

22 (d) Coordinate activities among local foundations, nonprofit organizations, and
23 community groups to improve accessibility, enrollment, and utilization of the array of
24 health care, education, employment assistance, and quality of life services provided at the
25 local level.

26 (e) Work with MVAA service officers, county veteran counselors, VSO service officers,
27 and other service providers to increase awareness of available mental health care resources
28 and support services veterans may be eligible to receive.

29 (f) Coordinate with the DHHS to identify Medicaid recipients who are veterans and who
30 may be eligible for federal veterans health care benefits or other benefits, to the extent
31 that the identification does not violate applicable confidentiality requirements.

32 (g) Collaborate with the department of corrections to create and maintain a process

1 by which prisoners can obtain a copy of their DD-214 form or other military discharge
2 documentation if necessary.

3 (h) Ensure that all MVAA service officers and VSO service officers receive
4 appropriate training in processing applications for benefits payable to veterans due to
5 military sexual trauma, post-traumatic stress disorder, depression, anxiety, substance use
6 disorder, or other mental health issues.

7 Sec. 15-410. (1) The MVAA shall do the following:

8 (a) Provide claims processing services to Michigan veterans in support of benefit
9 claims submitted to the USDVA for the health, financial, and memorial benefits for which
10 they are eligible, and report annually on the number of benefit claims, by type, submitted
11 to the USDVA by MVAA.

12 (b) Develop and implement a process to ensure that all county veterans counselors
13 receive the training and accreditation necessary to provide quality services to veterans.
14 Not later than March 1 the MVAA shall provide a report for the previous fiscal that that
15 includes the number and percentage of county veterans counselors trained by the MVAA, and
16 the number and percentage who received funding from the MVAA to attend training and a
17 description of the training provided.

18 (2) From the funds appropriated in part 1 for MVAA, the MVAA is authorized to expend
19 up to \$100,000.00 to hire legal services to represent veterans benefit cases before federal
20 court to maintain accreditation under 38 CFR 14.628(d) (1) (iv).

21 Sec. 15-411. (1) The funds appropriated in part 1 for veterans service grants must be
22 deposited into the restricted veterans service fund created in subsection (2).

23 (2) The veterans service fund is created in the state treasury. The state treasurer
24 may receive money or other assets from any source for deposit into the fund. The state
25 treasurer shall direct the investment of the fund and credit to the fund interest and
26 earnings from fund investments. Unexpended funds at the close of the fiscal year must
27 remain in the fund and shall not lapse to the general fund. The department shall be the
28 administrator of the fund for auditing purposes, and shall expend money in the fund to
29 establish, administer, and award grants administer and provide grants to 1 or more
30 congressionally-chartered VSO or a coalition of VSOs to provide services to veterans in
31 accordance with this section.

32 (3) All funds available in the veterans service fund are appropriated and available

1 for expenditure as provided by law. From the funds appropriated, \$214,000.00 must be
2 allocated to cover necessary administrative and implementation costs incurred by the MVAA.

3 (4) The MVAA shall award grants to support efforts to connect veterans and their
4 dependents with federal compensation and pension benefits and state veterans' benefits,
5 including emergency grants through the Michigan veterans' trust fund and other local or
6 nonprofit assistance that may be available to veterans and their dependents. The MVAA shall
7 establish a competitive grant process that satisfies the following:

8 (a) Utilizes a service provision model to provide services across the state and can
9 be tracked regionally to ensure that veterans and their dependents in this state, including
10 those within tribal communities, are provided with services, advocacy, and outreach as
11 close to the communities in which they live as possible.

12 (b) Ensures that grantees are providing adequate veteran services and advocacy,
13 through in-person and virtual meetings, that enables the organization to meet performance
14 goals established in the grant agreement.

15 (c) Fosters innovative and transformative approaches and techniques for the grantee
16 to use when providing services, advocacy, and outreach for veterans and their dependents.

17 (d) Requires grantees to use an MVAA-designated internet-based claims data system to
18 manage caseloads. License fees associated with the claims data system described in this
19 subdivision are considered an allowable expenditure and may be reimbursed with grant funds.

20 (e) Requires grantees, in coordination with the MVAA, to provide services to
21 incarcerated veterans who are within 1 year of their earliest release date.

22 (f) Ensures that each grantee is issued performance goals.

23 (g) Ensures that each grantee expends grant awards as prescribed in the grant
24 agreement.

25 (h) Requires each grantee to report not less than quarterly on all of the following:

26 (i) An accounting for all grant fund expenditures.

27 (ii) The number and type of claims originated and submitted by the grantee to the
28 USDVA.

29 (iii) The number and type of claims originated by an organization other than the
30 grantee and submitted by the grantee to the USDVA.

31 (iv) The services provided to veterans and their dependents.

32 (v) Progress in achieving performance benchmark goals.

1 (i) Ensures that each grantee is issued performance benchmark goals that each grantee
2 must aim to achieve and require each grantee to report to the MVAA, in order to ensure that
3 benchmark goals are being achieved, or on target to be achieved, in the fiscal year.

4 (5) The MVAA shall do the following regarding the veterans service grant program:

5 (a) Follow all generally accepted accounting principles in accordance with sections
6 141 and 485 of the management and budget act, 1984 PA 431, MCL 18.1141 and 18.1485.

7 (b) When establishing, modifying, or amending the competitive grant process described
8 in subsection (1), consult and collaborate with congressionally chartered VSOs in the
9 state, or a coalition of VSOs, and other stakeholders to ensure a comprehensive approach to
10 providing services, advocacy, and outreach to veterans and their dependents.

11 (c) Provide notice to current grantees of any MVAA-proposed modifications or
12 amendments to the competitive grant process and provide those grantees with an opportunity
13 to respond through written communication.

14 (d) Assess the accuracy rate of claims reported by grantees.

15 (e) Review and audit grantees' expenditure of grant funds to ensure compliance with
16 the grant agreement, as provided under section 470 of the management and budget act, 1984
17 PA 431, MCL 18.1470.

18 (6) Not later than January 31, the MVAA shall provide a report summarizing grant
19 activities for the previous fiscal year, including the amount of expenditures, number of
20 service and advocacy hours, number of claims for benefits submitted by type of claim, and
21 other information deemed appropriate by the MVAA.

22 Sec. 15-413. (1) The funds appropriated in part 1 for county veteran service grants
23 must be deposited into the restricted county veteran service fund created in section 3a of
24 1953 PA 192, MCL 35.623a. All available funds in the restricted county veteran service fund
25 are appropriated and available for expenditure as provided by law.

26 (2) From the restricted county veteran service fund created in section 3a of 1953 PA
27 192, MCL 35.623a, \$214,000.00 must be allocated to the MVAA to cover necessary
28 administrative and implementation costs incurred by the MVAA.

29 (3) The MVAA shall provide a report not later than January 31 that includes the
30 following information for the previous fiscal year:

31 (a) A list of counties that received a grant under this section.

32 (b) The total amount of grant funding each county received including any amount of

1 funding provided under the emergent need relief program pursuant to section 3a(10) of 1953
2 PA 192, MCL 35.623a.

3 (c) A summary of each county's expenditures of grant funding.

4 (d) The amount of any unexpended grant funding disbursed to the counties that has
5 been recovered and returned to the county veteran service fund.

6 (e) The amount of any funds recovered by the MVAA through a finding that grant funds
7 were misused by a county.

8 (f) The amount expended by the MVAA for grant administration and implementation
9 costs.

10 (g) The balance of the county veteran service fund at the close of the fiscal year.

11 (4) The report required under subsection (3) must also include the following:

12 (a) A list of counties that have requested funds in the current fiscal year, the
13 amount requested by each county, and the total of these amounts.

14 (b) A list of counties that did not request funds in the current fiscal year.

15 (c) An explanation of any obstacles or reasons for counties not applying for or
16 spending their eligible amount of grant funding.

17 Sec. 15-414. Not later than February 1, the department shall provide a report on the
18 status of the construction, operations, and finances of the state veterans cemetery under
19 the veterans cemetery act, 2022 PA 267, MCL 35.1251 to MCL 35.1259.

20 Sec. 15-415. Not later than January 1, the MVAA shall submit a report that includes
21 the following:

22 (a) An analysis on the scope of homelessness among the state's veteran population,
23 including the estimated number of homeless veterans, by county.

24 (b) Challenges to securing housing for homeless veterans.

25 (c) Recommendations for future long-term partnerships between the Michigan state
26 housing development authority, the MVAA, local units of government, and nonprofit
27 organizations that could assist in eliminating homelessness among veterans in this state.
28 Recommendations under this subdivision must minimize additional costs to local units of
29 government.

30 (d) Activities of the MVAA in the previous fiscal year to support homeless veterans
31 or eliminate homelessness among veterans.

32

1 **MICHIGAN VETERANS' FACILITY AUTHORITY**

2 Sec. 15-501. (1) Money privately donated to the MVH, the MVFA, or a veterans'
3 facility in excess of the appropriation in part 1 is appropriated and is available for
4 expenditure for the benefit and life enrichment of resident members and for the purpose
5 designated by the private source, if specified and in compliance with this section.

6 (2) Any unexpended or unencumbered private donations to support the MVH, MVFA, or a
7 veterans facility at the close of the fiscal year do not lapse to the general fund and must
8 be carried forward to the subsequent fiscal year.

9 (3) Not later than January 31, the MVH shall submit a report that provides an
10 itemized listing of the private donations received by the MVH, MVFA, or a veterans facility
11 and the purpose for which the funds will be, or were expended, if known.

12 Sec. 15-502. (1) From the funds appropriated in part 1, the MVH and the MVFA shall
13 provide compassionate and quality nursing care services at each veterans' facility in this
14 state so that resident members can achieve their highest potential of wellness,
15 independence, self-worth, and dignity. The MVFA and the MVH shall provide nursing care
16 services to veterans in accordance with federal standards and report the results of the
17 annual USDVA and CMS surveys and certification as proof of compliance.

18 (2) Appropriations in part 1 for a veterans' facility shall not be used for any
19 purpose other than expenses related to the operations of the veterans' facility.

20 Sec. 15-503. All contractors providing health care services at a veterans' facility
21 shall provide services in a manner that complies with applicable USDVA and CMS regulations
22 for state veterans' homes and skilled nursing facilities, any rules governing the operation
23 of nursing homes licensed in this state, and any training and education requirements
24 associated with staff licensure or certification.

25 Sec. 15-504. (1) The MVFA shall report and investigate all complaints of abuse or
26 neglect at a veterans' facility in compliance with USDVA and CMS regulations for state
27 veterans' homes and skilled nursing facilities. The MVFA shall report on a bimonthly basis
28 the following information:

29 (a) A description of the process by which resident members and others may file
30 complaints of alleged abuse or neglect at a veterans' facility.

31 (b) Summary statistics on the number and general nature of complaints of abuse or
32 neglect.

1 (c) Summary statistics on the final disposition of complaints of abuse or neglect
2 received.

3 (2) The MVFA shall display in high-traffic areas throughout the veterans' facility
4 the process by which visitors, resident members, and staff of the veterans' facility may
5 register complaints.

6 Sec. 15-506. The MVH shall establish and implement internal controls regarding all of
7 the following:

8 (a) The use and management of food, maintenance, and pharmaceutical and medical
9 supply inventories.

10 (b) Calculating resident member maintenance assessments in order to accurately
11 calculate resident member maintenance assessments for each billing cycle and ensure that
12 all past due resident member maintenance assessments are addressed within 30 days.

13 (c) Monetary donations and donated goods.

14 (d) The handling of resident member funds to ensure the release of funds within 15
15 calendar days upon the resident member leaving the home and to ensure that a representative
16 of a resident member is provided a full accounting of that resident member's funds within
17 30 calendar days after the death of that resident member.

18 (e) Financial reporting and accounting.

19 Sec. 15-507. (1) The MVH shall post on its website the following:

20 (a) All policies adopted by the MVFA and the veterans' facility related to the
21 administrative operations of the veterans' facility.

22 (b) The agenda and minutes of public meetings of the MVFA board.

23 (2) The MVH shall provide statistics and information that demonstrates the
24 performance of MVH compared to available state and national veterans homes or nursing
25 homes.

26 (3) Not later than January 31, the MVH shall provide a report on the following:

27 (a) Census data for each veterans' facility, including information on level of care,
28 service era of its resident members, payer source, and average income and assessment rate.

29 (b) Per patient daily care hours provided by each veterans' facility, by level of
30 care.

31 (4) The MVH shall provide a bimonthly report on the financial status of each
32 veterans' facility and central MVFA/MVH administration. Information shall include, but not

1 be limited to, actual year-to-date and projected year-end revenues and expenditures, by
2 fund source.

3 (5) The MVH shall provide a report on the results of any annual or for-cause survey
4 conducted by any entity with oversight over the veterans' facility and any corresponding
5 corrective action plan. This information shall also be made available publicly through the
6 MVH website.

7 (6) In addition to the information required under section 12(1) of the Michigan
8 veterans' facility authority act, 2016 PA 560, MCL 36.112, not later than January 31, the
9 MVFA shall provide a report detailing the strategies and actions taken to maximize revenues
10 from non-general fund sources and cost savings strategies.

11 Sec. 15-508. In addition to the funds appropriated in part 1, private revenues held
12 by the MVH on a nonfiduciary basis for a resident member of a veterans' facility are
13 appropriated to pay medical expenses, member assessments, and other expenses incurred by
14 that resident member. Any unexpended or unencumbered private revenues held on a
15 nonfiduciary basis by the MVH at the close of the fiscal year do not lapse to the general
16 fund and must be carried forward into the subsequent fiscal year.

17 Sec. 15-509. Not later than January 31, the MVFA shall provide a report on the
18 construction, operation, and finances of the new Marquette veterans home funded in article
19 14 of 2022 PA 166.

20 Sec. 15-510. Except as otherwise provided by law, any unexpended and unencumbered
21 federal revenues received by the MVFA do not lapse to the state general fund and must be
22 carried forward into the subsequent fiscal year.

23 Sec. 15-511. The department, with the approval of the state budget director, is
24 authorized to realign federal revenues sources of the Michigan veterans' facility
25 authority. This realignment of federal fund sourcing shall not produce a gross increase or
26 decrease in the total authorization for the individual Michigan veterans' facility
27 authority line-item appropriations. The department shall provide quarterly report on
28 actions taken under this section.

29

30 **CAPITAL OUTLAY**

31 Sec. 15-601. (1) The department shall provide for the acquisition and disposition of
32 National Guard armories, facilities, and lands as provided under sections 368, 382, and

1 382a of the Michigan military act, 1967 PA 150, MCL 32.768, 32.782, and 32.782a.

2 (2) The department shall provide a listing of property sales and acquisitions
3 annually.

4 Sec. 15-602. (1) The appropriations for armory maintenance and special maintenance -
5 National Guard must be expended in accordance with the requirements of sections 302 and 305
6 of this part and must be expended according to the maintenance priorities of the department
7 to repair and modernize military training sites and support facilities, including armories.

8 (2) Not later than January 15, the department shall provide a report providing
9 information on the status, projected costs, and projected completion date of current and
10 planned special maintenance projects at the armories and other National Guard facilities
11 funded from capital outlay appropriations made in part 1 and in previous fiscal years.

12 Sec. 15-603. (1) The appropriations for special maintenance - veterans' facility must
13 be expended in accordance with the requirements of section 502 of this part and must be
14 expended according to the maintenance priorities of the MVFA to repair and modernize the
15 state's veterans' facility, which may include physical plant expansions, renovations, or
16 enhancements, and other projects designed to enhance the quality of life and medical care
17 of resident members.

18 (2) Not later than January 15, the MVH shall provide a report providing information
19 on the status, projected costs, and projected completion date of current and planned
20 special maintenance projects at each veterans' facility funded from capital outlay
21 appropriations made in part 1 and in previous fiscal years.

22

23 **ONE-TIME APPROPRIATIONS**

24 Sec. 15-702. Funds appropriated in part 1 for Selfridge Air National Guard Base must
25 be used to support costs of complying with air installation compatible use zone program
26 recommendations, including, but not limited to, both of the following:

27 (a) Capital improvements necessary to shift the runway to the north and repair
28 airfield and non-airfield features of the base and surrounding community impacted by the
29 shift.

30 (b) Infrastructure projects repairing roadways, vehicle access to the base and
31 museum, stormwater drain and culvert repairs and modernization, force protection features,
32 and airfield features.

1 Sec. 15-703. From the funds appropriated in part 1 for state veterans cemetery, the
2 department shall expend those funds for the same purposes as provided under section 601 of
3 article 10 of 2022 PA 166.

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Article 16

DEPARTMENT OF NATURAL RESOURCES

PART 1

LINE-ITEM APPROPRIATIONS AND ANTICIPATED APPROPRIATIONS

Sec. 16-101. Subject to the conditions set forth in this article, the amounts listed in this part for the department of natural resources are appropriated for the fiscal year ending September 30, 2026, and are anticipated to be appropriated for the fiscal year ending September 30, 2027, from the funds indicated in this part. The following is a summary of the appropriations and anticipated appropriations in this part:

1	DEPARTMENT OF NATURAL RESOURCES		
2	APPROPRIATION SUMMARY		
3	Full-time equated unclassified positions.....	6.0	6.0
4	Full-time equated classified positions.....	2,629.1	2,629.1
5	GROSS APPROPRIATION	\$ 604,529,700	\$ 583,137,900
6	Total interdepartmental grants and intradepartmental		
7	transfers	208,100	208,100
8	ADJUSTED GROSS APPROPRIATION	\$ 604,321,600	\$ 582,929,800
9	Total federal revenues	100,214,800	100,214,800
10	Total local revenues	0	0
11	Total private revenues	7,609,200	7,609,200
12	Total other state restricted revenues	408,296,400	408,296,400
13	State general fund/general purpose	\$ 88,201,200	\$ 66,809,400
14	<i>State general fund/general purpose schedule:</i>		
15	<i>Ongoing state general fund/general purpose</i>	<i>66,809,400</i>	<i>66,809,400</i>
16	<i>One-time state general fund/general purpose</i>	<i>21,391,800</i>	<i>0</i>
17	Sec. 16-102. DEPARTMENTAL ADMINISTRATION AND SUPPORT		
18	Full-time equated unclassified positions.....	6.0	6.0
19	Full-time equated classified positions.....	155.4	155.4
20	Unclassified salaries-6.0 FTE positions	\$ 993,600	\$ 993,600
21	Accounting service center	1,729,700	1,729,700
22	Executive direction-13.4 FTE positions	2,583,500	2,583,500
23	Finance and operations-115.0 FTE positions	20,133,300	20,133,300
24	Gifts and pass-through transactions	5,003,600	5,003,600
25	Legal services-4.0 FTE positions	720,000	720,000
26	Minerals management-19.0 FTE positions	2,962,900	2,962,900
27	Natural resources commission	77,100	77,100
28	Office of public lands-4.0 FTE positions	1,481,800	1,481,800
29	Property management	<u>3,573,500</u>	<u>3,573,500</u>
30	GROSS APPROPRIATION	\$ 39,259,000	\$ 39,259,000
31	Appropriated from:		
32	Interdepartmental grant revenues:		

	For Fiscal Year Ending Sept. 30, 2026	For Fiscal Year Ending Sept. 30, 2027	
1	IDG from other restricted funding	208,100	208,100
2	Federal revenues:		
3	Other federal revenues	833,600	833,600
4	Special revenue funds:		
5	Private revenues	5,003,600	5,003,600
6	Other state restricted revenues	29,912,900	29,912,900
7	State general fund/general purpose	\$ 3,300,800	\$ 3,300,800
8	Sec. 16-103. DEPARTMENT INITIATIVES		
9	Full-time equated classified positions.....	21.0	21.0
10	Great Lakes restoration initiative	\$ 2,904,500	\$ 2,904,500
11	Invasive species prevention and control-21.0 FTE		
12	positions	<u>7,143,800</u>	<u>7,143,800</u>
13	GROSS APPROPRIATION	\$ 10,048,300	\$ 10,048,300
14	Appropriated from:		
15	Federal revenues:		
16	Other federal revenues	2,904,500	2,904,500
17	Special revenue funds:		
18	State general fund/general purpose	\$ 7,143,800	\$ 7,143,800
19	Sec. 16-104. COMMUNICATION AND CUSTOMER SERVICES		
20	Full-time equated classified positions.....	142.8	142.8
21	Cultural resource management-5.5 FTE positions	\$ 1,022,600	\$ 1,022,600
22	Marketing and outreach-95.3 FTE positions	20,616,400	20,616,400
23	Michigan historical center-42.0 FTE positions	6,838,300	6,838,300
24	Michigan wildlife council	<u>1,400,000</u>	<u>1,400,000</u>
25	GROSS APPROPRIATION	\$ 29,877,300	\$ 29,877,300
26	Appropriated from:		
27	Federal revenues:		
28	Other federal revenues	3,691,400	3,691,400
29	Special revenue funds:		
30	Other state restricted revenues	20,726,900	20,726,900
31	State general fund/general purpose	\$ 5,459,000	\$ 5,459,000
32	Sec. 16-105. WILDLIFE MANAGEMENT		

	For Fiscal Year Ending Sept. 30, 2026	For Fiscal Year Ending Sept. 30, 2027
1 Full-time equated classified positions.....	252.5	252.5
2 Natural resources heritage-9.0 FTE positions	\$ 661,800	\$ 661,800
3 Wildlife management-243.5 FTE positions	<u>54,844,900</u>	<u>54,844,900</u>
4 GROSS APPROPRIATION	\$ 55,506,700	\$ 55,506,700
5 Appropriated from:		
6 Federal revenues:		
7 Other federal revenues	26,642,700	26,642,700
8 Special revenue funds:		
9 Private revenues	315,700	315,700
10 Other state restricted revenues	23,864,200	23,864,200
11 State general fund/general purpose	\$ 4,684,100	\$ 4,684,100
12 Sec. 16-106. FISHERIES MANAGEMENT		
13 Full-time equated classified positions.....	276.5	276.5
14 Aquatic resource mitigation-2.0 FTE positions	\$ 737,200	\$ 737,200
15 Fish production-71.0 FTE positions	12,944,300	12,944,300
16 Fisheries resource management-203.5 FTE positions	<u>31,043,200</u>	<u>31,043,200</u>
17 GROSS APPROPRIATION	\$ 44,724,700	\$ 44,724,700
18 Appropriated from:		
19 Federal revenues:		
20 Other federal revenues	12,315,800	12,315,800
21 Special revenue funds:		
22 Private revenues	136,700	136,700
23 Other state restricted revenues	31,043,800	31,043,800
24 State general fund/general purpose	\$ 1,228,400	\$ 1,228,400
25 Sec. 16-107. LAW ENFORCEMENT		
26 Full-time equated classified positions.....	302.0	302.0
27 Body cameras for conservation officers-5.0 FTE		
28 positions	\$ 860,700	\$ 860,700
29 General law enforcement-297.0 FTE positions	<u>57,311,100</u>	<u>57,311,100</u>
30 GROSS APPROPRIATION	\$ 58,171,800	\$ 58,171,800
31 Appropriated from:		
32 Federal revenues:		

	For Fiscal Year Ending Sept. 30, 2026	For Fiscal Year Ending Sept. 30, 2027
1 Other federal revenues	7,065,800	7,065,800
2 Special revenue funds:		
3 Other state restricted revenues	31,103,600	31,103,600
4 State general fund/general purpose	\$ 20,002,400	\$ 20,002,400
5 Sec. 16-108. PARKS AND RECREATION DIVISION		
6 Full-time equated classified positions.....	1,105.4	1,105.4
7 Forest recreation and trails-86.8 FTE positions	\$ 12,716,900	\$ 12,716,900
8 MacMullan conference center-15.0 FTE positions	1,267,800	1,267,800
9 Michigan conservation corps	935,100	935,100
10 Nature awaits-13.8 FTE positions	2,257,100	2,257,100
11 Recreational boating-182.1 FTE positions	24,547,600	24,547,600
12 State parks-807.7 FTE positions	<u>108,767,400</u>	<u>108,767,400</u>
13 GROSS APPROPRIATION	\$ 150,491,900	\$ 150,491,900
14 Appropriated from:		
15 Federal revenues:		
16 Other federal revenues	2,273,800	2,273,800
17 Special revenue funds:		
18 Private revenues	428,300	428,300
19 Other state restricted revenues	141,027,600	141,027,600
20 State general fund/general purpose	\$ 6,762,200	\$ 6,762,200
21 Sec. 16-109. MACKINAC ISLAND STATE PARK COMMISSION		
22 Full-time equated classified positions.....	17.0	17.0
23 Historical facilities system-13.0 FTE positions	\$ 1,937,300	\$ 1,937,300
24 Mackinac Island State Park operations-4.0 FTE		
25 positions	<u>343,700</u>	<u>343,700</u>
26 GROSS APPROPRIATION	\$ 2,281,000	\$ 2,281,000
27 Appropriated from:		
28 Special revenue funds:		
29 Other state restricted revenues	1,853,500	1,853,500
30 State general fund/general purpose	\$ 427,500	\$ 427,500
31 Sec. 16-110. FOREST RESOURCES DIVISION		
32 Full-time equated classified positions.....	356.5	356.5

	For Fiscal Year Ending Sept. 30, 2026	For Fiscal Year Ending Sept. 30, 2027
1 Forest management and timber market development-219.5		
2 FTE positions	\$ 50,616,400	\$ 50,616,400
3 Wildfire protection-137.0 FTE positions	<u>23,222,200</u>	<u>23,222,200</u>
4 GROSS APPROPRIATION	\$ 73,838,600	\$ 73,838,600
5 Appropriated from:		
6 Federal revenues:		
7 Other federal revenues	15,215,800	15,215,800
8 Special revenue funds:		
9 Private revenues	1,624,900	1,624,900
10 Other state restricted revenues	44,518,800	44,518,800
11 State general fund/general purpose	\$ 12,479,100	\$ 12,479,100
12 Sec. 16-111. GRANTS		
13 Dam management grant program	\$ 350,000	\$ 350,000
14 Deer habitat improvement partnership initiative	200,000	200,000
15 Federal - clean vessel act grants	400,000	400,000
16 Federal - forest stewardship grants	2,000,000	2,000,000
17 Federal - rural community fire protection	1,050,000	1,050,000
18 Federal - urban forestry grants	900,000	900,000
19 Fisheries habitat improvement grants	1,250,000	1,250,000
20 Grants to communities - federal oil, gas, and timber		
21 payments	3,450,000	3,450,000
22 Grants to counties - marine safety	4,724,700	4,724,700
23 National recreational trails	3,911,600	3,911,600
24 Nonmotorized trail development and maintenance grants	200,000	200,000
25 Off-road vehicle safety training grants	60,000	60,000
26 Off-road vehicle trail improvement grants	6,340,500	6,340,500
27 Recreation improvement fund grants	916,800	916,800
28 Recreation passport local grants	3,719,000	3,719,000
29 Snowmobile law enforcement grants	380,100	380,100
30 Snowmobile local grants program	7,090,400	7,090,400
31 Trail easements	700,000	700,000
32 Wildlife habitat improvement grants	<u>1,502,500</u>	<u>1,502,500</u>

	For Fiscal Year Ending Sept. 30, 2026	For Fiscal Year Ending Sept. 30, 2027	
1	GROSS APPROPRIATION	\$ 39,145,600	\$ 39,145,600
2	Appropriated from:		
3	Federal revenues:		
4	Other federal revenues	13,279,000	13,279,000
5	Special revenue funds:		
6	Private revenues	100,000	100,000
7	Other state restricted revenues	25,216,600	25,216,600
8	State general fund/general purpose	\$ 550,000	\$ 550,000
9	Sec. 16-112. INFORMATION TECHNOLOGY		
10	Information technology services and projects	\$ 10,827,700	\$ 10,827,700
11	GROSS APPROPRIATION	\$ 10,827,700	\$ 10,827,700
12	Appropriated from:		
13	Special revenue funds:		
14	Other state restricted revenues	9,555,600	9,555,600
15	State general fund/general purpose	\$ 1,272,100	\$ 1,272,100
16	Sec. 16-113. CAPITAL OUTLAY		
17	(1) RECREATIONAL LANDS AND INFRASTRUCTURE		
18	Federal - land and water conservation fund payments ..	\$ 12,900,000	\$ 12,900,000
19	Fisheries infrastructure	1,300,000	1,300,000
20	Off-road vehicle trail development and maintenance ...	3,000,000	3,000,000
21	Snowmobile trail development and maintenance	1,000,000	1,000,000
22	State game and wildlife area infrastructure	3,300,000	3,300,000
23	State parks repair and maintenance	30,267,900	30,267,900
24	Wetlands restoration, enhancement and acquisition	<u>2,230,000</u>	<u>2,230,000</u>
25	GROSS APPROPRIATION	\$ 53,997,900	\$ 53,997,900
26	Appropriated from:		
27	Federal revenues:		
28	Other federal revenues	14,025,000	14,025,000
29	Special revenue funds:		
30	Other state restricted revenues	36,472,900	36,472,900
31	State general fund/general purpose	\$ 3,500,000	\$ 3,500,000
32	(2) WATERWAYS BOATING PROGRAM		

	For Fiscal Year Ending Sept. 30, 2026	For Fiscal Year Ending Sept. 30, 2027
1 Local boating infrastructure maintenance and		
2 improvements	\$ 4,450,000	\$ 4,450,000
3 State boating infrastructure maintenance	<u>10,517,400</u>	<u>10,517,400</u>
4 GROSS APPROPRIATION	\$ 14,967,400	\$ 14,967,400
5 Appropriated from:		
6 Federal revenues:		
7 Other federal revenues	1,967,400	1,967,400
8 Special revenue funds:		
9 Other state restricted revenues	13,000,000	13,000,000
10 State general fund/general purpose	\$ 0	\$ 0
11 Sec. 16-114. ONE-TIME APPROPRIATIONS		
12 Asset management solution	\$ 6,391,800	\$ 0
13 Dam safety and management	<u>15,000,000</u>	<u>0</u>
14 GROSS APPROPRIATION	\$ 21,391,800	\$ 0
15 Appropriated from:		
16 Special revenue funds:		
17 State general fund/general purpose	\$ 21,391,800	\$ 0

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FISCAL YEAR 2026

GENERAL SECTIONS

Sec. 16-201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state sources under part 1 for the fiscal year 2026 is \$496,497,600.00 and state spending from state sources to be paid to local units of government for fiscal year 2026 is \$16,723,100.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF NATURAL RESOURCES

30 Invasive species prevention and control.....	\$	2,385,200
31 Dam management grant program.....		175,000
32 Fisheries habitat improvement grants.....		125,000

1	Grants to counties - marine safety.....	3,057,300
2	Nonmotorized trail development and maintenance grants.....	100,000
3	Off-road vehicle safety training grants.....	60,000
4	Off-road vehicle trail improvement grants.....	1,204,400
5	Recreation improvement fund grants.....	916,800
6	Recreation passport local grants.....	3,719,000
7	Snowmobile law enforcement grants.....	380,100
8	Wildlife habitat improvement grants.....	150,300
9	Local boating infrastructure maintenance and improvements.....	<u>4,450,000</u>
10	TOTAL	\$ 16,723,100

11 Sec. 16-202. The appropriations under this part and part 1 are subject to the
12 management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

13 Sec. 16-203. As used in this article:

14 (a) "Department" means the department of natural resources.

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

16 (c) "FTE" means full-time equated.

17 (d) "IDG" means interdepartmental grant.

18 (e) "Standard report recipients" means the senate and house appropriations
19 subcommittees on the department, the senate and house fiscal agencies, the senate and house
20 policy offices, and the state budget office.

21 Sec. 16-204. A department or agency shall use the internet to fulfill the reporting
22 requirements of this part. This requirement includes transmitting reports to the standard
23 report recipients and any other required recipients by email and posting the reports on an
24 internet site.

25 Sec. 16-205. To the extent permissible under section 261 of the management and budget
26 act, 1984 PA 431, MCL 18.1261, all of the following apply to the expenditure of funds
27 appropriated in part 1:

28 (a) The funds must not be used for the purchase of foreign goods or services, or
29 both, if competitively priced and of comparable quality American goods or services, or
30 both, are available.

31 (b) Preference must be given to goods or services, or both, manufactured or provided
32 by Michigan businesses, if they are competitively priced and of comparable quality.

1 (c) Preference must be given to goods or services, or both, that are manufactured or
2 provided by Michigan businesses owned and operated by veterans, if they are competitively
3 priced and of comparable quality.

4 Sec. 16-207. Consistent with section 217 of the management and budget act, 1984 PA
5 431, MCL 18.1217, each department and agency receiving appropriations in part 1 shall
6 prepare a report on out of state travel expenses not later than January 1. The report must
7 list all travel by classified and unclassified employees outside this state in the previous
8 fiscal year that was funded in whole or in part with funds appropriated in the department's
9 or agency's budget. The department or agency shall submit the report to the standard report
10 recipients and to the house of representatives and senate appropriations committees. The
11 report must include all of the following information:

12 (a) The dates of each travel occurrence.

13 (b) The total transportation and related expenses of each travel occurrence and the
14 proportions funded with state general fund/general purpose revenues, state restricted
15 revenues, federal revenues, and other revenues.

16 Sec. 16-208. A principal executive department, state agency, or authority shall not
17 use funds appropriated in part 1 to hire a person to provide legal services that are the
18 responsibility of the attorney general. This section does not apply to legal services for
19 bonding activities or to outside legal services that the attorney general authorizes.

20 Sec. 16-209. Not later than December 15, the state budget office shall prepare and
21 submit a report that provides for estimates of the total general fund/general purpose
22 appropriation lapses at the close of the previous fiscal year. The report must summarize
23 the projected year-end general fund/general purpose appropriation lapses by major
24 departmental program or program areas. The state budget office shall submit the report to
25 the standard report recipients and the chairpersons of the senate and house of
26 representatives appropriations committees.

27 Sec. 16-210. (1) In addition to the funds appropriated in part 1, there is
28 appropriated an amount not to exceed \$3,000,000.00 for federal contingency funds. These
29 funds are not available for expenditure until they have been transferred to another line
30 item in this article under section 393(2) of the management and budget act, 1984 PA 431,
31 MCL 18.1393.

32 (2) In addition to the funds appropriated in part 1, there is appropriated an amount

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

4 Sec. 16-211. A department or agency shall cooperate with the department of
5 technology, management and budget to maintain a searchable website accessible by the public
6 at no cost that includes, but is not limited to, all of the following for each department
7 or agency:

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

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

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

12 (d) The number of active employees by job classification.

13 (e) Job specifications and wage rates.

14 Sec. 16-214. To the extent permissible under the management and budget act, 1984 PA
15 431, MCL 18.1101 to 18.1594, the director of each department or agency receiving
16 appropriations in part 1 shall take all reasonable steps to ensure geographically
17 disadvantaged business enterprises compete for and perform contracts to provide services or
18 supplies, or both. Each director shall strongly encourage firms with which the department
19 or agency contracts to subcontract with certified geographically disadvantaged business
20 enterprises for services, supplies, or both. As used in this section, "geographically-
21 disadvantaged" business enterprises means that term as defined in Executive Directive No.
22 2023-1.

23 Sec. 16-215. On a quarterly basis, a department or agency receiving appropriations in
24 part 1 shall report on the number of FTEs in pay status by type of staff and civil service
25 classification, including comparison by line item of the number of FTEs authorized from
26 funds appropriated in part 1 to the actual number of FTE positions employed by the
27 department or agency at the end of the reporting period. The report must be submitted to
28 the senate and house appropriations committees and to the standard report recipients.

29 Sec. 16-221. (1) Funds appropriated in part 1 must not be used to restrict or impede
30 a marginalized community's access to government resources, programs, or facilities.

31 (2) From the funds appropriated in part 1, local governments shall report any action
32 or policy that attempts to restrict or interfere with the duties of a local health officer.

1 Sec. 16-226. (1) In addition to the money appropriated in part 1, there is
2 appropriated, from the following state restricted funds and accounts of the Michigan
3 conservation and recreation legacy fund, the following amounts to the following departments
4 and officers:

5 (a) Department of technology, management, and budget:

6 Game and fish protection account \$ 659,600
7 Waterways account \$ 177,200
8 State park improvement account \$ 158,300
9 Forest development fund \$ 354,600

10 (b) Department of attorney general:

11 Game and fish protection account \$ 687,600
12 Waterways account\$ 153,600

13 (c) Legislative auditor general:

14 Game and fish protection account \$ 38,000
15 Waterways account\$ 13,700

16 (d) Department of treasury:

17 Game and fish protection account \$ 3,621,700
18 Waterways account\$ 486,800
19 Michigan natural resources trust fund\$ 3,289,700

20 (2) In addition to the money appropriated in part 1, there is appropriated from the
21 following state restricted funds to the civil service commission the amount calculated for
22 each fund pursuant to section 5 of article XI of the state constitution of 1963:

23 (a) Michigan conservation and recreation legacy fund.

24 (b) Forest development fund.

25 (c) Michigan natural resources trust fund.

26 (d) Michigan state parks endowment fund.

27 (e) Michigan nongame fish and wildlife trust fund.

28 Sec. 16-227. Pursuant to section 43703(3) of the natural resources and environmental
29 protection act, 1994 PA 451, MCL 324.43703, there is appropriated from the Michigan game
30 and fish protection trust fund to the game and fish protection account of the Michigan
31 conservation and recreation legacy fund, \$6,000,000.00 for the fiscal year ending September
32 30, 2026.

1 Sec. 16-228. The department may contract with or provide grants to local units of
2 government, institutions of higher education, or nonprofit organizations to support
3 activities authorized by appropriations in part 1. As used in this section, contracts and
4 grants include, but are not limited to, contracts and grants for research, wildlife and
5 fisheries management, forest management, invasive species monitoring and control, and
6 natural resource-related programs.

7 Sec. 16-229. To the extent permissible under section 261 of the management and budget
8 act, 1984 PA 431, MCL 18.1261, preference must be given to goods or services, or both, that
9 are energy efficient and minimize noise pollution, if they are competitively priced and of
10 comparable quality.

11 Sec. 16-231. (1) The department may accept monetary and nonmonetary gifts, bequests,
12 donations, contributions, or grants from any private or public source to support, in whole
13 or in part, a departmental function or program. The department shall expend or use such
14 gifts, bequests, donations, contributions, or grants for the purposes designated by the
15 private or public source, if the purpose is specified.

16 (2) Amounts remaining from revenue collected by the department under this section
17 that are unexpended and unencumbered must not lapse to the general fund but must be carried
18 forward to the subsequent fiscal year.

19 Sec. 16-240. (1) In addition to supporting the existing archeological
20 responsibilities of the department within the Michigan History Center, the funds
21 appropriated in part 1 for cultural resource management be utilized to continue the ongoing
22 process of consultation with known lineal descendants and officials of Native American
23 tribes on whose aboriginal lands a planned archeological activity will occur or an
24 inadvertent discovery has been made. The consultation shall address the identification,
25 treatment, and disposition of Native American cultural items.

26 (2) The department is encouraged to, whenever possible, repatriate or transfer from its
27 collections Native American cultural items, including human remains, funerary objects,
28 sacred objects, and objects of cultural patrimony, to the lineal descendants and to Native
29 American tribes described in subsection (1).

30

31 **DEPARTMENT INITIATIVES**

32 Sec. 16-251. From the amounts appropriated in part 1 for invasive species prevention

1 and control, the department shall allocate not less than \$3,600,000.00 for grants for the
2 prevention, detection, eradication, and control of invasive species.

3 Sec. 16-252. (1) In addition to the funds appropriated in part 1, revenue deposited
4 in the invasive species fund created in section 41311 of the natural resources and
5 environmental protection act, 1994 PA 451, MCL 324.41311, is appropriated and may be
6 expended for invasive species immediate response efforts.

7 (2) The department shall annually notify the house and senate appropriations
8 subcommittees on natural resources and the house and senate fiscal agencies of any
9 expenditure of funds appropriated under subsection (1).

10

11 **DEPARTMENTAL ADMINISTRATION AND SUPPORT**

12 Sec. 16-302. The department may charge land acquisition projects appropriated for the
13 fiscal year ending September 30, 2026, and for prior fiscal years, a standard percentage
14 fee to recover actual costs, and may use the revenue derived to fund the land acquisition
15 service charges provided for in part 1.

16 Sec. 16-303. As appropriated in part 1, the department may charge both application
17 fees and transaction fees related to the exchange or sale of state-owned land or rights in
18 land authorized by part 21 of the natural resources and environmental protection act, 1994
19 PA 451, MCL 324.2101 to 324.2165. To the extent consistent with part 21, fees shall be set
20 by the director at a rate that allows the department to recover its costs for providing
21 these services.

22 Sec. 16-304. In addition to the funds appropriated in part 1, the department may
23 receive and expend money from state restricted sources to pay vendor costs associated with
24 administering sales of carbon offset credits.

25

26 **FOREST RESOURCES DIVISION**

27 Sec. 16-802. From the funds appropriated in part 1, the department shall, by January
28 1, prepare and submit to the senate appropriations subcommittee on agriculture and natural
29 resources, the house appropriations subcommittee on agriculture and rural development and
30 natural resources, and the standing committees of the senate and house with primary
31 responsibility for natural resources issues a report on all of the following:

32 (a) The number of acres of state forestland prepared for timber harvest in the prior

1 fiscal year.

2 (b) The number of acres of state forestland timber sold for harvest in the prior
3 fiscal year.

4 (c) The amount of revenue generated by the sale and harvesting of timber on state
5 forest land in the prior fiscal year.

6 Sec. 16-803. In addition to the money appropriated in part 1, the department may
7 receive and expend money from federal sources to provide response to wildfires and hazard
8 incidents as required by a compact with the federal government. If additional expenditure
9 authorization is required, the department shall so notify the state budget office. The
10 department shall notify the senate appropriations subcommittee on agriculture and natural
11 resources, the house appropriations subcommittee on agriculture and rural development and
12 natural resources, and the house and senate fiscal agencies by November 15 of the
13 expenditures under this section during the prior fiscal year.

14 Sec. 16-807. (1) In addition to the funds appropriated in part 1, there is
15 appropriated from the disaster and emergency contingency fund up to \$800,000.00 to cover
16 department costs related to any disaster as defined in section 2 of the emergency
17 management act, 1976 PA 390, MCL 30.402.

18 (2) Funds appropriated under subsection (1) shall not be expended unless the state
19 budget director recommends the expenditure and the department notifies the house and senate
20 committees on appropriations. By December 1 each year, the department shall provide a
21 report to the senate and house fiscal agencies and the state budget office on the use of
22 the disaster and emergency contingency fund during the prior fiscal year.

23 (3) If Federal Emergency Management Agency (FEMA) reimbursement is approved for costs
24 paid from the disaster and emergency contingency fund, the federal revenue shall be
25 deposited into the disaster and emergency contingency fund.

26

27 **GRANTS**

28 Sec. 16-1001. Federal pass-through funds to local institutions and governments that
29 are received in amounts in addition to those included in part 1 for grants to communities -
30 federal oil, gas, and timber payments and that do not require additional state matching
31 funds are appropriated for the purposes intended. By November 30, the department shall
32 report to the senate appropriations subcommittee on agriculture and natural resources, the

1 house appropriations subcommittee on agriculture and rural development and natural
2 resources, the senate and house fiscal agencies, and the state budget director on all
3 amounts appropriated under this section during the prior fiscal year.

4

5 **CAPITAL OUTLAY**

6 Sec. 16-1103. The appropriations in part 1 for capital outlay shall be carried
7 forward at the end of the fiscal year consistent with section 248 of the management and
8 budget act, 1984 PA 431, MCL 18.1248.

9

10 **ONE-TIME APPROPRIATIONS**

11 Sec. 16-1201. The unexpended funds appropriated in part 1 for asset management
12 solution are designated as a work project appropriation and any unencumbered or unallotted
13 funds shall not lapse at the end of the fiscal year and shall be available for expenditure
14 for the project under this section until the project has been completed. The following is
15 in compliance with section 451a of the management and budget act, 1984 PA 431, MCL
16 18.1451a:

17 (a) The purpose of the project is to implement a department asset management system.

18 (b) The project will be accomplished by utilizing state employees, contracts, or
19 grants.

20 (c) The total estimated cost of the project is \$6,391,800.00.

21 (d) The tentative completion date is September 30, 2030.

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Article 17

DEPARTMENT OF STATE

PART 1

LINE-ITEM APPROPRIATIONS AND ANTICIPATED APPROPRIATIONS

Sec. 17-101. Subject to the conditions set forth in this article, the amounts listed in this part for the department of state are appropriated for the fiscal year ending September 30, 2026, and are anticipated to be appropriated for the fiscal year ending September 30, 2027, from the funds indicated in this part. The following is a summary of the appropriations and anticipated appropriations in this part:

1	DEPARTMENT OF STATE		
2	APPROPRIATION SUMMARY		
3	Full-time equated unclassified positions.....	6.0	6.0
4	Full-time equated classified positions.....	1,629.0	1,629.0
5	GROSS APPROPRIATION	\$ 296,597,400	\$ 296,597,400
6	Total interdepartmental grants and intradepartmental		
7	transfers	20,000,000	20,000,000
8	ADJUSTED GROSS APPROPRIATION	\$ 276,597,400	\$ 276,597,400
9	Total federal revenues	1,460,000	1,460,000
10	Total local revenues	0	0
11	Total private revenues	50,100	50,100
12	Total other state restricted revenues	262,935,500	262,935,500
13	State general fund/general purpose	\$ 12,151,800	\$ 12,151,800
14	<i>State general fund/general purpose schedule:</i>		
15	<i>Ongoing state general fund/general purpose</i>	<i>12,151,800</i>	<i>12,151,800</i>
16	<i>One-time state general fund/general purpose</i>	<i>0</i>	<i>0</i>
17	Sec. 17-102. DEPARTMENTAL ADMINISTRATION AND SUPPORT		
18	Full-time equated unclassified positions.....	6.0	6.0
19	Full-time equated classified positions.....	130.0	130.0
20	Secretary of state-1.0 FTE position	\$ 112,500	\$ 112,500
21	Unclassified salaries-5.0 FTE positions	828,300	828,300
22	Executive direction-30.0 FTE positions	5,185,900	5,185,900
23	Operations-100.0 FTE positions	27,192,200	27,192,200
24	Property management	11,061,800	11,061,800
25	Worker's compensation	139,200	139,200
26	GROSS APPROPRIATION	\$ 44,519,900	\$ 44,519,900
27	Appropriated from:		
28	Special revenue funds:		
29	Other state restricted revenues	43,453,800	43,453,800
30	State general fund/general purpose	\$ 1,066,100	\$ 1,066,100
31	Sec. 17-103. LEGAL SERVICES		
32	Full-time equated classified positions.....	179.0	179.0

	For Fiscal Year Ending Sept. 30, 2026	For Fiscal Year Ending Sept. 30, 2027
1 Operations-179.0 FTE positions	\$ 26,562,300	\$ 26,562,300
2 GROSS APPROPRIATION	\$ 26,562,300	\$ 26,562,300
3 Appropriated from:		
4 Special revenue funds:		
5 Other state restricted revenues	26,359,700	26,359,700
6 State general fund/general purpose	\$ 202,600	\$ 202,600
7 Sec. 17-104. CUSTOMER DELIVERY SERVICES		
8 Full-time equated classified positions.....	1,240.0	1,240.0
9 Branch operations-903.0 FTE positions	\$ 99,863,100	\$ 99,863,100
10 Central operations-335.0 FTE positions	54,816,100	54,816,100
11 Digital ID	100,000	100,000
12 Motorcycle safety education administration-2.0		
13 FTE positions	654,700	654,700
14 Motorcycle safety education grants	2,100,000	2,100,000
15 Organ donor program	<u>129,100</u>	<u>129,100</u>
16 GROSS APPROPRIATION	\$ 157,663,000	\$ 157,663,000
17 Appropriated from:		
18 Interdepartmental grant revenues:		
19 IDG from department of transportation	20,000,000	20,000,000
20 Federal revenues:		
21 Other federal revenues	1,460,000	1,460,000
22 Special revenue funds:		
23 Private revenues	50,100	50,100
24 Other state restricted revenues	135,065,500	135,065,500
25 State general fund/general purpose	\$ 1,087,400	\$ 1,087,400
26 Sec. 17-105. ELECTION REGULATION		
27 Full-time equated classified positions.....	80.0	80.0
28 County clerk education and training fund	\$ 100,000	\$ 100,000
29 Election administration and services-80.0 FTE		
30 positions	28,641,200	28,641,200
31 Fees to local units	<u>109,800</u>	<u>109,800</u>
32 GROSS APPROPRIATION	\$ 28,851,000	\$ 28,851,000

1	Appropriated from:		
2	Special revenue funds:		
3	Other state restricted revenues	20,555,500	20,555,500
4	State general fund/general purpose	\$ 8,295,500	\$ 8,295,500
5	Sec. 17-106. INFORMATION TECHNOLOGY		
6	Information technology services and projects	\$ <u>39,001,200</u>	\$ <u>39,001,200</u>
7	GROSS APPROPRIATION	\$ 39,001,200	\$ 39,001,200

8	Appropriated from:		
9	Special revenue funds:		
10	Other state restricted revenues	37,501,000	37,501,000
11	State general fund/general purpose	\$ 1,500,200	\$ 1,500,200

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FISCAL YEAR 2026

GENERAL SECTIONS

Sec. 17-201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state sources under part 1 for the fiscal year 2026 is \$275,087,300.00 and state spending from state sources to be paid to local units of government for fiscal year 2026 is \$11,715,900.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF STATE

24	Motorcycle safety education grants.....	\$ 1,715,400
25	Election administration and services.....	10,000,000
26	Fees to local units.....	<u>500</u>
27	TOTAL	\$ 11,715,900

Sec. 17-202. The appropriations under this part and part 1 are subject to the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

Sec. 17-203. As used in this article:

- (a) "Department" means department of state.
- (b) "Director" means the director of the department.

1 (c) "FTE" means full-time equated.

2 (d) "IDG" means interdepartmental grant.

3 (e) "Standard report recipients" means the senate and house appropriations
4 subcommittees on the department, the senate and house fiscal agencies, the senate and house
5 policy offices, and the state budget office.

6 Sec. 17-204. A department or agency shall use the internet to fulfill the reporting
7 requirements of this part. This requirement includes transmitting reports to the standard
8 report recipients and any other required recipients by email and posting the reports on an
9 internet site.

10 Sec. 17-205. To the extent permissible under section 261 of the management and budget
11 act, 1984 PA 431, MCL 18.1261, all of the following apply to the expenditure of funds
12 appropriated in part 1:

13 (a) The funds must not be used for the purchase of foreign goods or services, or
14 both, if competitively priced and of comparable quality American goods or services, or
15 both, are available.

16 (b) Preference must be given to goods or services, or both, manufactured or provided
17 by Michigan businesses, if they are competitively priced and of comparable quality.

18 (c) Preference must be given to goods or services, or both, that are manufactured or
19 provided by Michigan businesses owned and operated by veterans, if they are competitively
20 priced and of comparable quality.

21 Sec. 17-207. Consistent with section 217 of the management and budget act, 1984 PA
22 431, MCL 18.1217, each department and agency receiving appropriations in part 1 shall
23 prepare a report on out of state travel expenses not later than January 1. The report must
24 list all travel by classified and unclassified employees outside this state in the previous
25 fiscal year that was funded in whole or in part with funds appropriated in the department's
26 or agency's budget. The department or agency shall submit the report to the standard report
27 recipients and to the house of representatives and senate appropriations committees. The
28 report must include all of the following information:

29 (a) The dates of each travel occurrence.

30 (b) The total transportation and related expenses of each travel occurrence and the
31 proportions funded with state general fund/general purpose revenues, state restricted
32 revenues, federal revenues, and other revenues.

1 Sec. 17-208. A principal executive department, state agency, or authority shall not
2 use funds appropriated in part 1 to hire a person to provide legal services that are the
3 responsibility of the attorney general. This section does not apply to legal services for
4 bonding activities or to outside legal services that the attorney general authorizes.

5 Sec. 17-209. Not later than December 15, the state budget office shall prepare and
6 submit a report that provides for estimates of the total general fund/general purpose
7 appropriation lapses at the close of the previous fiscal year. The report must summarize
8 the projected year-end general fund/general purpose appropriation lapses by major
9 departmental program or program areas. The state budget office shall submit the report to
10 the standard report recipients and the chairpersons of the senate and house of
11 representatives appropriations committees.

12 Sec. 17-210. (1) In addition to the funds appropriated in part 1, there is
13 appropriated an amount not to exceed \$1,500,000.00 for federal contingency funds. These
14 funds are not available for expenditure until they have been transferred to another line
15 item in this article under section 393(2) of the management and budget act, 1984 PA 431,
16 MCL 18.1393.

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

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

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

29 Sec. 17-211. A department or agency shall cooperate with the department of
30 technology, management and budget to maintain a searchable website accessible by the public
31 at no cost that includes, but is not limited to, all of the following for each department
32 or agency:

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

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

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

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

6 (e) Job specifications and wage rates.

7 Sec. 17-214. To the extent permissible under the management and budget act, 1984 PA
8 431, MCL 18.1101 to 18.1594, the director of each department or agency receiving
9 appropriations in part 1 shall take all reasonable steps to ensure geographically
10 disadvantaged business enterprises compete for and perform contracts to provide services or
11 supplies, or both. Each director shall strongly encourage firms with which the department
12 or agency contracts to subcontract with certified geographically disadvantaged business
13 enterprises for services, supplies, or both. As used in this section, "geographically-
14 disadvantaged" business enterprises means that term as defined in Executive Directive No.
15 2023-1.

16 Sec. 17-215. On a quarterly basis, a department or agency receiving appropriations in
17 part 1 shall report on the number of FTEs in pay status by type of staff and civil service
18 classification, including comparison by line item of the number of FTEs authorized from
19 funds appropriated in part 1 to the actual number of FTE positions employed by the
20 department or agency at the end of the reporting period. The report must be submitted to
21 the senate and house appropriations committees and to the standard report recipients.

22 Sec. 17-221. (1) Funds appropriated in part 1 must not be used to restrict or impede
23 a marginalized community's access to government resources, programs, or facilities.

24 (2) From the funds appropriated in part 1, local governments shall report any action
25 or policy that attempts to restrict or interfere with the duties of a local health officer.
26

27 **DEPARTMENT OF STATE**

28 Sec. 17-705. (1) The department may accept gifts, donations, contributions, and
29 grants of money and other property from any private or public source to underwrite, in
30 whole or in part, the cost of a departmental publication that is prepared and disseminated
31 under the Michigan vehicle code, 1949 PA 300, MCL 257.1 to 257.923. A private or public
32 funding source may receive written recognition in the publication and may furnish a traffic

1 safety message, subject to approval of the department, for inclusion in the publication.
2 The department may reject a gift, donation, contribution, or grant. The department may
3 furnish copies of a publication underwritten, in whole or in part, by a private source to
4 the underwriter at no charge.

5 (2) The department may sell and accept paid advertising for placement in a
6 departmental publication that is prepared and disseminated under the Michigan vehicle code,
7 1949 PA 300, MCL 257.1 to 257.923. The department may charge and receive a fee for any
8 advertisement appearing in a departmental publication and shall review and approve the
9 content of each advertisement. The department may refuse to accept advertising from any
10 person or organization. The department may furnish a reasonable number of copies of a
11 publication to an advertiser at no charge.

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

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

24 (5) In addition to copies delivered without charge as the secretary of state
25 considers necessary, the department may sell copies of manuals and other publications
26 regarding the sale, ownership, or operation or regulation of motor vehicles, with
27 amendments, at prices to be established by the secretary of state. As used in this
28 subsection, the term "manuals and other publications" includes videos and proprietary
29 electronic publications. All funds received from sales of these manuals and other
30 publications must be credited to the Michigan department of state publications fund created
31 in section 211 of the Michigan vehicle code, 1949 PA 300, MCL 257.211.

32 Sec. 17-707. Funds collected by the department under section 211 of the Michigan

1 vehicle code, 1949 PA 300, MCL 257.211, are appropriated for all expenses necessary to
2 provide for the costs of the publication described in section 211 of the Michigan vehicle
3 code, 1949 PA 300, MCL 257.211. Funds are allocated for expenditure when they are received
4 by the department of treasury and do not lapse to the general fund at the end of the fiscal
5 year.

6 Sec. 17-708. From the funds appropriated in part 1, the department shall use
7 available balances at the end of the state fiscal year to provide payment to the department
8 of state police in the amount of \$332,000.00 for the services provided by the traffic
9 accident records program as first appropriated in 1990 PA 196 and 1990 PA 208.

10 Sec. 17-709. From the funds appropriated in part 1, the department may restrict funds
11 from miscellaneous revenue to cover cash shortages created from normal branch office
12 operations. The restricted amount must not exceed \$50,000.00 of the total funds available
13 in miscellaneous revenue.

14 Sec. 17-711. Collector plate and fund-raising registration plate revenues collected
15 by the department are appropriated and allotted for distribution to the recipient
16 university or public or private agency overseeing a state-sponsored goal when received.
17 Distributions must occur on a quarterly basis or as otherwise authorized by law. Any
18 revenues remaining at the end of the fiscal year do not lapse to the general fund and
19 remain available for distribution to the university or agency in the next fiscal year.

20 Sec. 17-713. (1) The department, in collaboration with the Gift of Life Michigan or
21 its successor federally designated organ procurement organization, may develop and
22 administer a public information campaign concerning the Michigan organ donor program.

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

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

32 (4) Funding appropriated in part 1 for the organ donor program must be used to

1 produce a pamphlet regarding organ donations and to distribute the pamphlet with driver
2 licenses and personal identification cards. The pamphlet must do both of the following:

3 (a) Explain the organ donor program and encourage people to become donors by marking
4 a checkoff on driver license and personal identification card applications.

5 (b) Include a return reply form addressed to the gift of life organization.

6 (5) Funding appropriated in part 1 for the organ donor program must be used to pay
7 for return postage costs of the return reply form described in subsection (4) (b) .

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

10 Sec. 17-715. (1) Any service assessment collected by the department from the user of
11 a credit or debit card under section 3 of 1995 PA 144, MCL 11.23, may be used by the
12 department for necessary expenses related to that service and may be remitted to a credit
13 or debit card company, bank, or other financial institution.

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

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

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

25 Sec. 17-717. (1) The department may accept gifts, donations, or contributions of
26 property from any private or public source to support, in whole or in part, the operation
27 of a departmental function relating to licensing, regulation, or safety. The department may
28 recognize a private or public contributor for making the contribution. The department may
29 reject a gift, donation, or contribution. Any revenues received under this subsection may
30 be expended for the departmental functions relating to licensing, regulation, or safety.

31 (2) The department shall not accept a gift, donation, or contribution under
32 subsection (1) if receipt of the gift, donation, or contribution is conditioned on a

1 commitment of future state funding.

2 Sec. 17-718. From the funds appropriated in part 1 for election regulation, all money
3 must be spent in accordance with the Michigan election law, 1954 PA 116, MCL 168.1 to
4 168.992, and the instructions, orders, and guidance of the secretary of state regarding the
5 proper method for the conduct and administration of elections.

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Article 18

DEPARTMENT OF STATE POLICE

PART 1

LINE-ITEM APPROPRIATIONS AND ANTICIPATED APPROPRIATIONS

Sec. 18-101. Subject to the conditions set forth in this article, the amounts listed in this part for the department of state police are appropriated for the fiscal year ending September 30, 2026, and are anticipated to be appropriated for the fiscal year ending September 30, 2027, from the funds indicated in this part. The following is a summary of the appropriations and anticipated appropriations in this part:

1	DEPARTMENT OF STATE POLICE		
2	APPROPRIATION SUMMARY		
3	Full-time equated unclassified positions.....	7.0	7.0
4	Full-time equated classified positions.....	3,864.0	3,864.0
5	GROSS APPROPRIATION	\$ 992,034,300	\$ 992,034,300
6	Total interdepartmental grants and intradepartmental		
7	transfers	29,030,200	29,030,200
8	ADJUSTED GROSS APPROPRIATION	\$ 963,004,100	\$ 963,004,100
9	Total federal revenues	101,314,700	101,314,700
10	Total local revenues	5,035,600	5,035,600
11	Total private revenues	35,000	35,000
12	Total other state restricted revenues	182,336,000	182,336,000
13	State general fund/general purpose	\$ 674,282,800	\$ 674,282,800
14	<i>State general fund/general purpose schedule:</i>		
15	<i>Ongoing state general fund/general purpose</i>	<i>674,282,800</i>	<i>674,282,800</i>
16	<i>One-time state general fund/general purpose</i>	<i>0</i>	<i>0</i>
17	Sec. 18-102. DEPARTMENTAL ADMINISTRATION AND SUPPORT		
18	Full-time equated unclassified positions.....	7.0	7.0
19	Full-time equated classified positions.....	154.0	154.0
20	Unclassified salaries-7.0 FTE positions	\$ 1,338,200	\$ 1,338,200
21	Department services-39.0 FTE positions	10,133,000	10,133,000
22	Departmentwide	53,324,700	53,324,700
23	Executive direction-46.0 FTE positions	8,950,000	8,950,000
24	Mobile office and system support-39.0 FTE positions ..	7,437,400	7,437,400
25	Professional development bureau-30.0 FTE positions ...	<u>10,557,500</u>	<u>10,557,500</u>
26	GROSS APPROPRIATION	\$ 91,740,800	\$ 91,740,800
27	Appropriated from:		
28	Interdepartmental grant revenues:		
29	IDG from department of transportation	41,100	41,100
30	IDG from department of treasury	423,700	423,700
31	IDG from other restricted funding	207,700	207,700
32	Interdepartmental transfers	56,200	56,200

	For Fiscal Year Ending Sept. 30, 2026	For Fiscal Year Ending Sept. 30, 2027
1	Federal revenues:	
2	Other federal revenues	4,824,700
3	Special revenue funds:	4,824,700
4	Local revenues	8,400
5	Michigan merit award trust fund	16,500
6	Other state restricted revenues	5,849,400
7	State general fund/general purpose	\$ 80,313,100
8	Sec. 18-103. LAW ENFORCEMENT SERVICES	
9	Full-time equated classified positions.....	607.0
10	Biometrics and identification-60.0 FTE positions	\$ 12,267,700
11	Criminal justice information center-154.0 FTE	
12	positions	29,906,500
13	Forensic science-281.0 FTE positions	51,715,800
14	Grants and community services-54.0 FTE positions	26,079,700
15	Office of school safety-6.0 FTE positions	1,392,800
16	State 9-1-1 administration-5.0 FTE positions	1,150,500
17	Training operations-47.0 FTE positions	10,743,800
18	Trooper recruit school onboarding, training and	
19	outfitting	<u>5,000,000</u>
20	GROSS APPROPRIATION	\$ 138,256,800
21	Appropriated from:	
22	Interdepartmental grant revenues:	
23	IDG from department of state	418,900
24	IDG from department of transportation	776,400
25	IDG from other restricted funding	2,827,300
26	Interdepartmental transfers	750,000
27	Federal revenues:	
28	Other federal revenues	19,971,900
29	Special revenue funds:	
30	Local revenues	919,200
31	Private revenues	20,000
32	Other state restricted revenues	47,801,000

	For Fiscal Year Ending Sept. 30, 2026	For Fiscal Year Ending Sept. 30, 2027
1 State general fund/general purpose	\$ 64,772,100	\$ 64,772,100
2 Sec. 18-104. MICHIGAN COMMISSION ON LAW ENFORCEMENT		
3 STANDARDS		
4 Full-time equated classified positions.....	27.0	27.0
5 De-escalation training	\$ 500,000	\$ 500,000
6 In-service training-7.0 FTE positions	18,271,100	18,271,100
7 Justice training grants	10,000,000	10,000,000
8 Public safety officers benefit fund-1.0 FTE position .	303,000	303,000
9 Standards and training-19.0 FTE positions	4,060,800	4,060,800
10 Training only to local units	<u>855,000</u>	<u>855,000</u>
11 GROSS APPROPRIATION	\$ 33,989,900	\$ 33,989,900
12 Appropriated from:		
13 Federal revenues:		
14 Other federal revenues	280,200	280,200
15 Special revenue funds:		
16 Other state restricted revenues	14,300,400	14,300,400
17 State general fund/general purpose	\$ 19,409,300	\$ 19,409,300
18 Sec. 18-105. FIELD SERVICES		
19 Full-time equated classified positions.....	2,426.0	2,426.0
20 Investigative services-148.5 FTE positions	\$ 44,262,500	\$ 44,262,500
21 Post operations-2,247.5 FTE positions	465,928,900	465,928,900
22 Secure cities partnership-30.0 FTE positions	<u>10,643,800</u>	<u>10,643,800</u>
23 GROSS APPROPRIATION	\$ 520,835,200	\$ 520,835,200
24 Appropriated from:		
25 Interdepartmental grant revenues:		
26 IDG from department of transportation	2,100	2,100
27 IDG from department of treasury	6,907,500	6,907,500
28 Interdepartmental transfers	1,163,200	1,163,200
29 Federal revenues:		
30 Other federal revenues	11,462,600	11,462,600
31 Special revenue funds:		
32 Local revenues	1,259,000	1,259,000

	For Fiscal Year Ending Sept. 30, 2026	For Fiscal Year Ending Sept. 30, 2027
1 Michigan merit award trust fund	866,400	866,400
2 Other state restricted revenues	65,459,700	65,459,700
3 State general fund/general purpose	\$ 433,714,700	\$ 433,714,700
4 Sec. 18-106. SPECIALIZED SERVICES		
5 Full-time equated classified positions.....	650.0	650.0
6 Commercial vehicle enforcement-211.0 FTE positions ...	\$ 40,483,400	\$ 40,483,400
7 Emergency management and homeland security-64.0		
8 FTE positions	17,399,800	17,399,800
9 Hazardous materials programs-25.0 FTE positions	23,675,000	23,675,000
10 Highway safety planning-25.0 FTE positions	20,554,000	20,554,000
11 Intelligence operations-236.0 FTE positions	37,833,700	37,833,700
12 Secondary road patrol program-1.0 FTE position	15,008,600	15,008,600
13 Special operations-88.0 FTE positions	<u>21,909,500</u>	<u>21,909,500</u>
14 GROSS APPROPRIATION	\$ 176,864,000	\$ 176,864,000
15 Appropriated from:		
16 Interdepartmental grant revenues:		
17 IDG from department of transportation	12,761,100	12,761,100
18 IDG from department of treasury	100,000	100,000
19 Interdepartmental transfers	2,074,300	2,074,300
20 Federal revenues:		
21 Other federal revenues	63,814,900	63,814,900
22 Special revenue funds:		
23 Local revenues	1,897,300	1,897,300
24 Private revenues	15,000	15,000
25 Other state restricted revenues	35,323,900	35,323,900
26 State general fund/general purpose	\$ 60,877,500	\$ 60,877,500
27 Sec. 18-107. INFORMATION TECHNOLOGY		
28 Information technology services and projects	<u>\$ 30,347,600</u>	<u>\$ 30,347,600</u>
29 GROSS APPROPRIATION	\$ 30,347,600	\$ 30,347,600
30 Appropriated from:		
31 Interdepartmental grant revenues:		
32 IDG from department of transportation	364,700	364,700

	For Fiscal Year Ending Sept. 30, 2026	For Fiscal Year Ending Sept. 30, 2027
1 IDG from department of treasury	122,800	122,800
2 IDG from other restricted funding	11,500	11,500
3 Interdepartmental transfers	21,700	21,700
4 Federal revenues:		
5 Other federal revenues	960,400	960,400
6 Special revenue funds:		
7 Local revenues	951,700	951,700
8 Michigan merit award trust fund	3,400	3,400
9 Other state restricted revenues	12,715,300	12,715,300
10 State general fund/general purpose	\$ 15,196,100	\$ 15,196,100

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FISCAL YEAR 2026

GENERAL SECTIONS

Sec. 18-201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state sources under part 1 for the fiscal year 2026 is \$856,618,800.00 and state spending from state sources to be paid to local units of government for fiscal year 2026 is \$40,441,500.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF STATE POLICE

In-service training.....	\$	14,586,000
Justice training grants.....		10,000,000
Training only to local units.....		855,500
Secondary road patrol program.....		<u>15,000,000</u>
TOTAL	\$	40,441,500

Sec. 18-202. The appropriations under this part and part 1 are subject to the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

Sec. 18-203. As used in this article:

- (a) "AFIS" means the automated fingerprint identification system.
- (b) "CJIS" means Criminal Justice Information Systems.

1 (c) "Department" means the department of state police.

2 (d) "DHS" means the United States Department of Homeland Security.

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

4 (f) "DNA" means deoxyribonucleic acid.

5 (g) "DOJ" means the United States Department of Justice.

6 (h) "DOT" means the United States Department of Transportation.

7 (i) "DTMB" means the department of technology, management, and budget.

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

9 (k) "IDG" means interdepartmental grant.

10 (l) "LEIN" means the law enforcement information network.

11 (m) "MCOLES" means the Michigan commission on law enforcement standards created in
12 section 3 of the Michigan commission on law enforcement standards act, 1965 PA 203, MCL
13 28.603.

14 (n) "SIGMA" means the statewide integrated governmental management application.

15 (o) "SRMS" means the state records management system.

16 (p) "Standard report recipients" means the senate and house appropriations
17 subcommittees on the department, the senate and house fiscal agencies, the senate and house
18 policy offices, and the state budget office.

19 Sec. 18-204. A department or agency shall use the internet to fulfill the reporting
20 requirements of this part. This requirement includes transmitting reports to the standard
21 report recipients and any other required recipients by email and posting the reports on an
22 internet site.

23 Sec. 18-205. To the extent permissible under section 261 of the management and budget
24 act, 1984 PA 431, MCL 18.1261, all of the following apply to the expenditure of funds
25 appropriated in part 1:

26 (a) The funds must not be used for the purchase of foreign goods or services, or
27 both, if competitively priced and of comparable quality American goods or services, or
28 both, are available.

29 (b) Preference must be given to goods or services, or both, manufactured or provided
30 by Michigan businesses, if they are competitively priced and of comparable quality.

31 (c) Preference must be given to goods or services, or both, that are manufactured or
32 provided by Michigan businesses owned and operated by veterans, if they are competitively

1 priced and of comparable quality.

2 Sec. 18-207. Consistent with section 217 of the management and budget act, 1984 PA
3 431, MCL 18.1217, each department and agency receiving appropriations in part 1 shall
4 prepare a report on out of state travel expenses not later than January 1. The report must
5 list all travel by classified and unclassified employees outside this state in the previous
6 fiscal year that was funded in whole or in part with funds appropriated in the department's
7 or agency's budget. The department or agency shall submit the report to the standard report
8 recipients and to the house of representatives and senate appropriations committees. The
9 report must include all of the following information:

10 (a) The dates of each travel occurrence.

11 (b) The total transportation and related expenses of each travel occurrence and the
12 proportions funded with state general fund/general purpose revenues, state restricted
13 revenues, federal revenues, and other revenues.

14 Sec. 18-208. A principal executive department, state agency, or authority shall not
15 use funds appropriated in part 1 to hire a person to provide legal services that are the
16 responsibility of the attorney general. This section does not apply to legal services for
17 bonding activities or to outside legal services that the attorney general authorizes.

18 Sec. 18-209. Not later than December 15, the state budget office shall prepare and
19 submit a report that provides for estimates of the total general fund/general purpose
20 appropriation lapses at the close of the previous fiscal year. The report must summarize
21 the projected year-end general fund/general purpose appropriation lapses by major
22 departmental program or program areas. The state budget office shall submit the report to
23 the standard report recipients and the chairpersons of the senate and house of
24 representatives appropriations committees.

25 Sec. 18-210. (1) In addition to the funds appropriated in part 1, there is
26 appropriated an amount not to exceed \$2,000,000.00 for federal contingency funds. These
27 funds are not available for expenditure until they have been transferred to another line
28 item in this article under section 393(2) of the management and budget act, 1984 PA 431,
29 MCL 18.1393.

30 (2) In addition to the funds appropriated in part 1, there is appropriated an amount
31 not to exceed \$4,000,000.00 for state restricted contingency funds. These funds are not
32 available for expenditure until they have been transferred to another line item in this

1 article under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

2 Sec. 18-211. A department or agency shall cooperate with the department of
3 technology, management and budget to maintain a searchable website accessible by the public
4 at no cost that includes, but is not limited to, all of the following for each department
5 or agency:

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

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

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

10 (d) The number of active employees by job classification.

11 (e) Job specifications and wage rates.

12 Sec. 18-214. To the extent permissible under the management and budget act, 1984 PA
13 431, MCL 18.1101 to 18.1594, the director of each department or agency receiving
14 appropriations in part 1 shall take all reasonable steps to ensure geographically
15 disadvantaged business enterprises compete for and perform contracts to provide services or
16 supplies, or both. Each director shall strongly encourage firms with which the department
17 or agency contracts to subcontract with certified geographically disadvantaged business
18 enterprises for services, supplies, or both. As used in this section, "geographically-
19 disadvantaged" business enterprises means that term as defined in Executive Directive No.
20 2023-1.

21 Sec. 18-215. On a quarterly basis, a department or agency receiving appropriations in
22 part 1 shall report on the number of FTEs in pay status by type of staff and civil service
23 classification, including comparison by line item of the number of FTEs authorized from
24 funds appropriated in part 1 to the actual number of FTE positions employed by the
25 department or agency at the end of the reporting period. The report must be submitted to
26 the senate and house appropriations committees and to the standard report recipients.

27 Sec. 18-221. (1) Funds appropriated in part 1 must not be used to restrict or impede
28 a marginalized community's access to government resources, programs, or facilities.

29 (2) From the funds appropriated in part 1, local governments shall report any action
30 or policy that attempts to restrict or interfere with the duties of a local health officer.

31 Sec. 18-224. The department shall provide biannual reports to the standard report
32 recipients that include the following data:

1 (a) A list of major work projects, including the status of each project.

2 (b) The department's financial status, featuring a report of budgeted versus actual
3 expenditures by part 1 line item including a year-end projection of budget requirements. If
4 projected department budget requirements exceed the allocated budget, the report must
5 include a plan to reduce overall expenses while still satisfying specified service level
6 requirements.

7 (c) A report on the performance metrics cited or information required to be reported in
8 this part, reasons for nonachievement of metric targets, and proposed corrective actions.

9 Sec. 18-225. Based on the availability of federal funding and demonstrated need, as
10 indicated by applications submitted to the state court administrative office, the
11 department shall provide \$1,500,000.00 in Byrne justice assistance grant program funding to
12 the judiciary by interdepartmental grant.

13 Sec. 18-228. (1) When the department provides contractual services to a local unit of
14 government, the department shall be reimbursed for all costs incurred in providing the
15 services.

16 (2) The department shall define service cost models for those services requiring
17 reimbursement.

18 (3) Contractual services provided to an entity other than a local unit of government
19 may be provided by department personnel, but only on an overtime basis outside the normal
20 work schedule of the personnel. All costs incurred in providing the services are eligible
21 for reimbursement. (4) This section does not apply to services provided to state agencies.

22 (5) Revenues received for contractual or reimbursed services in excess of the
23 appropriations in part 1 are appropriated and may be received and expended by the
24 department for the purposes for which the funds are received.

25 (6) If additional authorization is approved in SIGMA by the state budget office under
26 this section, the department shall notify the subcommittees and the senate and house fiscal
27 agencies within 10 days after the approval. The notification must include the amount and
28 funding source of the additional authorization, the date of its approval, and the projected
29 use of the funds to be expended.

30 Sec. 18-229. The department shall serve as an active liaison between the DTMB and
31 state, local, regional, and federal public safety agencies on matters pertaining to the
32 Michigan public safety communications system and shall report user issues to the DTMB.

1 Sec. 18-230. The department may establish and collect fees for publications, videos,
2 conferences, workshops, and related materials. Fees collected under this section must be
3 used to offset expenditures for costs of the publications, videos, workshops, conferences,
4 and related materials. The department shall not collect fees under this section that exceed
5 the cost of the expenditures.

6 Sec. 18-231. (1) The department may accept monetary and nonmonetary gifts, bequests,
7 donations, contributions, or grants from any private or public source to support, in whole
8 or in part, a departmental function or program. The department shall expend or use the
9 gifts, bequests, donations, contributions, or grants accepted under this subsection for the
10 purposes designated by the private or public source, if the purpose is specified.

11 (2) Revenue collected by the department under this section that is unexpended and
12 unencumbered must not lapse to the general fund but must be carried forward to the
13 subsequent fiscal year.

14 (3) Private revenues received under this section that exceed the appropriations in
15 part 1 are appropriated and may be received and expended by the department for the purposes
16 for which the funds are received.

17 (4) If additional authorization is approved in SIGMA by the state budget office under
18 this section, the department shall notify the subcommittees and the senate and house fiscal
19 agencies within 10 days after the approval. The notification must include the amount and
20 funding source of the additional authorization, the date of the approval, and the projected
21 use of the funds to be expended.

22 Sec. 18-232. (1) Federal revenues authorized by and available from the federal
23 government in excess of the appropriations in part 1 are appropriated and may be received
24 and expended by the department for purposes authorized under state law and subject to
25 federal requirements. The total amount of federal revenues that may be received and
26 expended under this section and section 704(3) must not exceed \$105,000,000.00.

27 (2) The department shall notify the subcommittees and the senate and house fiscal
28 agencies before expending federal revenues received and appropriated under subsection (1).

29 (3) If additional authorization is approved in SIGMA by the state budget office under
30 this section, the department shall notify the subcommittees and the senate and house fiscal
31 agencies within 10 days after the approval. The notification must include the amount and
32 funding source of the additional authorization, the date of its approval, and the projected

1 use of the funds to be expended.

2 Sec. 18-235. The department, in collaboration with the department of health and human
3 services and the department of education, shall advise on initiatives in schools and other
4 educational organizations that include, but are not limited to, training for educators,
5 teachers, and other personnel in school settings for all of the following:

- 6 (a) Utilization of trauma-informed practices.
- 7 (b) Age-appropriate education and information on human trafficking.
- 8 (c) Age-appropriate education and information on sexual abuse prevention.

9

10 **DEPARTMENTAL ADMINISTRATION AND SUPPORT**

11 Sec. 18-301. (1) From the funds appropriated in part 1 for the professional
12 development bureau, the department may provide or obtain the following training:

- 13 (a) Training that directly relates to the individual's job description and role
14 within the department.
- 15 (b) Professional development training.
- 16 (c) Training that provides the individual with the ability to seek expanded
17 opportunities within the department.
- 18 (d) Advanced education training.
- 19 (e) De-escalation training.

20 (2) Not later than January 1, the department shall submit a report to the standard
21 report recipients and to the senate and house appropriations committees that includes the
22 following information about the funds appropriated in part 1 for the professional
23 development bureau:

- 24 (a) The training courses that the department's employees completed.
- 25 (b) If a training course is developed by the department, a description of that
26 course's curriculum and its purpose. (c) The number of the department's employees who have
27 received and completed training pursuant to this section.

28 Sec. 18-302. (1) From the funds appropriated in part 1, the department shall, in
29 collaboration with the department of civil rights and MCOLES, provide the following
30 training to local police departments or officers free of charge:

- 31 (a) Cultural awareness and competency.
- 32 (b) Tolerance, diversity, and implicit bias.

1 (c) Conflict management and de-escalation.

2 (d) Use of force on vulnerable individuals, including children, individuals with
3 disabilities, individuals with unmet mental health needs, individuals under the influence
4 of substances, and pregnant individuals.

5 (e) Mental health and wellness for law enforcement officers.

6 (2) The training provided under subsection (1) may be offered online in order to
7 facilitate easy access and may be given by department staff, contractors, or external
8 vendors.

9 (3) On a quarterly basis, the department shall submit a report to the standard report
10 recipients on the number of officers, by police department, that received training under
11 this section.

12
13 **LAW ENFORCEMENT SERVICES**

14 Sec. 18-401. (1) The department shall develop and deliver professional, innovative,
15 and quality training that supports the enforcement and public safety efforts of the
16 criminal justice community.

17 (2) The department shall provide performance data, as provided under section 224, for
18 days of training being conducted by the academy.

19 (3) The department shall submit a report to the standard report recipients within 60
20 days of the conclusion of any trooper, motor carrier, or state properties security recruit
21 school. The report must include all of the following:

22 (a) The number of veterans and the number of MCOLES-certified police officers who
23 were admitted to and the number who graduated from the recruit school.

24 (b) The total number of recruits who were admitted to the recruit school, the number
25 of recruits who graduated from the recruit school, and the location at which each of these
26 recruits is assigned.

27 (4) The department shall distribute and review course evaluations to ensure that
28 quality training is provided.

29 Sec. 18-402. (1) In accordance with applicable state and federal laws and
30 regulations, the department shall maintain and ensure compliance with CJIS databases and
31 applications in the support of public safety and law enforcement communities.

32 (2) The department shall improve the accuracy, timeliness, and completeness of

1 criminal history information by conducting a minimum of 30 outreach activities targeted to
2 criminal justice agencies. The department shall report the number of these outreach
3 activities conducted, as provided under section 224.

4 (3) The department shall provide for the compilation of crime statistics consistent
5 with the uniform crime reporting program and the national incident-based report system.

6 (4) The department shall provide for the compilation and evaluation of traffic crash
7 reports and the maintenance of the state accident data collection system.

8 (5) The department shall make individual traffic crash reports available for a fee of
9 \$15.00 per incident. The department may also sell an extract of electronic traffic crash
10 data for a fee of \$0.25 per incident, provided that the name, address, and any other
11 personal identifying information have been excluded.

12 (6) By March 1, the department shall submit a report to the standard report
13 recipients detailing the number of traffic crash reports provided, the amount of revenue
14 collected, and all expenditures incurred for activities under subsection (5) in the
15 preceding fiscal year. The report must include an analysis of whether revenue from
16 department activities under subsection (5) is sufficient to offset all costs incurred for
17 those activities and must provide information regarding any deficit or surplus of revenue.

18 (7) In accordance with applicable state and federal laws and regulations, the
19 department shall provide for the maintenance and dissemination of criminal history records
20 and juvenile records, including to the extent necessary to exchange criminal history
21 records information with the Federal Bureau of Investigation and other states through the
22 interstate identification index, the National Crime Information Center, and other federal
23 CJIS databases and indices.

24 (8) The department shall, in accordance with applicable state and federal laws,
25 provide for the maintenance of records, including criminal history records regarding
26 firearms licensure, as provided under 1927 PA 372, MCL 28.421 to 28.435.

27 (9) The following unexpended and unencumbered revenues deposited into the criminal
28 justice information center service fees must not lapse to the general fund, but must be
29 carried forward into the subsequent fiscal year:

30 (a) Fees for fingerprinting and criminal record checks and name-based criminal record
31 checks under 1935 PA 120, MCL 28.271 to 28.274.

32 (b) Fees for application and licensing for initial and renewal concealed pistol

1 licenses under 1927 PA 372, MCL 28.421 to 28.435.

2 (c) Fees for searching, copying, and providing public records under the freedom of
3 information act, 1976 PA 442, MCL 15.231 to 15.246.

4 (d) Revenue from other sources, including, but not limited to, investment and
5 interest earnings.

6 (10) Unexpended and unencumbered revenue generated by state records management system
7 fees must not lapse to the general fund, but must be carried forward into the subsequent
8 fiscal year.

9 Sec. 18-403. (1) The department shall provide forensic testing and analysis/profiling
10 of DNA evidence to aid in law enforcement investigations in this state.

11 (2) The department shall ensure its ability to maintain accreditation by a federally
12 designated accrediting agency, as provided under 34 USC 12592.

13 (3) The department shall provide forensic science services with an average turnaround
14 time of 55 days, assuming an annual caseload volume commensurate with the average annual
15 caseload received by the forensic science division during the preceding 5 fiscal years, and
16 shall work to achieve a goal of a 30-day average turnaround time across all forensic
17 science disciplines.

18 (4) The department shall provide the following data as provided in section 224:

19 (a) The average turnaround time for processing forensic evidence across all
20 disciplines.

21 (b) Forensic laboratory staffing levels, including scientists in training, and
22 vacancies.

23 (c) The number of backlogged cases in each discipline.

24 Sec. 18-404. (1) The biometrics and identification division shall maintain and manage
25 the automated biometric identification system, statewide network of agency photographs, and
26 combined offender DNA index system biometric databases.

27 (2) The department shall provide data on the number of 10-print and palm-print
28 submissions to the database, as provided in section 224.

29 (3) If changes are made to the department's protocol for retaining and purging DNA
30 analysis samples and records, the department shall post a copy of the protocol changes on
31 the department's website.

32 Sec. 18-405. Not later than December 1, the department shall submit a report to the

1 standard report recipients that includes, but is not limited to, all of the following
2 information:

3 (a) Sexual assault kit analysis backlog at the beginning of the previous fiscal year.

4 (b) The number of sexual assault kits collected or submitted for analysis during the
5 previous fiscal year.

6 (c) The number of sexual assault kits analyzed and the number of associated DNA
7 profiles created and uploaded during the previous fiscal year.

8 (d) Sexual assault kit analysis backlog at the end of the previous fiscal year.

9 (e) The average turnaround time to analyze sexual assault kits and to create and
10 upload associated DNA profiles for the previous fiscal year

11 Sec. 18-406. The department shall provide administrative support for the following
12 grant and community service programs:

13 (a) The operations of the automobile theft prevention authority.

14 (b) Administration of the Edward Byrne memorial justice assistance program and other
15 grant programs, including the department's community policing efforts.

16 (c) Administration of the office of school safety.

17 (d) Administration and outreach of the OK2SAY program.

18 Sec. 18-407. Not later than March 30, the office of school safety shall provide a
19 school safety report to the legislature and the senate and house fiscal agencies that must
20 include reports of both of the following:

21 (a) The incidents of school violence or threats reported to the state police by local
22 law enforcement or local school districts, or received through the Michigan incident crime
23 report.

24 (b) OK2SAY-based incidences and activities.

25 (c) Based upon an evaluation of school safety incidents, recommendations on best
26 practices, and other safety measures to ensure school safety in this state.

27 Sec. 18-408. The unexpended and unencumbered general fund/general purpose funds
28 appropriated in part 1 for trooper recruit school onboarding, training, and outfitting must
29 not lapse to the general fund at the end of the fiscal year but must be deposited into the
30 trooper recruit school fund created under section 819b of the Michigan vehicle code, 1949
31 PA 300, MCL 257.819b.

32

1 **COMMISSION ON LAW ENFORCEMENT STANDARDS**

2 Sec. 18-501. (1) MCOLES shall establish standards for the selection, employment,
3 training, education, licensing, and licensure revocation of all law enforcement officers
4 and provide the basic law enforcement training curriculum for law enforcement training
5 academy programs statewide.

6 (2) MCOLES shall maintain staffing and resources necessary to update law enforcement
7 standards within 120 days of the enactment date of any new legislation.

8 (3) From the funds appropriated in part 1, MCOLES, by March 1, shall submit a report
9 to the standard report recipients that includes a summary of MCOLES activities during the
10 prior calendar year. The report required under this subsection must include, but is not
11 limited to, both of the following information:

12 (a) An account of the distribution of training funds administered by MCOLES.

13 (b) A list of recipients that received training funds under subdivision (a) and the
14 amount received by each recipient and for what purpose it was used.

15 Sec. 18-502. The general fund/general purpose funds appropriated in part 1 for the
16 public safety officers benefit fund must be deposited into the public safety officers
17 benefit fund created in section 3 of the public safety officers benefit act, 2004 PA 46,
18 MCL 28.633. The general fund/general purpose funds appropriated in part 1 for the public
19 safety officers benefit fund and deposited into the public safety officers benefit fund in
20 accordance with section 3 of the public safety officers benefit act, 2004 PA 46, MCL
21 28.633, and this section should be used to increase the \$25,000.00 benefit payment made to
22 a recipient who dies or is permanently and totally disabled during the fiscal year under
23 section 4 of the public safety officers benefit act, 2004 PA 46, MCL 28.634, to \$50,000.00.
24 All funds in the public safety officers benefit fund are appropriated and available for
25 expenditure in accordance with section 3 of the public safety officers benefit act, 2004 PA
26 46, MCL 28.633.

27 Sec. 18-503. Funds appropriated in part 1 for in-service training must be deposited
28 into the law enforcement officers training fund created in section 11(7) of the Michigan
29 commission on law enforcement standards act, 1965 PA 203, MCL 28.611. All funds in the law
30 enforcement officers training fund are appropriated and available for expenditure to
31 support the implementation of required annual in-service training standards for all
32 licensed law enforcement officers, in accordance with rules promulgated under section 11(2)

1 of the Michigan commission on law enforcement standards act, 1965 PA 203, MCL 28.611.

2

3 **FIELD SERVICES**

4 Sec. 18-601. (1) Department enlisted personnel who are employed to enforce traffic
5 laws as provided in section 629e of the Michigan vehicle code, 1949 PA 300, MCL 257.629e,
6 are not prohibited from responding to crimes in progress or other emergency situations and
7 are responsible for making every effort to protect all residents of this state.

8 (2) The department shall report on the number of residence checks of registered sex
9 offenders conducted, as provided under section 224.

10 (3) The department shall submit a report to the standard report recipients on or
11 before April 15 regarding the secure cities partnership during the previous calendar year.

12 Sec. 18-603. (1) The department shall provide protection to this state, its economy,
13 welfare, and vital state sponsored programs through the prevention and suppression of
14 organized smuggling of untaxed tobacco products in this state, through enforcement of the
15 tobacco products tax act, 1993 PA 327, MCL 205.421 to 205.436, and other laws pertaining to
16 combating criminal activity in this state, and by maintaining a tobacco tax enforcement
17 unit.

18 (2) The department shall submit an annual report on December 1 to the standard report
19 recipients and to the senate and house appropriations subcommittees on general government
20 that details expenditures and activities related to tobacco tax enforcement for the
21 previous fiscal year.

22 Sec. 18-604. The department shall provide fire investigation training and
23 investigative assistance to public safety agencies in this state.

24 Sec. 18-605. (1) From the funds appropriated in part 1, the department shall make an
25 organized, strategic effort to recruit trooper school candidates and other new employees
26 that mirror the diverse racial, religious, and cultural backgrounds that make up the
27 communities in Michigan, including individuals who are Black, Jewish, Native American,
28 LGBTQ+, Indian/Hindu, Hispanic, Arab/Muslim, and Asian and Pacific Islander. The department
29 shall submit an annual report of these recruiting efforts, along with the status of the
30 diversity of current racial, religious, and cultural backgrounds of those employed by the
31 department to the subcommittees not later than April 15 of each year.

32 (2) The department may use the funds appropriated in part 1 that represent attrition

1 savings to offset the cost of recruiting efforts described under subsection (1).

2

3 **SPECIALIZED SERVICES**

4 Sec. 18-701. (1) The department shall operate the Michigan intelligence operations
5 center for homeland security as this state's primary federally designated fusion center to
6 receive, analyze, gather, and disseminate threat related information among federal, state,
7 local, tribal, and private sector partners.

8 (2) The department shall ensure public safety by providing public and private sector
9 partners with timely and accurate information regarding critical information key resource
10 threats, as reported to or discovered by the Michigan intelligence operations center for
11 homeland security, and shall increase public awareness on how to report suspicious activity
12 through website or telephone communications.

13 Sec. 18-702. The department shall provide specialized services in support of, and to
14 enhance, local, state, and federal law enforcement operations within this state, in
15 accordance with all applicable state and federal laws and regulations.

16 Sec. 18-703. (1) The department shall maintain commercial vehicle regulation, school
17 bus inspections, and enforcement activities, including enforcement of requirements
18 concerning size, weight, and load restrictions; operating authority; registration; fuel
19 taxes; transportation of hazardous materials; new entrant operations; commercial driver
20 licenses; and inspections pursuant to the federal motor carrier assistance program.

21 (2) The department shall maintain the staffing and resources necessary to meet
22 inspection goals consistent with the department's federal motor carrier assistance program
23 activities.

24 (3) Revenue collected under the motor carrier act, 1933 PA 254, MCL 475.1 to 479.42,
25 must be expended in accordance with that act. Unexpended and unencumbered revenues must not
26 lapse to the general fund but must be carried forward into the subsequent fiscal year.

27 Sec. 18-704. (1) The department shall coordinate the mitigation, preparation,
28 response, and recovery activities of municipal, county, state, and federal governments, and
29 other governmental entities, for all hazards, disasters, and emergencies.

30 (2) The state director of emergency management may expend money appropriated under
31 part 1 to call on any agency or department of this state or any resource of this state to
32 protect life or property or to provide for the health or safety of the population in any

1 area of this state in which the governor proclaims a state of emergency or state of
2 disaster under the emergency management act, 1976 PA 390, MCL 30.401 to 30.421. The state
3 director of emergency management may expend the amounts the director considers necessary to
4 accomplish these purposes. The director shall submit to the state budget director, as soon
5 as possible, a complete report of all actions taken under the authority of this section.
6 The report must contain, as a separate item, a statement of all money expended that is not
7 reimbursable from federal funding. The state budget director shall review the expenditures
8 and submit recommendations to the legislature in regard to any possible need for a
9 supplemental appropriation.

10 (3) In addition to the funds appropriated in part 1, the department may receive and
11 expend money from local, private, federal, or state sources for the purpose of providing
12 emergency management training to local or private interests and for the purpose of
13 supporting emergency preparedness, response, recovery, and mitigation activity. If
14 additional expenditure authorization in SIGMA is approved by the state budget office under
15 this section, the department and the state budget office shall notify the subcommittees and
16 the senate and house fiscal agencies within 10 days after the approval. The notification
17 must include the amount and source of the additional authorization, the date of its
18 approval, and the projected use of the funds to be expended under the authorization. The
19 total amount of federal revenues that may be received and expended under this section and
20 section 232 must not exceed \$105,000,000.00.

21 (4) The department shall foster, promote, and maintain partnerships to protect this
22 state and homeland from all hazards.

23 (5) The department shall maintain the staffing and resources necessary to do all of
24 the following:

25 (a) Serve approximately 105 local emergency management preparedness programs and 88
26 local emergency planning committees in this state.

27 (b) Operate and maintain the state's emergency operations center and provide command
28 and control in support of emergency response services.

29 (c) Maintain readiness, including training and equipment to respond to civil
30 disorders and natural disasters commensurate with the capabilities of fiscal year 2010-
31 2011.

32 (d) Perform hazardous materials response training.

1 (6) The department shall conduct a minimum of 3 training sessions to enhance safe
2 response in the event of natural or manmade incidents, emergencies, or disasters.

3 (7) In addition to the funds appropriated in part 1, there is appropriated from the
4 disaster and emergency contingency fund an amount necessary to cover costs related to any
5 disaster or emergency as defined in the emergency management act, 1976 PA 390, MCL 30.401
6 to 30.421. Funds must be expended as provided under sections 18 and 19 of the emergency
7 management act, 1976 PA 390, MCL 30.418 and 30.419, and R 30.51 to R 30.61 of the Michigan
8 Administrative Code.

9 (8) Revenue collected by the department under this section for the emergency
10 management and homeland security training center that is unexpended and unencumbered at the
11 end of the fiscal year must not lapse to the general fund, but must be carried forward into
12 the subsequent fiscal year.

13 Sec. 18-705. The department shall provide for the planning, administration, and
14 implementation of highway traffic safety programs to save lives and reduce injuries on
15 roads in this state, in partnership with other public and private organizations.

16 Sec. 18-706. (1) Funds appropriated in part 1 for the secondary road patrol program
17 must be used to provide grants to sheriffs under the secondary road patrol program
18 described under section 76 of 1846 RS 14, MCL 51.76.

19 (2) The sheriffs' duties under the secondary road patrol program, as outlined in
20 section 76(2) of 1846 RS 14, MCL 51.76, are to do all of the following:

21 (a) Patrol and monitor traffic violations.

22 (b) Enforce the criminal laws of this state, violations of which are observed by or
23 brought to the attention of the sheriff's department while patrolling and monitoring
24 secondary roads.

25 (c) Investigate accidents involving motor vehicles.

26 (d) Provide emergency assistance to persons on or near a highway or road the sheriff
27 is patrolling and monitoring.

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Article 19

DEPARTMENT OF TECHNOLOGY, MANAGEMENT AND BUDGET

PART 1

LINE-ITEM APPROPRIATIONS AND ANTICIPATED APPROPRIATIONS

Sec. 19-101. Subject to the conditions set forth in this article, the amounts listed in this part for the department of technology, management and budget are appropriated for the fiscal year ending September 30, 2026, and are anticipated to be appropriated for the fiscal year ending September 30, 2027, from the funds indicated in this part. The following is a summary of the appropriations and anticipated appropriations in this part:

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

2 **APPROPRIATION SUMMARY**

3	Full-time equated unclassified positions.....	6.0	6.0
4	Full-time equated classified positions.....	3,263.5	3,263.5
5	GROSS APPROPRIATION	\$ 1,916,364,900	\$ 1,833,764,900
6	Total interdepartmental grants and intradepartmental		
7	transfers	1,152,596,000	1,152,596,000
8	ADJUSTED GROSS APPROPRIATION	\$ 763,768,900	\$ 681,168,900
9	Total federal revenues	4,393,300	4,393,300
10	Total local revenues	2,360,100	2,360,100
11	Total private revenues	229,400	229,400
12	Total other state restricted revenues	142,450,700	142,450,700
13	State general fund/general purpose	\$ 614,335,400	\$ 531,735,400
14	<i>State general fund/general purpose schedule:</i>		
15	<i>Ongoing state general fund/general purpose</i>	<i>531,735,400</i>	<i>531,735,400</i>
16	<i>One-time state general fund/general purpose</i>	<i>82,600,000</i>	<i>0</i>
17	Sec. 19-102. DEPARTMENTAL ADMINISTRATION AND		
18	SUPPORT		
19	Full-time equated unclassified positions.....	6.0	6.0
20	Full-time equated classified positions.....	933.0	933.0
21	Unclassified salaries-6.0 FTE positions	\$ 1,134,600	\$ 1,134,600
22	Administrative services-178.5 FTE positions	28,126,400	28,126,400
23	Budget and financial management-199.0 FTE positions ..	43,621,800	43,621,800
24	Building operation services-266.0 FTE positions	110,985,500	110,985,500
25	Business support services-112.0 FTE positions	17,850,900	17,850,900
26	Design and construction services-54.0 FTE positions ..	9,861,500	9,861,500
27	Executive operations-12.0 FTE positions	2,473,300	2,473,300
28	Michigan center for data and analytics-44.0		
29	FTE positions	7,213,700	7,213,700
30	Motor vehicle fleet-39.0 FTE positions	101,194,600	101,194,600
31	Office of the state employer-14.0 FTE positions	2,211,800	2,211,800
32	Property management	11,614,600	11,614,600

	For Fiscal Year Ending Sept. 30, 2026	For Fiscal Year Ending Sept. 30, 2027
1 State archives-14.5 FTE positions	2,077,100	2,077,100
2 State fleet electric vehicle transition	<u>1,000,000</u>	<u>1,000,000</u>
3 GROSS APPROPRIATION	\$ 339,365,800	\$ 339,365,800
4 Appropriated from:		
5 Interdepartmental grant revenues:		
6 IDG from department of health and human services	757,700	757,700
7 IDG from department of licensing and regulatory		
8 affairs	100,000	100,000
9 IDG from other restricted funding	243,400,100	243,400,100
10 Federal revenues:		
11 Other federal revenues	4,393,200	4,393,200
12 Special revenue funds:		
13 Local revenues	59,600	59,600
14 Private revenues	229,300	229,300
15 Other state restricted revenues	29,507,700	29,507,700
16 State general fund/general purpose	<u>\$ 60,918,200</u>	<u>\$ 60,918,200</u>
17 Sec. 19-103. TECHNOLOGY SERVICES		
18 Full-time equated classified positions.....	1,649.5	1,649.5
19 Enterprise user experience-14.0 FTE positions	<u>\$ 5,260,500</u>	<u>\$ 5,260,500</u>
20 Homeland security initiative/cyber security-58.0 FTE		
21 positions	29,514,800	29,514,800
22 Information technology investment fund	35,000,000	35,000,000
23 Information technology services-1,440.5 FTE positions	902,505,300	902,505,300
24 Michigan public safety communications system-137.0 FTE		
25 positions	<u>50,080,400</u>	<u>50,080,400</u>
26 GROSS APPROPRIATION	\$ 1,022,361,000	\$ 1,022,361,000
27 Appropriated from:		
28 Interdepartmental grant revenues:		
29 IDG from other restricted funding	902,505,300	902,505,300
30 Special revenue funds:		
31 Local revenues	2,300,400	2,300,400
32 State general fund/general purpose	<u>\$ 117,555,300</u>	<u>\$ 117,555,300</u>

1 **Sec. 19-104. STATEWIDE APPROPRIATIONS**

2	Professional development fund - AFSCME	\$	50,000	\$	50,000
3	Professional development fund - MPE, SEIU, scientific and				
4	engineering unit		100,000		100,000
5	Professional development fund - MPE, SEIU,				
6	technical unit		50,000		50,000
7	Professional development fund - NERES		200,000		200,000
8	Professional development fund - UAW		700,000		700,000
9	GROSS APPROPRIATION	\$	1,100,000	\$	1,100,000

10 Appropriated from:

11 Interdepartmental grant revenues:

12	IDG from other restricted funding		1,100,000		1,100,000
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13 Special revenue funds:

14	State general fund/general purpose	\$	0	\$	0
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15 **Sec. 19-105. SPECIAL PROGRAMS**

16	Full-time equated classified positions.....		199.0		199.0
17	Capital city services	\$	1,000,000	\$	1,000,000
18	Make it in Michigan		400		400
19	Office of the child advocate-22.0 FTE positions		3,878,000		3,878,000
20	Property management - executive/legislative		1,519,600		1,519,600
21	Retirement services-177.0 FTE positions		30,340,900		30,340,900
22	GROSS APPROPRIATION	\$	36,738,900	\$	36,738,900

23 Appropriated from:

24 Federal revenues:

25	Other federal revenues		100		100
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26 Special revenue funds:

27	Local revenues		100		100
28	Private revenues		100		100
29	Other state restricted revenues		30,248,000		30,248,000
30	State general fund/general purpose	\$	6,490,600	\$	6,490,600

31 **Sec. 19-106. STATE BUILDING AUTHORITY RENT**

32	State building authority rent - community colleges ...	\$	38,032,600	\$	38,032,600
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	For Fiscal Year Ending Sept. 30, 2026	For Fiscal Year Ending Sept. 30, 2027
1 State building authority rent - state agencies	81,465,200	81,465,200
2 State building authority rent - universities	<u>142,153,900</u>	<u>142,153,900</u>
3 GROSS APPROPRIATION	\$ 261,651,700	\$ 261,651,700
4 Appropriated from:		
5 Special revenue funds:		
6 State general fund/general purpose	\$ 261,651,700	\$ 261,651,700
7 Sec. 19-107. CIVIL SERVICE COMMISSION		
8 Full-time equated classified positions.....	482.0	482.0
9 Agency services-113.0 FTE positions	\$ 18,243,700	\$ 18,243,700
10 Employee benefits-29.0 FTE positions	6,673,000	6,673,000
11 Executive direction-38.0 FTE positions	9,911,500	9,911,500
12 Human resources operations-302.0 FTE positions	40,903,600	40,903,600
13 Information technology services and projects	<u>12,199,600</u>	<u>12,199,600</u>
14 GROSS APPROPRIATION	\$ 87,931,400	\$ 87,931,400
15 Appropriated from:		
16 Special revenue funds:		
17 Other state restricted revenues	59,707,600	59,707,600
18 State general fund/general purpose	\$ 28,223,800	\$ 28,223,800
19 Sec. 19-108. CAPITAL OUTLAY		
20 Enterprisewide special maintenance for state		
21 facilities	\$ 28,000,000	\$ 28,000,000
22 Major special maintenance, remodeling, and additions		
23 for state agencies	<u>3,800,000</u>	<u>3,800,000</u>
24 GROSS APPROPRIATION	\$ 31,800,000	\$ 31,800,000
25 Appropriated from:		
26 Interdepartmental grant revenues:		
27 IDG from other restricted funding	3,800,000	3,800,000
28 Special revenue funds:		
29 State general fund/general purpose	\$ 28,000,000	\$ 28,000,000
30 Sec. 19-109. INFORMATION TECHNOLOGY		
31 Information technology services and projects	<u>52,816,100</u>	<u>52,816,100</u>
32 GROSS APPROPRIATION	\$ 52,816,100	\$ 52,816,100

1	Appropriated from:	
2	Interdepartmental grant revenues:	
3	IDG from other restricted funding	932,900 932,900
4	Special revenue funds:	
5	Other state restricted revenues	22,987,400 22,987,400
6	State general fund/general purpose	\$ 28,895,800 \$ 28,895,800
7	Sec. 19-110. ONE-TIME APPROPRIATIONS	
8	Energy efficiency revolving fund	\$ 5,000,000 \$ 0
9	Enterprisewide special maintenance for state	
10	facilities	25,000,000 0
11	Information technology investment fund	42,600,000 0
12	Self insured property fund	<u>10,000,000</u> <u>0</u>
13	GROSS APPROPRIATION	\$ 82,600,000 \$ 0
14	Appropriated from:	
15	Special revenue funds:	
16	State general fund/general purpose	\$ 82,600,000 \$ 0

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FISCAL YEAR 2026

GENERAL SECTIONS

Sec. 19-201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state sources under part 1 for the fiscal year 2026 is \$756,786,100.00 and state spending from state sources to be paid to local units of government for fiscal year 2026 is \$1,000,000.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF TECHNOLOGY, MANAGEMENT AND BUDGET

Capital city services.....	\$ <u>1,000,000</u>
TOTAL	\$ 1,000,000

Sec. 19-202. The appropriations under this part and part 1 are subject to the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

1 Sec. 19-203. As used in this article:

2 (a) "AFSCME" means American Federation of State, County, and Municipal Employees.

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

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

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

7 (e) "IDG" means interdepartmental grant.

8 (f) "JCOS" means the joint capital outlay subcommittee.

9 (g) "MDLEO" means the Michigan department of labor and economic opportunity.

10 (h) "MDOT" means the Michigan department of transportation.

11 (i) "MPE" means the Michigan public employees.

12 (j) "MSF" means the Michigan strategic fund.

13 (k) "NERE" means nonexclusively represented employees.

14 (l) "SEIU" means Service Employees International Union.

15 (m) "SIGMA" means statewide integrated governmental management applications.

16 (n) "Standard report recipients" means the senate and house appropriations
17 subcommittees on the department, the senate and house fiscal agencies, the senate and house
18 policy offices, and the state budget office.

19 (o) "UAW" means the United Automobile, Aerospace, and Agricultural Implement Workers
20 of America.

21 Sec. 19-204. A department or agency shall use the internet to fulfill the reporting
22 requirements of this part. This requirement includes transmitting reports to the standard
23 report recipients and any other required recipients by email and posting the reports on an
24 internet site.

25 Sec. 19-205. To the extent permissible under section 261 of the management and budget
26 act, 1984 PA 431, MCL 18.1261, all of the following apply to the expenditure of funds
27 appropriated in part 1:

28 (a) The funds must not be used for the purchase of foreign goods or services, or
29 both, if competitively priced and of comparable quality American goods or services, or
30 both, are available.

31 (b) Preference must be given to goods or services, or both, manufactured or provided
32 by Michigan businesses, if they are competitively priced and of comparable quality.

1 (c) Preference must be given to goods or services, or both, that are manufactured or
2 provided by Michigan businesses owned and operated by veterans, if they are competitively
3 priced and of comparable quality.

4 Sec. 19-207. Consistent with section 217 of the management and budget act, 1984 PA
5 431, MCL 18.1217, each department and agency receiving appropriations in part 1 shall
6 prepare a report on out of state travel expenses not later than January 1. The report must
7 list all travel by classified and unclassified employees outside this state in the previous
8 fiscal year that was funded in whole or in part with funds appropriated in the department's
9 or agency's budget. The department or agency shall submit the report to the standard report
10 recipients and to the house of representatives and senate appropriations committees. The
11 report must include all of the following information:

12 (a) The dates of each travel occurrence.

13 (b) The total transportation and related expenses of each travel occurrence and the
14 proportions funded with state general fund/general purpose revenues, state restricted
15 revenues, federal revenues, and other revenues.

16 Sec. 19-208. A principal executive department, state agency, or authority shall not
17 use funds appropriated in part 1 to hire a person to provide legal services that are the
18 responsibility of the attorney general. This section does not apply to legal services for
19 bonding activities or to outside legal services that the attorney general authorizes.

20 Sec. 19-209. Not later than December 15, the state budget office shall prepare and
21 submit a report that provides for estimates of the total general fund/general purpose
22 appropriation lapses at the close of the previous fiscal year. The report must summarize
23 the projected year-end general fund/general purpose appropriation lapses by major
24 departmental program or program areas. The state budget office shall submit the report to
25 the standard report recipients and the chairpersons of the senate and house of
26 representatives appropriations committees.

27 Sec. 19-210. (1) In addition to the funds appropriated in part 1, there is
28 appropriated an amount not to exceed \$50,000,000.00 for federal contingency funds. These
29 funds are not available for expenditure until they have been transferred to another line
30 item in this article under section 393(2) of the management and budget act, 1984 PA 431,
31 MCL 18.1393.

32 (2) In addition to the funds appropriated in part 1, there is appropriated an amount

1 not to exceed \$200,000,000.00 for state restricted contingency funds. These funds are not
2 available for expenditure until they have been transferred to another line item in this
3 article under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

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

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

12 Sec. 19-211. The department shall maintain a searchable website accessible by the
13 public at no cost that includes, but is not limited to, all of the following for each
14 department or agency:

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

21 Sec. 19-214. To the extent permissible under the management and budget act, 1984 PA
22 431, MCL 18.1101 to 18.1594, the director of each department or agency receiving
23 appropriations in part 1 shall take all reasonable steps to ensure geographically
24 disadvantaged business enterprises compete for and perform contracts to provide services or
25 supplies, or both. Each director shall strongly encourage firms with which the department
26 or agency contracts to subcontract with certified geographically disadvantaged business
27 enterprises for services, supplies, or both. As used in this section, "geographically-
28 disadvantaged" business enterprises means that term as defined in Executive Directive No.
29 2023-1.

30 Sec. 19-215. On a quarterly basis, a department or agency receiving appropriations in
31 part 1 shall report on the number of FTEs in pay status by type of staff and civil service
32 classification, including comparison by line item of the number of FTEs authorized from

1 funds appropriated in part 1 to the actual number of FTE positions employed by the
2 department or agency at the end of the reporting period. The report must be submitted to
3 the senate and house appropriations committees and to the standard report recipients.

4 Sec. 19-221. (1) Funds appropriated in part 1 must not be used to restrict or impede
5 a marginalized community's access to government resources, programs, or facilities.

6 (2) From the funds appropriated in part 1, local governments shall report any action
7 or policy that attempts to restrict or interfere with the duties of a local health officer.

8

9 **MANAGEMENT AND BUDGET**

10 Sec. 19-802. Any proceeds that exceed necessary costs incurred in conducting
11 transfers, auctions, direct sales, or scrapping of state surplus property under section 267
12 of the management and budget act, 1984 PA 431, MCL 18.1267, are appropriated to the
13 department to offset any costs incurred in the acquisition and distribution of surplus
14 property. The department shall provide consolidated internet auction services through this
15 state's contractors for all local units of government.

16 Sec. 19-803. (1) The department may receive and expend funds in addition to those
17 authorized by part 1 for maintenance and operation services provided specifically to other
18 principal executive departments or state agencies, the legislative branch, the judicial
19 branch, or private tenants, or provided in connection with facilities transferred to the
20 operational jurisdiction of the department.

21 (2) The department may receive and expend funds in addition to those authorized by
22 part 1 for real estate, architectural, design, engineering, and project oversight services
23 provided specifically to other principal executive departments or state agencies, the
24 legislative branch, the judicial branch, universities, community colleges, or private
25 tenants.

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

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

32 (5) Any revenue collected by the department from user fees under subsections (1) to

1 (4) must be carried forward and does not lapse to the general fund at the close of the
2 fiscal year.

3 Sec. 19-805. To the extent a specific appropriation is required for a detailed source
4 of financing included in part 1 for the department appropriations financed from special
5 revenue and internal service and pension trust funds, or SIGMA user charges, the specific
6 amounts are appropriated within the special revenue internal service and pension trust
7 funds in portions not to exceed the aggregate amount appropriated in part 1.

8 Sec. 19-807. Funding in part 1 for SIGMA must be funded by proportionate charges
9 assessed against the respective state funds benefiting from the SIGMA project in the
10 amounts determined by the department.

11 Sec. 19-808. (1) A deposit against the IDG from building occupancy and parking
12 charges appropriated in part 1 must be collected, in part, from state agencies, the
13 legislative branch, and the judicial branch based on estimated costs associated with
14 maintenance and operation of buildings managed by the department. To the extent excess
15 revenue is collected due to estimates of building occupancy charges exceeding actual costs,
16 the excess revenue may be carried forward into subsequent fiscal years for the purpose of
17 returning funds to state agencies.

18 (2) An appropriation in part 1 for building occupancy and parking charges may be
19 increased to return excess revenue collected to state agencies.

20 Sec. 19-810. (1) From the funds appropriated in part 1, the department shall maintain
21 an internet website that contains notice of all solicitations, invitations for bids, and
22 requests for proposals over \$50,000.00 that are issued by the department or by any state
23 agency operating under delegated authority, except for solicitations up to \$500,000.00 in
24 accordance with the department policy regarding providing opportunities to Michigan small
25 businesses, geographically disadvantaged business enterprises, Michigan veteran-owned
26 business, Michigan service disabled veteran-owned businesses, or Michigan recognized
27 community rehabilitation organizations, or if the department determines and documents that
28 it is in the best interest of this state. This information must appear on the first page of
29 each department or state agency dashboard.

30 (2) The department shall set the due date for acceptance of an invitation for bid or
31 request for proposal to not less than 14 days after the notice is made available on the
32 internet website described in subsection (1), unless the department determines and

1 documents that a different due date is in the best interest of this state.

2 (3) In addition to the requirements of this section, the department may advertise the
3 solicitations, invitations for bids, and requests for proposals in any manner that the
4 department determines is appropriate to give the greatest number of persons the opportunity
5 to respond or make bids or requests for proposals.

6 (4) A new request for a proposal that is publicly displayed on the internet website
7 must include the proposal's corresponding department or agency. The internet website must
8 allow for the searching of requests for proposals by department or agency.

9 Sec. 19-811. From the funds appropriated in part 1, the department shall maintain a
10 system that interfaces with other departments and agencies to track the performance of
11 vendors in fulfilling contract obligations. The performance of these vendors must be
12 recorded and used as a factor to determine future contracts awarded in the procurement
13 process.

14 Sec. 19-813. (1) Funds in part 1 for motor vehicle fleet are appropriated to the
15 department for administration and the acquisition, lease, operation, maintenance, repair,
16 replacement, and disposal of state motor vehicles.

17 (2) The funds described in subsection (1) must be funded by revenue from rates
18 charged to principal executive departments and agencies for utilizing vehicle travel
19 services provided by the department. Any revenue in excess of the amount appropriated in
20 part 1 from the motor transport fund and any unencumbered funds are restricted revenues and
21 may be carried over into the succeeding fiscal year.

22 (3) The department shall, not later than 90 days after the close of the fiscal year,
23 submit an annual report to the standard report recipients regarding the operation of the
24 motor vehicle fleet. The report must include all of the following:

25 (a) The number of vehicles assigned to, or authorized for use by, state departments
26 and agencies.

27 (b) The number of vehicles in the motor vehicle fleet.

28 (c) The number of miles driven by fleet vehicles.

29 (d) The number of gallons of fuel consumed by fleet vehicles.

30 (e) A description of fleet garage operations.

31 (f) The goods sold and services provided by the fleet garage.

32 (g) The number of employees assigned to each fleet garage.

1 (4) The information provided under subsection (3) may be adjusted during the fiscal
2 year based on needs and cost savings to achieve the maximum value and efficiency from the
3 state motor fleet.

4 (5) The department may charge state agencies for fuel cost increases that exceed 10%
5 of the budgeted price per gallon of motor vehicle fuels. The department shall notify state
6 agencies, in writing or by email, not less than 30 days before implementing additional
7 charges for fuel cost increases. Any revenue received from these charges is appropriated on
8 receipt.

9 (6) The state budget director, on notification to the senate and house of
10 representatives standing committees on appropriations, may adjust spending authorization
11 and the IDG from motor transport fund in the department to ensure that the appropriations
12 for motor vehicle fleet in the department's budget equal the expenditures for motor vehicle
13 fleet in the budgets for all executive branch agencies.

14 Sec. 19-820. The department shall post on its website and make available to the
15 public a list of all parcels of real property owned by this state that are available for
16 purchase.

17 Sec. 19-822c. The funds appropriated in part 1 must not be used to support any staff
18 effort, projects, consultant expenses, or any other activity related to the development,
19 financing, construction, operation, or implementation of the Gordie Howe International
20 Crossing or any successor project unless the approval of the project is enacted into law.

21 Sec. 19-822e. In addition to the funds appropriated in part 1, the funds collected by
22 the department for supplying census-related information and technical services,
23 publications, statistical studies, population projections and estimates, and other
24 demographic products are appropriated for all expenses necessary to provide the required
25 services. These funds are available for expenditure when they are received and may be
26 carried forward into the next fiscal year.

27 Sec. 19-822h. (1) From the funds in part 1 for capital city services, the department
28 shall provide reimbursement to a city to provide support for local infrastructure and
29 municipal services, including, but not limited to, maintenance or improvement of local
30 roads, sidewalks, public utility infrastructure, emergency response, traffic management, or
31 other public safety services that support the state capitol and adjacent state facilities.

32 (2) The department shall reimburse the city described in subsection (1) quarterly for

1 eligible expenses if the city provides supporting documentation related to the eligible
2 expenses to the department and the eligible expenses are approved for reimbursement.

3 (3) The city described in subsection (1) shall maintain and provide any supporting
4 documentation that is requested for auditing purposes.

5 Sec. 19-822j. (1) The make it in Michigan competitiveness fund is created within the
6 state treasury.

7 (2) Funds may be spent from the make it in Michigan competitiveness fund only on
8 appropriation or administrative transfer pursuant to subsection (3).

9 (3) A transfer of funds from federal or state restricted contingency funds into make
10 it in Michigan may be made by the state budget director not less than 30 days after
11 notifying each member of the senate and house of representatives appropriations committees.
12 Those transfers may be disapproved by either appropriations committee within the 30 days
13 and, if disapproved within that time, are not effective.

14 (4) A transfer approved under this section constitutes authorization to transfer the
15 amount recommended and approved. However, the amount must be reduced by the state budget
16 director to be within the current unobligated amount of the appropriation.

17 (5) Transfers must not be authorized under any of the following circumstances:

18 (a) To create a new line-item appropriation or to create a new state program.

19 (b) To or from an operating appropriation line item that did not appear in the fiscal
20 year appropriation bills for which the transfer is being made.

21 (c) To or from a work project as designated under section 451a of the management and
22 budget act, 1984 PA 431, MCL 18.1451a.

23 (d) Between state governmental funds.

24 (6) Interest and earnings from the investment of funds deposited in the make it in
25 Michigan competitiveness fund must be deposited in the general fund.

26 (7) Funds in the make it in Michigan competitiveness fund at the close of a fiscal
27 year remain in the make it in Michigan competitiveness fund and do not lapse to the general
28 fund.

29 (8) Funds appropriated or transferred from the make it in Michigan competitiveness
30 fund are available to leverage federal funding opportunities that include, but are not
31 limited to, infrastructure, health, public safety, mobility and electrification, climate
32 and the environment, economic development, or other funding opportunities administered by

1 the federal government. Funding opportunities may be in the form of formula or competitive-
2 based grants, cooperative agreements, or contracts, and may include funds contained in the
3 infrastructure investment and jobs act, Public Law 117-58, the CHIPS act of 2022, division
4 A of Public Law 117-167, the inflation reduction act of 2022, Public Law 117-169, or any
5 other federal acts.

6 (9) The Michigan infrastructure office, in collaboration with the state budget
7 director, shall form an interagency evaluation committee that includes the department of
8 environment, Great Lakes, and energy, the MDLEO, the MDOT, the MSF, or other entities at
9 the discretion of the Michigan infrastructure office, to develop program guidelines and
10 selection criteria for the recommended appropriation or transfer of funds. The interagency
11 evaluation committee shall make recommendations to the director of the department and the
12 state budget director on the disbursement of funds. Funding must also be used to cover all
13 costs related to the administration of this section.

14 (10) The department shall inform the legislature not later than 30 days after any
15 federal funds are received that would be used as the basis for recommended appropriations
16 or transfers from the make it in Michigan competitiveness fund.

17 (11) Not later than 90 days after the close of each fiscal year, the department shall
18 report to the legislature on the projects funded with make it in Michigan competitiveness
19 fund money.

20

21 **MEMORIALS**

22 Sec. 19-822k. The department may receive and expend funds from the Vietnam veterans
23 memorial monument fund in accordance with the Michigan Vietnam veterans memorial act, 1988
24 PA 234, MCL 35.1051 to 35.1057. The funds are appropriated and allocated when received by
25 the department and may be expended on receipt.

26 Sec. 19-822l. The Michigan veterans' memorial park commission may receive and expend
27 money from any source, public or private, including, but not limited to, gifts, grants,
28 donations of money, and government appropriations, for the purposes described in Executive
29 Order No. 2001-10. The funds are appropriated and allocated when received by the Michigan
30 veterans' memorial park commission and may be expended on receipt. Any deposit made under
31 this section and any unencumbered funds are restricted revenues and may be carried over
32 into subsequent fiscal years.

1 Sec. 19-822m. In addition to the funds appropriated in part 1, the department may
2 receive and expend money from the Michigan law enforcement officers memorial monument fund
3 in accordance with the Michigan law enforcement officers memorial act, 2004 PA 177, MCL
4 28.781 to 28.786. Any deposit made into the fund is restricted revenues and must be carried
5 over into succeeding fiscal years.

6

7 **INFORMATION TECHNOLOGY**

8 Sec. 19-824. The department may enter into agreements to provide spatial information
9 and technical services to other principal executive departments, state agencies, local
10 units of government, and other organizations. The department may receive and expend funds
11 in addition to those authorized in part 1 for providing information and technical services,
12 publications, maps, and other products. The department may expend amounts received for
13 salaries, supplies, and equipment necessary to provide informational products and technical
14 services.

15 Sec. 19-827. (1) The department shall assess all subscribers of the Michigan public
16 safety communications system reasonable access and maintenance fees and deposit the fees in
17 the Michigan public safety communications systems fees fund.

18 (2) All money received by the department under this section must be expended for the
19 support and maintenance of the Michigan public safety communications system.

20 (3) Any deposits made under this section and unencumbered funds are restricted
21 revenues and must be carried forward into succeeding fiscal years.

22 Sec. 19-830. (1) Any revenue collected from licenses issued under the antenna site
23 management project shall be deposited in the antenna site management revolving fund created
24 for this purpose in the department. The department may receive and expend money from the
25 fund for costs associated with the antenna site management project, including the cost of a
26 third-party site manager. Any excess revenue remaining in the fund at the close of the
27 fiscal year must be proportionately transferred to the appropriate state restricted funds
28 as designated in a public act or the state constitution of 1963.

29 (2) An antenna must not be placed on any site under this section without complying
30 with the respective local zoning codes and local unit of government processes.

31 Sec. 19-833. (1) The state budget director, on notification to the standard report
32 recipients and the senate and house of representatives standing committees on

1 appropriations, may adjust spending authorization and user fees in the department to ensure
2 that the appropriations for information technology in the department equal the
3 appropriations for information technology in the budgets for all executive branch agencies.

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

9 Sec. 19-837. All information technology projects funded by appropriations in part 1
10 must do both of the following:

11 (a) Use information technology project management best practices and services as
12 defined or recommended by the enterprise portfolio management office of the department.

13 (b) Comply with the requirements of the state unified information technology
14 environment methodology as it applies to all information technology project management
15 processes.

16 Sec. 19-838. (1) The funds appropriated in part 1 for information technology
17 investment fund must be used for the modernization of state information technology systems,
18 improvement of this state's cybersecurity framework, and to achieve efficiencies.

19 (2) The department shall develop a plan regarding the use of the funds appropriated
20 in part 1 for the information technology investment fund.

21 (3) The plan described in subsection (2) must include all of the following:

22 (a) A description of proposed information technology investment projects.

23 (b) The time frame for completion of the information technology investment projects.

24 (c) The initial budgeted amount for each project.

25 (d) The number of employees assigned to implement each information technology
26 investment project.

27 (e) The contracts entered into for each information technology investment project.

28 (f) Any other information the department considers necessary.

29 (4) The department shall submit a report to the standard report recipients that
30 includes the plan and the anticipated spending reductions or overages for each of the
31 proposed information technology investment projects. The report must also include both of
32 the following:

1 (a) A comparison of the initial budgeted amounts and cumulative costs, both by
2 project and in total for all projects.

3 (b) The amount of any transfer of budgeted funds from 1 project to another.

4 Sec. 19-839. In addition to the appropriations for enterprisewide information
5 technology investments in part 1, there is appropriated related federal and state
6 restricted funds up to the amounts that will be earned based upon the initiatives
7 undertaken with the funds in part 1. The state budget director shall determine and
8 authorize the appropriate manner for implementing this section.

9

10 **STATE BUILDING AUTHORITY RENT**

11 Sec. 19-842. (1) Funds appropriated in part 1 for state building authority rent may,
12 in addition to this purpose, be expended for the payment of required premiums for insurance
13 on facilities owned by the state building authority or payment of costs that may be
14 incurred as the result of any deductible provisions in the applicable insurance policies.

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

19

20 **OFFICE OF THE STATE EMPLOYER**

21 Sec. 19-843. (1) The funds appropriated in part 1 for statewide appropriations must
22 be funded by assessments against longevity and insurance appropriations throughout state
23 government in a manner prescribed by the department. The funds must be used as specified in
24 joint labor/management agreements, or through the coordinated compensation hearings
25 process. Any deposits of assessments made under this subsection and any unencumbered funds
26 are restricted revenues, may be carried over into the succeeding fiscal years, and are
27 appropriated.

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

32 Sec. 19-844. In addition to the funds appropriated in part 1, the department may

1 receive and expend funds from other principal executive departments and state agencies to
2 implement administrative leave bank transfer provisions specified in joint labor/management
3 agreements. The funds may also be transferred to other principal executive departments and
4 state agencies under the joint labor/management agreement and any amounts transferred under
5 the joint labor/management agreement are authorized for receipt and expenditure by the
6 receiving principal executive department or state agency. Any funds received by the
7 department under this section and intended, under the joint labor/management agreements, to
8 be available for use beyond the close of the fiscal year, and any unencumbered funds, may
9 be carried over into the next fiscal year.

10

11 **CIVIL SERVICE COMMISSION**

12 Sec. 19-850. (1) In accordance with section 5 of article XI of the state constitution
13 of 1963, all restricted funds must be assessed a sum not less than 1% of the total
14 aggregate payroll paid from those funds for financing the civil service commission on the
15 basis of actual 1% restricted sources total aggregate payroll of the classified service for
16 the preceding fiscal year. This includes, but is not limited to, restricted funds
17 appropriated in part 1 of any appropriations act. The civil service commission shall return
18 any unexpended funds appropriated under this subsection to each 1% fund source not later
19 than 6 months after the end of the fiscal year.

20 (2) The appropriations in part 1 are estimates of actual charges based on payroll
21 appropriations. With the approval of the state budget director, the civil service
22 commission may adjust financing sources for civil service charges based on actual payroll
23 expenditures, if the adjustments do not increase the total appropriation for the civil
24 service commission.

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

27 Sec. 19-851. Except where specifically appropriated for this purpose, financing from
28 restricted sources must be credited to the civil service commission. For restricted sources
29 of funding within the general fund that have the legislative authority for carryover, if
30 current spending authorization or revenues are insufficient to accept the charge, the
31 shortage must be taken from carryforward balances of that funding source. Restricted
32 revenue sources that do not have carryforward authority must be utilized to satisfy civil

1 service commission operating deductions first and civil service commission obligations
2 second. General fund dollars are appropriated for any shortfall, if approved by the state
3 budget director.

4 Sec. 19-852. The appropriation in part 1 to the civil service commission, for state-
5 sponsored group insurance, flexible spending accounts, and COBRA, represents amounts, in
6 part, included within the various appropriations throughout state government for the
7 current fiscal year to fund the flexible spending account program included within the civil
8 service commission. Deposits against state-sponsored group insurance, flexible spending
9 accounts, and COBRA for the flexible spending account program must be made from assessments
10 levied during the fiscal year in a manner prescribed by the civil service commission.
11 Unspent employee contributions to the flexible spending accounts may be used to offset
12 administrative costs for the flexible spending account program, and any remaining balance
13 of unspent employee contributions lapses to the general fund.

14

15 **CAPITAL OUTLAY**

16 Sec. 19-860. As used in sections 19-861 through 19-875 of this part:

17 (a) "Board" means the state administrative board created in section 1 of 1921 PA 2,
18 MCL 17.1.

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

23 (c) "University" means a 4-year university supported by this state. University does
24 not include a community college or a state agency.

25 Sec. 19-861. Each capital outlay project authorized in this part and part 1 or any
26 previous capital outlay act shall comply with the procedures required by the management and
27 budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

28 Sec. 19-864. The appropriations in part 1 for capital outlay must be carried forward
29 at the end of the fiscal year in accordance with section 248 of the management and budget
30 act, 1984 PA 431, MCL 18.1248.

31 Sec. 19-865. (1) A site preparation economic development fund is created in the
32 department. The Michigan economic development corporation board and the state budget

1 director shall determine whether a specific state-owned site qualifies for inclusion in the
2 site preparation economic development fund.

3 (2) Any proceeds from the sale of an economic development site must be deposited in
4 the site preparation economic development fund and are available for site preparation
5 expenditures, unless otherwise provided by law. The economic development sites are
6 authorized for sale consistent with state law. Expenditures from the site preparation
7 economic development fund are authorized for site preparation activities that enhance the
8 marketable sale value of the economic development sites.

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

11 (4) Not later than December 31, the department shall submit a report to the standard
12 report recipients and the senate and house of representatives standing committees on
13 appropriations that includes both of the following:

14 (a) The revenue and expenditure activity in the site preparation economic development
15 fund for the immediately preceding fiscal year.

16 (b) The sites identified as economic development sites.

17 (5) As used in this section:

18 (a) "Economic development site" means a state-owned site that is declared as surplus
19 property under section 251 of the management and budget act, 1984 PA 431, MCL 18.1251, and
20 would provide economic benefit to the area of the site or to this state.

21 (b) "Site preparation activities" includes, but is not limited to, demolition,
22 environmental studies and abatement, utility enhancement, and site excavation.

23 Sec. 19-866. (1) From the funds appropriated in part 1 for the energy efficiency
24 revolving fund, \$5,000,000.00 from the state general fund/general purpose is deposited in
25 the energy efficiency revolving fund created in MCL 18.1241d.

26 (2) All monies received and deposited from any source into the energy efficiency
27 revolving fund are appropriated to support qualifying projects in accordance with the terms
28 and conditions established in subsections (3) and (4) of MCL 18.1241d.

29 Sec. 19-867. In addition to the appropriations for special maintenance, remodeling,
30 and additions for state agencies in part 1, there is appropriated related federal and state
31 restricted funds up to the amounts that will be earned based upon the initiatives
32 undertaken with the funds in part 1. The state budget director shall determine and

1 authorize the appropriate manner for implementing this section.

2

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

4 Sec. 19-873. (1) This section applies only to projects for community colleges.

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

12 (3) An expenditure under this part and part 1 is authorized when the release of the
13 appropriation is approved by the board on the recommendation of the director. The director
14 may recommend to the board the release of any appropriation in part 1 only after the
15 director is assured that the legal entity operating the community college to which the
16 appropriation is made has complied with this part and part 1 and has matched the amounts
17 appropriated as required by this part and part 1. A release of funds in part 1 must not
18 exceed 50% of the total cost of planning and construction of any project, not including
19 lump-sum remodeling and additions and special maintenance, unless otherwise appropriated by
20 the legislature. Further planning and construction of a project authorized by this part and
21 part 1 or applicable sections of the management and budget act, 1984 PA 431, MCL 18.1101 to
22 18.1594, must be in accordance with the purpose and scope as defined and delineated in the
23 approved program statements and planning documents. This part and part 1 are applicable to
24 all projects for which planning appropriations were made in previous public acts.

25 (4) The community college shall take the steps necessary to secure available federal
26 construction and equipment money for projects funded for construction in this part and part
27 1 if an application was not previously made. If there is a reasonable expectation that a
28 previous year unfunded application may receive federal money in a subsequent year, the
29 community college shall take whatever action necessary to keep the application active.

30 Sec. 19-874. If university and community college matching revenues are received in an
31 amount less than the appropriations for capital projects contained in this part and part 1,
32 the state funds must be reduced in proportion to the amount of matching revenue received.

1 Sec. 19-875. (1) The director may require that community colleges and universities
2 that have an authorized project described in part 1 submit documentation regarding the
3 project match and governing board approval of the authorized project not more than 60 days
4 after the beginning of the fiscal year.

5 (2) If the documentation required by the director under subsection (1) is not
6 submitted, or does not adequately authenticate the availability of the project match or
7 governing board approval of the authorized project, the director may terminate the
8 authorization. The authorization terminates 30 days after the director notifies the JCOS of
9 the intent to terminate the project unless the JCOS approves an extension of the
10 authorization.

11

12 **ONE-TIME APPROPRIATIONS**

13 Sec. 19-895. (1) From the funds appropriated in part 1, \$10,000,000.00 state general
14 fund/general purpose shall be deposited into the risk management internal service fund
15 authorized under the management and budget act, 1984 PA 431, MCL 18.1269. The purpose of
16 this one time deposit is the creation of a property self insurance fund for department
17 owned and managed buildings warranting coverage in accordance with section 204 of the
18 management and budget act, 1984 PA 431, MCL 18.1204.

19 (2) Funding deposited into this fund under subsection (1) and any additional revenues
20 recovered from rates charged to state agencies for property insurance and risk management
21 services are appropriated to pay loss or damage claims and shall remain in the fund and
22 shall not lapse to the general fund.

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Article 20

DEPARTMENT OF TRANSPORTATION

PART 1

LINE-ITEM APPROPRIATIONS AND ANTICIPATED APPROPRIATIONS

Sec. 20-101. Subject to the conditions set forth in this article, the amounts listed in this part for the department of transportation are appropriated for the fiscal year ending September 30, 2026, and are anticipated to be appropriated for the fiscal year ending September 30, 2027, from the funds indicated in this part. The following is a summary of the appropriations and anticipated appropriations in this part:

	For Fiscal Year Ending Sept. 30, 2026	For Fiscal Year Ending Sept. 30, 2027
1	DEPARTMENT OF TRANSPORTATION	
2	APPROPRIATION SUMMARY	
3	6.0	6.0
4	3,229.3	3,229.3
5	\$ 6,841,109,700	\$ 6,802,415,400
6	Total interdepartmental grants and intradepartmental	
7	4,366,200	4,366,200
8	\$ 6,836,743,500	\$ 6,798,049,200
9	2,329,605,500	2,329,605,500
10	87,448,500	87,448,500
11	18,800,000	18,800,000
12	4,288,705,600	4,362,195,200
13	\$ 112,183,900	\$ 0
14	<i>State general fund/general purpose schedule:</i>	
15	0	0
16	112,183,900	0
17	Sec. 20-102. DEBT SERVICE	
18	\$ 3,618,200	\$ 3,618,200
19	3,320,300	3,320,300
20	234,300	234,300
21	77,300	77,300
22	<u>333,554,100</u>	<u>333,554,100</u>
23	\$ 340,804,200	\$ 340,804,200
24	Appropriated from:	
25	Special revenue funds:	
26	340,804,200	340,804,200
27	\$ 0	\$ 0
28	Sec. 20-103. INTERDEPARTMENTAL GRANTS	
29	\$ 225,300	\$ 225,300
30	111,500	111,500
31	54,900	54,900
32	48,500	48,500

	For Fiscal Year Ending Sept. 30, 2026	For Fiscal Year Ending Sept. 30, 2027
1 CTF grant to department of technology, management		
2 and budget	40,300	40,300
3 MTF grant to department of environment, Great Lakes,		
4 and energy	2,202,200	2,202,200
5 MTF grant to department of treasury	3,761,300	3,761,300
6 MTF grant to legislative auditor general	393,900	393,900
7 MTF grant to department state for collection of		
8 revenue and fees	20,000,000	20,000,000
9 SAF grant to civil service commission	140,000	140,000
10 SAF grant to department of attorney general	196,400	196,400
11 SAF grant to department of treasury	72,200	72,200
12 SAF grant to legislative auditor general	38,100	38,100
13 SAF grant to department of technology, management		
14 and budget	28,600	28,600
15 STF grant to civil service commission	7,160,100	7,160,100
16 STF grant to department of attorney general	2,236,500	2,236,500
17 STF grant to department of state police	13,945,400	13,945,400
18 STF grant to department of treasury	167,000	167,000
19 STF grant to legislative auditor general	914,900	914,900
20 STF grant to department of technology, management		
21 and budget	<u>1,235,100</u>	<u>1,235,100</u>
22 GROSS APPROPRIATION	\$ 52,972,200	\$ 52,972,200
23 Appropriated from:		
24 Special revenue funds:		
25 Other state restricted revenues	52,972,200	52,972,200
26 State general fund/general purpose	\$ 0	\$ 0
27 Sec. 20-104. DEPARTMENTAL ADMINISTRATION AND		
28 SUPPORT		
29 Full-time equated unclassified positions.....	6.0	6.0
30 Full-time equated classified positions.....	310.3	310.3
31 Unclassified salaries-6.0 FTE positions	\$ 993,200	\$ 993,200
32 Asset management council	2,299,900	2,299,900

	For Fiscal Year Ending Sept. 30, 2026	For Fiscal Year Ending Sept. 30, 2027
1 Business support services-75.0 FTE positions	13,174,900	13,174,900
2 Commission audit-29.3 FTE positions	4,929,800	4,929,800
3 Economic development and enhancement programs-11.0		
4 FTE positions	1,897,500	1,897,500
5 Finance, contracts, and support services-195.0		
6 FTE positions	28,214,200	28,214,200
7 Property management	9,682,100	9,682,100
8 Worker's compensation	<u>1,720,000</u>	<u>1,720,000</u>
9 GROSS APPROPRIATION	\$ 62,911,600	\$ 62,911,600
10 Appropriated from:		
11 Interdepartmental grant revenues:		
12 IDG from other restricted funding	4,366,200	4,366,200
13 Special revenue funds:		
14 Other state restricted revenues	58,545,400	58,545,400
15 State general fund/general purpose	\$ 0	\$ 0
16 Sec. 20-105. INFORMATION TECHNOLOGY		
17 Information technology services and projects	<u>\$ 42,299,500</u>	<u>\$ 42,299,500</u>
18 GROSS APPROPRIATION	\$ 42,299,500	\$ 42,299,500
19 Appropriated from:		
20 Federal revenues:		
21 Other federal revenues	520,500	520,500
22 Special revenue funds:		
23 Other state restricted revenues	41,779,000	41,779,000
24 State general fund/general purpose	\$ 0	\$ 0
25 Sec. 20-106. TRANSPORTATION PLANNING		
26 Full-time equated classified positions.....	144.0	144.0
27 Grants to regional planning councils	\$ 488,800	\$ 488,800
28 Planning services-144.0 FTE positions	<u>45,371,600</u>	<u>45,371,600</u>
29 GROSS APPROPRIATION	\$ 45,860,400	\$ 45,860,400
30 Appropriated from:		
31 Federal revenues:		
32 Other federal revenues	26,000,000	26,000,000

	For Fiscal Year Ending Sept. 30, 2026	For Fiscal Year Ending Sept. 30, 2027
1	Special revenue funds:	
2	Other state restricted revenues	19,860,400 19,860,400
3	State general fund/general purpose	\$ 0 \$ 0
4	Sec. 20-107. DESIGN AND ENGINEERING SERVICES	
5	Full-time equated classified positions.....	1,684.3 1,684.3
6	Business services-51.8 FTE positions	\$ 11,846,500 \$ 11,846,500
7	Program development and delivery-1,061.5 FTE positions	135,554,900 135,554,900
8	System operations management-571.0 FTE positions	<u>119,754,200</u> <u>119,754,200</u>
9	GROSS APPROPRIATION	\$ 267,155,600 \$ 267,155,600
10	Appropriated from:	
11	Federal revenues:	
12	Other federal revenues	23,529,800 23,529,800
13	Special revenue funds:	
14	Other state restricted revenues	243,625,800 243,625,800
15	State general fund/general purpose	\$ 0 \$ 0
16	Sec. 20-108. HIGHWAY MAINTENANCE	
17	Full-time equated classified positions.....	908.7 908.7
18	State trunkline operations-908.7 FTE positions	\$ <u>503,716,400</u> \$ <u>503,716,400</u>
19	GROSS APPROPRIATION	\$ 503,716,400 \$ 503,716,400
20	Appropriated from:	
21	Special revenue funds:	
22	Other state restricted revenues	503,716,400 503,716,400
23	State general fund/general purpose	\$ 0 \$ 0
24	Sec. 20-109. ROAD AND BRIDGE PROGRAMS	
25	Cities and villages	\$ 743,830,200 \$ 762,277,200
26	County road commissions	1,334,117,400 1,367,203,300
27	Grants to local programs	33,000,000 33,000,000
28	Local bridge program	26,417,100 26,303,900
29	Local federal aid and road and bridge construction ...	428,999,800 428,999,800
30	Local agency wetland mitigation bank fund	2,000,000 2,000,000
31	Movable bridge fund	6,309,000 6,454,100
32	Rail grade crossing	3,000,000 3,000,000

	For Fiscal Year Ending Sept. 30, 2026	For Fiscal Year Ending Sept. 30, 2027
1 Rail grade crossing - surface improvements	3,000,000	3,000,000
2 State trunkline federal aid and road and bridge		
3 construction	<u>1,671,495,000</u>	<u>1,701,317,800</u>
4 GROSS APPROPRIATION	\$ 4,252,168,500	\$ 4,333,556,100
5 Appropriated from:		
6 Federal revenues:		
7 Other federal revenues	1,744,266,200	1,744,266,200
8 Special revenue funds:		
9 Local revenues	30,003,500	30,003,500
10 Private revenues	10,000,000	10,000,000
11 Other state restricted revenues	2,467,898,800	2,549,286,400
12 State general fund/general purpose	\$ 0	\$ 0
13 Sec. 20-110. BLUE WATER BRIDGE		
14 Full-time equated classified positions.....	47.0	47.0
15 Blue Water Bridge operations-47.0 FTE positions	<u>\$ 7,908,600</u>	<u>\$ 7,908,600</u>
16 GROSS APPROPRIATION	\$ 7,908,600	\$ 7,908,600
17 Appropriated from:		
18 Special revenue funds:		
19 Other state restricted revenues	7,908,600	7,908,600
20 State general fund/general purpose	\$ 0	\$ 0
21 Sec. 20-111. TRANSPORTATION ECONOMIC DEVELOPMENT		
22 Forest roads	\$ 5,000,000	\$ 5,000,000
23 Rural county primary	10,547,600	10,453,100
24 Rural county urban system	2,500,000	2,500,000
25 Target industries/economic redevelopment	24,595,300	24,406,300
26 Urban county congestion	<u>10,547,600</u>	<u>10,453,100</u>
27 GROSS APPROPRIATION	\$ 53,190,500	\$ 52,812,500
28 Appropriated from:		
29 Special revenue funds:		
30 Other state restricted revenues	53,190,500	52,812,500
31 State general fund/general purpose	\$ 0	\$ 0
32 Sec. 20-112. AERONAUTICS SERVICES		

	For Fiscal Year Ending Sept. 30, 2026	For Fiscal Year Ending Sept. 30, 2027
1 Full-time equated classified positions.....	48.0	48.0
2 Air service program	\$ 50,000	\$ 50,000
3 Aviation services-48.0 FTE positions	<u>7,848,300</u>	<u>7,848,300</u>
4 GROSS APPROPRIATION	\$ 7,898,300	\$ 7,898,300
5 Appropriated from:		
6 Special revenue funds:		
7 Other state restricted revenues	7,898,300	7,898,300
8 State general fund/general purpose	\$ 0	\$ 0
9 Sec. 20-113. PUBLIC TRANSPORTATION SERVICES		
10 Full-time equated classified positions.....	46.0	46.0
11 Passenger transportation services-46.0 FTE positions .	<u>\$ 7,410,900</u>	<u>\$ 7,410,900</u>
12 GROSS APPROPRIATION	\$ 7,410,900	\$ 7,410,900
13 Appropriated from:		
14 Federal revenues:		
15 Other federal revenues	2,000,000	2,000,000
16 Special revenue funds:		
17 Other state restricted revenues	5,410,900	5,410,900
18 State general fund/general purpose	\$ 0	\$ 0
19 Sec. 20-114. LOCAL BUS TRANSIT		
20 Local bus operating	\$ 226,750,000	\$ 226,750,000
21 Nonurban operating/capital	<u>41,123,000</u>	<u>41,123,000</u>
22 GROSS APPROPRIATION	\$ 267,873,000	\$ 267,873,000
23 Appropriated from:		
24 Federal revenues:		
25 Other federal revenues	39,123,000	39,123,000
26 Special revenue funds:		
27 Local revenues	2,000,000	2,000,000
28 Other state restricted revenues	226,750,000	226,750,000
29 State general fund/general purpose	\$ 0	\$ 0
30 Sec. 20-115. INTERCITY PASSENGER		
31 Full-time equated classified positions.....	41.0	41.0
32 Detroit/Wayne County Port Authority	\$ 600,000	\$ 600,000

	For Fiscal Year Ending Sept. 30, 2026	For Fiscal Year Ending Sept. 30, 2027
1 Freight property management	1,300,000	1,300,000
2 Intercity services	9,759,000	9,759,000
3 Marine passenger service	20,559,100	20,559,100
4 Office of rail-41.0 FTE positions	7,485,900	7,485,900
5 Rail operations and infrastructure	<u>147,688,500</u>	<u>147,688,500</u>
6 GROSS APPROPRIATION	\$ 187,392,500	\$ 187,392,500
7 Appropriated from:		
8 Federal revenues:		
9 Other federal revenues	54,362,700	54,362,700
10 Special revenue funds:		
11 Local revenues	760,000	760,000
12 Private revenues	2,800,000	2,800,000
13 Other state restricted revenues	129,469,800	129,469,800
14 State general fund/general purpose	\$ 0	\$ 0
15 Sec. 20-116. PUBLIC TRANSPORTATION DEVELOPMENT		
16 Municipal credit program	\$ 2,000,000	\$ 2,000,000
17 Service initiatives	20,992,300	20,992,300
18 Specialized services	30,342,700	30,342,700
19 Transit capital	250,724,200	250,724,200
20 Van pooling	<u>400,000</u>	<u>400,000</u>
21 GROSS APPROPRIATION	\$ 304,459,200	\$ 304,459,200
22 Appropriated from:		
23 Federal revenues:		
24 Other federal revenues	169,803,300	169,803,300
25 Special revenue funds:		
26 Local revenues	37,185,000	37,185,000
27 Private revenues	4,000,000	4,000,000
28 Other state restricted revenues	93,470,900	93,470,900
29 State general fund/general purpose	\$ 0	\$ 0
30 Sec. 20-117. CAPITAL OUTLAY		
31 (1) BUILDINGS AND FACILITIES		
32 Special maintenance, remodeling and additions	\$ 5,000,500	\$ 5,000,500

	For Fiscal Year Ending Sept. 30, 2026	For Fiscal Year Ending Sept. 30, 2027
1 Salt storage buildings and containment control	3,000,000	3,000,000
2 GROSS APPROPRIATION	\$ 8,000,500	\$ 8,000,500
3 Appropriated from:		
4 Special revenue funds:		
5 Other state restricted revenues	8,000,500	8,000,500
6 State general fund/general purpose	\$ 0	\$ 0
7 (2) AIRPORT IMPROVEMENT PROGRAMS		
8 Airport safety, protection, and improvement program ..	\$ 187,233,900	\$ 187,233,900
9 Detroit Metropolitan Wayne County Airport	7,020,000	7,150,000
10 IIJA airport infrastructure grants	115,000,000	115,000,000
11 GROSS APPROPRIATION	\$ 309,253,900	\$ 309,383,900
12 Appropriated from:		
13 Federal revenues:		
14 Other federal revenues	270,000,000	270,000,000
15 Special revenue funds:		
16 Local revenues	17,500,000	17,500,000
17 Private revenues	2,000,000	2,000,000
18 Other state restricted revenues	19,753,900	19,883,900
19 State general fund/general purpose	\$ 0	\$ 0
20 Sec. 20-118. ONE-TIME APPROPRIATIONS		
21 Federal aid and road and bridge construction		
22 federal match	\$ 112,183,900	\$ 0
23 Road user charge study	7,650,000	0
24 GROSS APPROPRIATION	\$ 119,833,900	\$ 0
25 Appropriated from:		
26 Special revenue funds:		
27 Other state restricted revenues	7,650,000	0
28 State general fund/general purpose	\$ 112,183,900	\$ 0
29		
30		
31		
32		

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FISCAL YEAR 2026

GENERAL SECTIONS

Sec. 20-201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state sources under part 1 for the fiscal year 2026 is \$4,400,889,500.00 and state spending from state sources to be paid to local units of government for fiscal year 2026 is \$2,533,577,200.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF TRANSPORTATION

Grants to regional planning councils.....	\$	488,800
Cities and villages.....		743,830,200
County road commissions.....		1,334,117,400
Grants to local programs.....		33,000,000
Local bridge program.....		26,417,100
Local agency wetland mitigation bank fund.....		2,000,000
Movable bridge fund.....		3,154,500
Rail grade crossing.....		1,500,000
Rail grade crossing - surface improvements.....		3,000,000
Forest roads.....		5,000,000
Rural county primary.....		10,547,600
Rural county urban system.....		2,500,000
Target industries/economic redevelopment.....		15,249,100
Urban county congestion.....		10,547,600
Air service program.....		50,000
Local bus operating.....		226,750,000
Detroit/Wayne County Port Authority.....		600,000
Marine passenger service.....		2,000,000
Municipal credit program.....		2,000,000
Service initiatives.....		7,288,300
Specialized services.....		13,000,000

1	Transit capital.....	70,782,700
2	Airport safety, protection, and improvement program.....	12,733,900
3	Detroit Metropolitan Wayne County Airport.....	<u>7,020,000</u>
4	TOTAL	\$ 2,533,577,200

5 Sec. 20-202. The appropriations under this part and part 1 are subject to the
6 management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

7 Sec. 20-203. As used in this article:

- 8 (a) "CTF" means comprehensive transportation fund.
- 9 (b) "Department" means the state transportation department.
- 10 (c) "Director" means the director of the department.
- 11 (d) "FTE" means full-time equated.
- 12 (e) "IDG" means interdepartmental grant.
- 13 (f) "IIJA" means the infrastructure investment and jobs act, 2021, Public Law 117-58.
- 14 (g) "MTF" means Michigan transportation fund.
- 15 (h) "SAF" means state aeronautics fund.
- 16 (i) "Standard report recipients" means the senate and house appropriations
17 subcommittees on the department, the senate and house fiscal agencies, the senate and house
18 policy offices, and the state budget office.
- 19 (j) "STF" means state trunkline fund.

20 Sec. 20-204. A department or agency shall use the internet to fulfill the reporting
21 requirements of this part. This requirement includes transmitting reports to the standard
22 report recipients and any other required recipients by email and posting the reports on an
23 internet site.

24 Sec. 20-205. To the extent permissible under section 261 of the management and budget
25 act, 1984 PA 431, MCL 18.1261, all of the following apply to the expenditure of funds
26 appropriated in part 1:

- 27 (a) The funds must not be used for the purchase of foreign goods or services, or
28 both, if competitively priced and of comparable quality American goods or services, or
29 both, are available.
- 30 (b) Preference must be given to goods or services, or both, manufactured or provided
31 by Michigan businesses, if they are competitively priced and of comparable quality.
- 32 (c) Preference must be given to goods or services, or both, that are manufactured or

1 provided by Michigan businesses owned and operated by veterans, if they are competitively
2 priced and of comparable quality.

3 Sec. 20-207. Consistent with section 217 of the management and budget act, 1984 PA
4 431, MCL 18.1217, each department and agency receiving appropriations in part 1 shall
5 prepare a report on out of state travel expenses not later than January 1. The report must
6 list all travel by classified and unclassified employees outside this state in the previous
7 fiscal year that was funded in whole or in part with funds appropriated in the department's
8 or agency's budget. The department or agency shall submit the report to the standard report
9 recipients and to the house of representatives and senate appropriations committees. The
10 report must include all of the following information:

11 (a) The dates of each travel occurrence.

12 (b) The total transportation and related expenses of each travel occurrence and the
13 proportions funded with state general fund/general purpose revenues, state restricted
14 revenues, federal revenues, and other revenues.

15 Sec. 20-208. A principal executive department, state agency, or authority shall not
16 use funds appropriated in part 1 to hire a person to provide legal services that are the
17 responsibility of the attorney general. This section does not apply to legal services for
18 bonding activities or to outside legal services that the attorney general authorizes.

19 Sec. 20-209. Not later than December 15, the state budget office shall prepare and
20 submit a report that provides for estimates of the total general fund/general purpose
21 appropriation lapses at the close of the previous fiscal year. The report must summarize
22 the projected year-end general fund/general purpose appropriation lapses by major
23 departmental program or program areas. The state budget office shall submit the report to
24 the standard report recipients and the chairpersons of the senate and house of
25 representatives appropriations committees.

26 Sec. 20-210. (1) In addition to the funds appropriated in part 1, there is
27 appropriated an amount not to exceed \$500,000,000.00 for federal contingency funds. These
28 funds are not available for expenditure until they have been transferred to another line
29 item in this article under section 393(2) of the management and budget act, 1984 PA 431,
30 MCL 18.1393.

31 (2) In addition to the funds appropriated in part 1, there is appropriated an amount
32 not to exceed \$40,000,000.00 for state restricted contingency funds. These funds are not

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

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

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

11 Sec. 20-211. A department or agency shall cooperate with the department of
12 technology, management and budget to maintain a searchable website accessible by the public
13 at no cost that includes, but is not limited to, all of the following for each department
14 or agency:

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

21 Sec. 20-214. To the extent permissible under the management and budget act, 1984 PA
22 431, MCL 18.1101 to 18.1594, the director of each department or agency receiving
23 appropriations in part 1 shall take all reasonable steps to ensure geographically
24 disadvantaged business enterprises compete for and perform contracts to provide services or
25 supplies, or both. Each director shall strongly encourage firms with which the department
26 or agency contracts to subcontract with certified geographically disadvantaged business
27 enterprises for services, supplies, or both. As used in this section, "geographically-
28 disadvantaged" business enterprises means that term as defined in Executive Directive No.
29 2023-1.

30 Sec. 20-215. On a quarterly basis, a department or agency receiving appropriations in
31 part 1 shall report on the number of FTEs in pay status by type of staff and civil service
32 classification, including comparison by line item of the number of FTEs authorized from

1 funds appropriated in part 1 to the actual number of FTE positions employed by the
2 department or agency at the end of the reporting period. The report must be submitted to
3 the senate and house appropriations committees and to the standard report recipients.

4 Sec. 20-221. (1) Funds appropriated in part 1 must not be used to restrict or impede
5 a marginalized community's access to government resources, programs, or facilities.

6 (2) From the funds appropriated in part 1, local governments shall report any action
7 or policy that attempts to restrict or interfere with the duties of a local health officer.
8

9 **DEPARTMENTAL ADMINISTRATION AND SUPPORT**

10 Sec. 20-301. The department may establish a fee schedule and collect fees sufficient
11 to cover the costs to issue the permits that the department is authorized by law to issue
12 on request, unless otherwise stipulated by law. All permit fees are nonrefundable
13 application fees and must be credited to the appropriate fund to recover the direct and
14 indirect costs of receiving, reviewing, and processing the requests.

15 Sec. 20-304. If, as a requirement of bidding on a highway project, the department
16 requires a contractor to submit financial or proprietary documentation as to how the bid
17 was calculated, the department shall keep that bid documentation confidential and shall not
18 disclose that bid documentation other than to a department representative without the
19 contractor's written consent. The department may disclose the bid documentation if
20 necessary to address or defend a claim by a contractor.

21 Sec. 20-306. (1) The amounts appropriated in part 1 to support tax and fee
22 collection, law enforcement, and other program services provided to the department and to
23 transportation funds by other state departments must be expended from transportation funds
24 pursuant to annual contracts between the department and those other state departments. The
25 contracts must be executed before the expenditure or obligation of those funds. The
26 contracts must provide, but are not limited to, the following data applicable to each state
27 department:

28 (a) Estimated costs to be recovered from transportation funds.

29 (b) Description of services provided to the department and/or transportation funds
30 and financed with transportation funds.

31 (c) Detailed cost allocation methods appropriate to the type of services being
32 provided and the activities financed with transportation funds.

1 (2) Not later than 2 months after publication of the state of Michigan annual
2 comprehensive financial report, each state department receiving funding pursuant to an
3 interdepartment contract with the department shall submit a written report to the
4 department, the state budget director, the house and senate fiscal agencies, and the
5 auditor general stating by spending authorization account the amount of estimated funds
6 contracted with the department, the amount of funds expended, the amount of funds returned
7 to the transportation funds, and any unreimbursed transportation-related costs incurred but
8 not billed to transportation funds.

9 Sec. 20-307. Before March 1, the department shall provide to the standard report
10 recipients its rolling 5-year plan listing by county or by county road commission all
11 highway construction projects for the fiscal year and all expected projects for the ensuing
12 fiscal years.

13 Sec. 20-310. The department shall post in a timely manner copies of the agenda,
14 approved minutes, and audio recording of state transportation commission meetings.

15 Sec. 20-313. (1) From funds appropriated in part 1, the department may increase a
16 state infrastructure bank program and grant or loan funds in accordance with regulations of
17 the state infrastructure bank program of the United States Department of Transportation.
18 The department shall administer the state infrastructure bank for the purpose of providing
19 a revolving, self-sustaining resource for financing transportation infrastructure projects.

20 (2) In addition to funds provided in subsection (1), money received by this state as
21 federal grants, repayment of state infrastructure bank loans, or other reimbursement or
22 revenue received by this state as a result of projects funded by the program and interest
23 earned on that money must be deposited in the revolving state infrastructure bank fund and
24 must be available for transportation infrastructure projects. At the close of the fiscal
25 year, any unencumbered funds remaining in the state infrastructure bank fund remain in the
26 fund and carry forward into the succeeding fiscal year.

27 (3) The department shall prepare a report on the status of the state infrastructure
28 bank and submit the report to the standard report recipients on or before December 31. The
29 report must include all of the following:

30 (a) The balance in the state infrastructure bank on September 30, including a
31 breakdown of the balance by cash and cash equivalents, outstanding loans, and balance
32 available for loan to local agencies.

1 (b) A breakdown of the state infrastructure loan balance by amounts originating from
2 federal sources and the amounts originating from nonfederal sources.

3 (c) A list of outstanding loans by agency, original loan amount, project description,
4 loan term, and amount outstanding.

5 Sec. 20-314. (1) The MI contracting opportunity loan fund is created within the state
6 treasury.

7 (2) Funds deposited into the MI contracting opportunity loan fund originally created
8 in section 1003 of article 15 of 2024 PA 121 or money received by the state as repayment of
9 loans or interest earned on loan funds are appropriated and shall be available for future
10 loans.

11 (3) At the close of the fiscal year, any unencumbered funds remaining in the fund
12 shall be carried forward into the succeeding fiscal year.

13 Sec. 20-384. (1) Except as otherwise provided in subsection (2), the department shall
14 not obligate this state to expend any state transportation revenue for construction
15 planning or construction of the Gordie Howe International Crossing or a renamed successor.
16 In addition, except as provided in subsection (2), the department shall not commit this
17 state to any new contract related to the construction planning or construction of the
18 Gordie Howe International Crossing or a renamed successor that would obligate this state to
19 expend any state transportation revenue. An expenditure for staff resources used in
20 connection with project activities that is subject to full and prompt reimbursement from
21 Canada is not considered an expenditure of state transportation revenue.

22 (2) If the legislature enacts specific enabling legislation for the construction of
23 the Gordie Howe International Crossing or a renamed successor, subsection (1) does not
24 apply once the enabling legislation goes into effect.

25 Sec. 20-385. (1) The department shall submit monthly reports to the standard report
26 recipients, the speaker of the house of representatives, the house of representatives
27 minority leader, the senate majority leader, and the senate minority leader on all of the
28 following:

29 (a) All expenditures made by this state related to the Gordie Howe Bridge.

30 (b) All reimbursements made by Canada under section 384(1) of this part to this state
31 for expenditures for staff resources used in connection with project activities.

32 (c) All eminent domain and condemnation powers used, the related real estate involved

1 in any governmental taking, the price paid for those properties, and the beneficiary's name
2 or associated corporation.

3 (2) The department shall submit the initial report required under subsection (1) on
4 or before December 1. The initial report must cover the prior fiscal year.

5 Sec. 20-395. From the funds appropriated in part 1 for state trunkline federal aid
6 road and bridge construction, the department may expend up to \$10,000,000.00 on highway
7 maintenance activities to support safety-related, high-priority, and other deferred routine
8 maintenance needs on the state trunkline network.

9 Sec. 20-398. The department shall continue to work to eliminate fatalities and
10 serious injuries on the state trunkline network and shall maintain the Toward Zero Deaths
11 statewide safety campaign.

12

13 **MICHIGAN TRANSPORTATION FUND**

14 Sec. 20-501. The money received under the motor carrier act, 1933 PA 254, MCL 475.1
15 to 479.42, and not appropriated to the department of licensing and regulatory affairs or
16 the department of state police is deposited in the Michigan transportation fund.

17 Sec. 20-503. (1) At the close of the fiscal year, funds appropriated in part 1 for
18 the transportation economic development program shall lapse to the transportation economic
19 development fund.

20 (2) At the close of the fiscal year, funds appropriated in part 1 for the local
21 bridge program shall carry forward and are appropriated for the purposes defined in section
22 10(5) of 1951 PA 51, MCL 247.660.

23 (3) Interest earned in the transportation economic development fund and local bridge
24 fund shall remain in the respective funds and shall be allocated to the respective programs
25 based on actual interest earned at the end of each fiscal year.

26 (4) In addition to the funds appropriated in part 1, the transportation economic
27 development fund and local bridge fund may receive federal, local, or private funds or
28 restricted source funds such as interest earnings. These funds are appropriated for
29 projects that are consistent with the purposes of the respective funds.

30 (5) None of the funds statutorily dedicated to the transportation economic
31 development fund and local bridge fund shall be diverted to other projects.

32 Sec. 20-504. Funds from the Michigan transportation fund must be distributed to the

1 comprehensive transportation fund, the economic development fund, the recreation
2 improvement fund, and the state trunkline fund, in accordance with this part and part 1 and
3 part 711 of the natural resources and environmental protection act, 1994 PA 451, MCL
4 324.71101 to 324.71108, and may only be used as specified in this part and part 1, 1951 PA
5 51, MCL 247.651 to 247.675, and part 711 of the natural resources and environmental
6 protection act, 1994 PA 451, MCL 324.71101 to 324.71108.

7

8 **STATE TRUNKLINE FUND**

9 Sec. 20-604. At the close of the fiscal year, any unencumbered and unexpended balance
10 in the state trunkline fund remains in the state trunkline fund and carries forward and is
11 appropriated for federal aid road and bridge programs for projects contained in the annual
12 state transportation program.

13

14 **TRANSIT AND RAIL RELATED FUNDS**

15 Sec. 20-701. The department shall establish an intercity bus equipment and facility
16 fund as a subsidiary fund within the comprehensive transportation fund created under
17 section 10b of 1951 PA 51, MCL 247.660b. Proceeds received by this state from the sale of
18 state-owned intercity bus equipment must be credited to the intercity bus equipment and
19 facility fund for the purchase and repair of intercity bus equipment, as appropriated.
20 Security deposits not returned to a lessee of state-owned intercity bus equipment under
21 terms of the lease agreement must be credited to the intercity bus equipment and facility
22 fund for the repair of intercity bus equipment, as appropriated. Money received by the
23 department from lease payments for state-owned intercity bus equipment, and facility
24 maintenance charges under terms of leases of state-owned intercity facilities, must be
25 credited to the intercity bus equipment and facility fund for the purchase and repair of
26 intercity bus equipment or for the maintenance and rehabilitation of state-owned intercity
27 facilities, as appropriated. At the close of the fiscal year, any funds remaining in the
28 intercity bus equipment and facility fund remain in the fund and are carried forward into
29 the succeeding fiscal year.

30 Sec. 20-702. Money that is received by this state as repayment for loans made for
31 rail or water freight capital projects, and as a result of the sale of property or
32 equipment used or projected to be used for rail or water freight projects must be deposited

1 in the rail freight fund created by section 17 of the state transportation preservation act
2 of 1976, 1976 PA 295, MCL 474.67. At the close of the fiscal year, any funds remaining in
3 the rail freight fund remain in the fund and are carried forward into the succeeding fiscal
4 year.

5 Sec. 20-704. From the funds appropriated in part 1, the department shall prepare and
6 transmit a report that provides detail regarding the department's obligations for programs
7 funded under the appropriation in part 1 for rail operations and infrastructure. The report
8 shall include a breakdown of the appropriation by program, year-to-date obligations under
9 each program itemized by project, and an estimate of future obligations under each program
10 itemized by project for the remainder of the fiscal year. The report shall also include a
11 listing of all active rail related federal grants. The initial report shall be submitted to
12 the standard report recipients, on or before March 1. The department also shall update and
13 resubmit a final report on or before September 30.

14 Sec. 20-735. For the fiscal year ending September 30, the appropriation to a street
15 railway pursuant to section 10e(22) of 1951 PA 51, MCL 247.660e, is \$0.

16

17 **AERONAUTICS FUND**

18 Sec. 20-801. Except as otherwise provided in section 903 of this part for capital
19 outlay, at the close of the fiscal year, any unobligated and unexpended balance in the
20 state aeronautics fund created in the aeronautics code of the state of Michigan, 1945 PA
21 327, MCL 259.1 to 259.208, lapses to the state aeronautics fund and may be appropriated by
22 the legislature in the immediately succeeding fiscal year.

23

24 **CAPITAL OUTLAY**

25 Sec. 20-901. (1) From federal-state-local project appropriations contained in part 1
26 for the purpose of assisting political entities and subdivisions of this state in the
27 construction and improvement of publicly used airports and landing fields within this
28 state, the state transportation department may permit the award of contracts on behalf of
29 units of local government for the authorized locations not to exceed the indicated amounts,
30 of which the state allocated portion must not exceed the amount appropriated in part 1.

31 (2) Political entities and subdivisions shall provide not less than 5% of the cost of
32 any project under this section, unless a total nonfederal share less than 10% is otherwise

1 specified in federal law. State money must not be allocated until local money is allocated.
2 State money for any 1 project must not exceed 1/3 of the total appropriation in part 1 from
3 state funds for airport improvement programs.

4 (3) The Michigan aeronautics commission may take those steps necessary to match
5 federal money available for airport construction and improvement within this state and to
6 meet the matching requirements of the federal government. Whether acting alone or jointly
7 with another political subdivision or public agency or with this state, a political
8 subdivision or public agency of this state shall not submit to any agency of the federal
9 government a project application for airport planning or development unless it is
10 authorized in this part and part 1 and the project application is approved by the governing
11 body of each political subdivision or public agency making the application and by the
12 Michigan aeronautics commission.

13 Sec. 20-903. The appropriations in part 1 for capital outlay are carried forward at
14 the end of the fiscal year consistent with the provisions of section 248 of the management
15 and budget act, 1984 PA 431, MCL 18.1248.

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Article 21

DEPARTMENT OF TREASURY

PART 1

LINE-ITEM APPROPRIATIONS AND ANTICIPATED APPROPRIATIONS

Sec. 21-101. Subject to the conditions set forth in this article, the amounts listed in this part for the department of treasury are appropriated for the fiscal year ending September 30, 2026, and are anticipated to be appropriated for the fiscal year ending September 30, 2027, from the funds indicated in this part. The following is a summary of the appropriations and anticipated appropriations in this part:

1	DEPARTMENT OF TREASURY		
2	APPROPRIATION SUMMARY		
3	Full-time equated unclassified positions.....	10.0	10.0
4	Full-time equated classified positions.....	2,030.5	2,030.5
5	GROSS APPROPRIATION	\$ 2,789,852,400	\$ 2,788,356,300
6	Total interdepartmental grants and intradepartmental		
7	transfers	11,815,100	11,815,100
8	ADJUSTED GROSS APPROPRIATION	\$ 2,778,037,300	\$ 2,776,541,200
9	Total federal revenues	25,254,000	25,254,000
10	Total local revenues	15,491,600	15,491,600
11	Total private revenues	3,040,300	40,300
12	Total other state restricted revenues	2,411,439,600	2,438,693,500
13	State general fund/general purpose	\$ 322,811,800	\$ 297,061,800
14	<i>State general fund/general purpose schedule:</i>		
15	<i>Ongoing state general fund/general purpose</i>	297,061,800	297,061,800
16	<i>One-time state general fund/general purpose</i>	25,750,000	0
17	Sec. 21-102. DEPARTMENTAL ADMINISTRATION AND SUPPORT		
18	Full-time equated unclassified positions.....	10.0	10.0
19	Full-time equated classified positions.....	473.5	473.5
20	Unclassified salaries-10.0 FTE positions	\$ 1,311,100	\$ 1,311,100
21	Bureau of accounting and financial services-80.0 FTE		
22	positions	10,576,600	10,576,600
23	Bureau of operational excellence-25.0 FTE positions ..	4,056,900	4,056,900
24	Collections services bureau-190.0 FTE positions	29,067,700	29,067,700
25	Department services-64.0 FTE positions	7,697,000	7,697,000
26	Executive direction and operations-62.5 FTE positions	9,096,100	9,096,100
27	Office of security and data risk management-20.0 FTE		
28	positions	3,215,300	3,215,300
29	Property management	8,044,600	8,044,600
30	Unclaimed property-32.0 FTE positions	5,738,100	5,738,100
31	Worker's compensation	44,400	44,400
32	GROSS APPROPRIATION	\$ 78,847,800	\$ 78,847,800

	For Fiscal Year Ending Sept. 30, 2026	For Fiscal Year Ending Sept. 30, 2027	
1	Appropriated from:		
2	Interdepartmental grant revenues:		
3	IDG from department of health and human services	838,600	838,600
4	IDG from other restricted funding	6,705,900	6,705,900
5	Federal revenues:		
6	Other federal revenues	1,060,000	1,060,000
7	Special revenue funds:		
8	Local revenues	120,000	120,000
9	Other state restricted revenues	54,159,900	54,159,900
10	State general fund/general purpose	\$ 15,963,400	\$ 15,963,400
11	Sec. 21-103. LOCAL GOVERNMENT PROGRAMS		
12	Full-time equated classified positions.....	108.0	108.0
13	Flint settlement payment	\$ 35,000,000	\$ 35,000,000
14	Local finance-18.0 FTE positions	2,993,400	2,993,400
15	Michigan infrastructure council-5.0 FTE positions	3,866,000	3,866,000
16	Property tax assessor training-1.0 FTE position	1,111,600	1,111,600
17	Supervision of the general property tax law-84.0		
18	FTE positions	<u>18,586,800</u>	<u>18,586,800</u>
19	GROSS APPROPRIATION	\$ 61,557,800	\$ 61,557,800
20	Appropriated from:		
21	Interdepartmental grant revenues:		
22	IDG from department of transportation	254,700	254,700
23	Special revenue funds:		
24	Local revenues	1,875,100	1,875,100
25	Other state restricted revenues	4,740,500	4,740,500
26	State general fund/general purpose	\$ 54,687,500	\$ 54,687,500
27	Sec. 21-104. TAX PROGRAMS		
28	Full-time equated classified positions.....	783.0	783.0
29	Bottle act implementation	\$ 250,000	\$ 250,000
30	Home heating assistance	3,131,400	3,131,400
31	Insurance provider assessment program-10.0 FTE		
32	positions	2,242,600	2,242,600

	For Fiscal Year Ending Sept. 30, 2026	For Fiscal Year Ending Sept. 30, 2027	
1	Living donor tax credit	750,000	750,000
2	Office of revenue and tax analysis-25.0 FTE positions	4,881,200	4,881,200
3	Tax and economic policy-73.0 FTE positions	14,097,800	14,097,800
4	Tax compliance-314.0 FTE positions	47,473,900	47,473,900
5	Tax processing-340.0 FTE positions	43,882,200	43,882,200
6	Tobacco tax enforcement-21.0 FTE positions	<u>3,136,800</u>	<u>3,136,800</u>
7	GROSS APPROPRIATION	\$ 119,845,900	\$ 119,845,900
8	Appropriated from:		
9	Interdepartmental grant revenues:		
10	IDG from department of transportation	2,966,300	2,966,300
11	Federal revenues:		
12	Other federal revenues	3,131,400	3,131,400
13	Special revenue funds:		
14	Other state restricted revenues	87,141,200	87,141,200
15	State general fund/general purpose	\$ 26,607,000	\$ 26,607,000
16	Sec. 21-105. FINANCIAL PROGRAMS		
17	Full-time equated classified positions.....	140.0	140.0
18	Investments-81.0 FTE positions	\$ 22,858,500	\$ 22,858,500
19	State and authority finance-20.0 FTE positions	4,779,500	4,779,500
20	Student financial assistance programs-39.0 FTE		
21	positions	<u>25,472,400</u>	<u>25,472,400</u>
22	GROSS APPROPRIATION	\$ 53,110,400	\$ 53,110,400
23	Appropriated from:		
24	Interdepartmental grant revenues:		
25	IDG from other restricted funding	215,200	215,200
26	Federal revenues:		
27	Other federal revenues	20,472,400	20,472,400
28	Special revenue funds:		
29	Other state restricted revenues	26,875,400	26,875,400
30	State general fund/general purpose	\$ 5,547,400	\$ 5,547,400
31	Sec. 21-106. DEBT SERVICE		
32	Clean Michigan initiative	\$ 24,203,000	\$ 24,203,000

	For Fiscal Year Ending Sept. 30, 2026	For Fiscal Year Ending Sept. 30, 2027
1 Great Lakes water quality bond	67,560,000	67,560,000
2 Quality of life bond	<u>3,118,000</u>	<u>3,118,000</u>
3 GROSS APPROPRIATION	\$ 94,881,000	\$ 94,881,000
4 Appropriated from:		
5 Special revenue funds:		
6 State general fund/general purpose	\$ 94,881,000	\$ 94,881,000
7 Sec. 21-107. GRANTS		
8 Convention facility development distribution	\$ 128,730,700	\$ 128,730,700
9 Election administration support fund	20,255,500	20,255,500
10 Emergency 911 payments	49,118,600	49,118,600
11 Health and safety fund grants	1,220,900	1,220,900
12 Qualified heavy equipment rental personal property		
13 exemption reimbursement distribution	4,500,000	4,500,000
14 Recreational marihuana grants	105,600,000	108,930,000
15 Senior citizen cooperative housing tax exemption		
16 program	12,125,100	12,125,100
17 Wrongful imprisonment compensation fund	<u>10,000,000</u>	<u>10,000,000</u>
18 GROSS APPROPRIATION	\$ 331,550,800	\$ 334,880,800
19 Appropriated from:		
20 Special revenue funds:		
21 Other state restricted revenues	289,170,200	292,500,200
22 State general fund/general purpose	\$ 42,380,600	\$ 42,380,600
23 Sec. 21-108. BUREAU OF STATE LOTTERY		
24 Full-time equated classified positions.....	216.0	216.0
25 Lottery information technology services and projects .	\$ 5,027,800	\$ 5,027,800
26 Lottery operations-216.0 FTE positions	<u>37,974,700</u>	<u>37,974,700</u>
27 GROSS APPROPRIATION	\$ 43,002,500	\$ 43,002,500
28 Appropriated from:		
29 Special revenue funds:		
30 Other state restricted revenues	43,002,500	43,002,500
31 State general fund/general purpose	\$ 0	\$ 0
32 Sec. 21-109. MICHIGAN GAMING CONTROL BOARD		

	For Fiscal Year Ending Sept. 30, 2026	For Fiscal Year Ending Sept. 30, 2027
1 Full-time equated classified positions.....	229.0	229.0
2 Casino gaming control operations-199.0 FTE positions .	\$ 42,660,500	\$ 42,660,500
3 Gaming control information technology services and		
4 projects	5,370,000	5,370,000
5 Horse racing-10.0 FTE positions	2,160,100	2,160,100
6 Michigan gaming control board	113,600	113,600
7 Millionaire party regulation-20.0 FTE positions	<u>3,258,500</u>	<u>3,258,500</u>
8 GROSS APPROPRIATION	\$ 53,562,700	\$ 53,562,700
9 Appropriated from:		
10 Special revenue funds:		
11 Other state restricted revenues	53,562,700	53,562,700
12 State general fund/general purpose	\$ 0	\$ 0
13 Sec. 21-110. PAYMENTS IN LIEU OF TAXES		
14 Commercial forest reserve	\$ 3,603,900	\$ 3,603,900
15 Purchased lands	12,910,600	12,910,600
16 Swamp and tax reverted lands	<u>21,798,000</u>	<u>21,798,000</u>
17 GROSS APPROPRIATION	\$ 38,312,500	\$ 38,312,500
18 Appropriated from:		
19 Special revenue funds:		
20 Private revenues	40,300	40,300
21 Other state restricted revenues	8,044,300	8,044,300
22 State general fund/general purpose	\$ 30,227,900	\$ 30,227,900
23 Sec. 21-111. REVENUE SHARING		
24 City, village, and township local tax equalization		
25 payments	\$ 34,420,900	\$ 34,420,900
26 City, village, and township revenue sharing	311,091,500	311,091,500
27 Constitutional state general revenue sharing grants ..	1,099,028,400	1,122,952,300
28 County local tax equalization payments	30,041,700	30,041,700
29 County revenue sharing	271,512,500	271,512,500
30 Financially distressed cities, villages, or townships	2,500,000	2,500,000
31 Public safety and violence prevention	<u>75,000,000</u>	<u>75,000,000</u>
32 GROSS APPROPRIATION	\$ 1,823,595,000	\$ 1,847,518,900

	For Fiscal Year Ending Sept. 30, 2026	For Fiscal Year Ending Sept. 30, 2027
1	Appropriated from:	
2	Special revenue funds:	
3	Sales tax	1,823,595,000 1,847,518,900
4	State general fund/general purpose	\$ 0 \$ 0
5	Sec. 21-112. STATE BUILDING AUTHORITY	
6	Full-time equated classified positions.....	4.0 4.0
7	State building authority-4.0 FTE positions	\$ <u>1,026,200</u> \$ <u>1,026,200</u>
8	GROSS APPROPRIATION	\$ 1,026,200 \$ 1,026,200
9	Appropriated from:	
10	Special revenue funds:	
11	Other state restricted revenues	1,026,200 1,026,200
12	State general fund/general purpose	\$ 0 \$ 0
13	Sec. 21-113. CITY INCOME TAX ADMINISTRATION PROGRAM	
14	Full-time equated classified positions.....	77.0 77.0
15	City income tax administration program-77.0 FTE	
16	positions	\$ <u>11,222,000</u> \$ <u>11,222,000</u>
17	GROSS APPROPRIATION	\$ 11,222,000 \$ 11,222,000
18	Appropriated from:	
19	Special revenue funds:	
20	Local revenues	11,222,000 11,222,000
21	State general fund/general purpose	\$ 0 \$ 0
22	Sec. 21-114. INFORMATION TECHNOLOGY	
23	Treasury operations information technology services	
24	and projects	\$ <u>50,587,800</u> \$ <u>50,587,800</u>
25	GROSS APPROPRIATION	\$ 50,587,800 \$ 50,587,800
26	Appropriated from:	
27	Interdepartmental grant revenues:	
28	IDG from department of transportation	834,400 834,400
29	Federal revenues:	
30	Other federal revenues	590,200 590,200
31	Special revenue funds:	
32	Local revenues	2,274,500 2,274,500

	For Fiscal Year Ending Sept. 30, 2026	For Fiscal Year Ending Sept. 30, 2027
1 Other state restricted revenues	20,121,700	20,121,700
2 State general fund/general purpose	\$ 26,767,000	\$ 26,767,000
3 Sec. 21-115. ONE-TIME APPROPRIATIONS		
4 Hazardous arc wire removal project	\$ 25,000,000	\$ 0
5 MI financial empowerment	3,000,000	0
6 Predictive analytics implementation	<u>750,000</u>	<u>0</u>
7 GROSS APPROPRIATION	\$ 28,750,000	\$ 0
8 Appropriated from:		
9 Special revenue funds:		
10 Private revenues	3,000,000	0
11 State general fund/general purpose	\$ 25,750,000	\$ 0

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FISCAL YEAR 2026

GENERAL SECTIONS

Sec. 21-201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state sources under part 1 for the fiscal year 2026 is \$2,734,251,400.00 and state spending from state sources to be paid to local units of government for fiscal year 2026 is \$2,203,202,800.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF TREASURY

24 Convention facility development distribution.....	\$	128,730,700
25 Emergency 911 payments.....		49,118,600
26 Health and safety fund grants.....		1,220,900
27 Recreational marihuana grants.....		105,600,000
28 Senior citizen cooperative housing tax exemption program.....		12,125,100
29 Commercial forest reserve.....		3,603,900
30 Purchased lands.....		12,910,600
31 Swamp and tax reverted lands.....		21,798,000
32 City, village, and township local tax equalization payments.....		34,420,900

1	City, village, and township revenue sharing.....	311,091,500
2	Constitutional state general revenue sharing grants.....	1,099,028,400
3	County local tax equalization payments.....	30,041,700
4	County revenue sharing.....	271,512,500
5	Financially distressed cities, villages, or townships.....	2,500,000
6	Public safety and violence prevention.....	73,500,000
7	Airport parking distribution.....	<u>46,000,000</u>
8	TOTAL	\$ 2,203,202,800

9 Sec. 21-202. The appropriations under this part and part 1 are subject to the
10 management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

11 Sec. 21-203. As used in this article:

- 12 (a) "Department" means the department of treasury.
- 13 (b) "Director" means the director of the department.
- 14 (c) "FTE" means full-time equated.
- 15 (d) "IDG" means interdepartmental grant.
- 16 (e) "JCOS" means the joint capital outlay subcommittee.
- 17 (f) "MDHHS" means the Michigan department of health and human services.
- 18 (g) "MDSP" means the Michigan department of state police.
- 19 (h) "MEGA" means the Michigan economic growth authority.
- 20 (i) "MFA" means the Michigan finance authority.
- 21 (j) "MSF" means the Michigan strategic fund.
- 22 (k) "Standard report recipients" means the senate and house appropriations
23 subcommittees on the department, the senate and house fiscal agencies, the senate and house
24 policy offices, and the state budget office.

25 Sec. 21-204. A department or agency shall use the internet to fulfill the reporting
26 requirements of this part. This requirement includes transmitting reports to the standard
27 report recipients and any other required recipients by email and posting the reports on an
28 internet site.

29 Sec. 21-205. To the extent permissible under section 261 of the management and budget
30 act, 1984 PA 431, MCL 18.1261, all of the following apply to the expenditure of funds
31 appropriated in part 1:

- 32 (a) The funds must not be used for the purchase of foreign goods or services, or

1 both, if competitively priced and of comparable quality American goods or services, or
2 both, are available.

3 (b) Preference must be given to goods or services, or both, manufactured or provided
4 by Michigan businesses, if they are competitively priced and of comparable quality.

5 (c) Preference must be given to goods or services, or both, that are manufactured or
6 provided by Michigan businesses owned and operated by veterans, if they are competitively
7 priced and of comparable quality.

8 Sec. 21-207. Consistent with section 217 of the management and budget act, 1984 PA
9 431, MCL 18.1217, each department and agency receiving appropriations in part 1 shall
10 prepare a report on out of state travel expenses not later than January 1. The report must
11 list all travel by classified and unclassified employees outside this state in the previous
12 fiscal year that was funded in whole or in part with funds appropriated in the department's
13 or agency's budget. The department or agency shall submit the report to the standard report
14 recipients and to the house of representatives and senate appropriations committees. The
15 report must include all of the following information:

16 (a) The dates of each travel occurrence.

17 (b) The total transportation and related expenses of each travel occurrence and the
18 proportions funded with state general fund/general purpose revenues, state restricted
19 revenues, federal revenues, and other revenues.

20 Sec. 21-208. A principal executive department, state agency, or authority shall not
21 use funds appropriated in part 1 to hire a person to provide legal services that are the
22 responsibility of the attorney general. This section does not apply to legal services for
23 bonding activities or to outside legal services that the attorney general authorizes.

24 Sec. 21-209. Not later than December 15, the state budget office shall prepare and
25 submit a report that provides for estimates of the total general fund/general purpose
26 appropriation lapses at the close of the previous fiscal year. The report must summarize
27 the projected year-end general fund/general purpose appropriation lapses by major
28 departmental program or program areas. The state budget office shall submit the report to
29 the standard report recipients and the chairpersons of the senate and house of
30 representatives appropriations committees.

31 Sec. 21-210. (1) In addition to the funds appropriated in part 1, there is
32 appropriated an amount not to exceed \$1,000,000.00 for federal contingency funds. These

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

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

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

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

16 Sec. 21-211. A department or agency shall cooperate with the department of
17 technology, management and budget to maintain a searchable website accessible by the public
18 at no cost that includes, but is not limited to, all of the following for each department
19 or agency:

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

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

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

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

25 (e) Job specifications and wage rates.

26 Sec. 21-214. To the extent permissible under the management and budget act, 1984 PA
27 431, MCL 18.1101 to 18.1594, the director of each department or agency receiving
28 appropriations in part 1 shall take all reasonable steps to ensure geographically
29 disadvantaged business enterprises compete for and perform contracts to provide services or
30 supplies, or both. Each director shall strongly encourage firms with which the department
31 or agency contracts to subcontract with certified geographically disadvantaged business
32 enterprises for services, supplies, or both. As used in this section, "geographically-

1 disadvantaged" business enterprises means that term as defined in Executive Directive No.
2 2023-1.

3 Sec. 21-215. On a quarterly basis, a department or agency receiving appropriations in
4 part 1 shall report on the number of FTEs in pay status by type of staff and civil service
5 classification, including comparison by line item of the number of FTEs authorized from
6 funds appropriated in part 1 to the actual number of FTE positions employed by the
7 department or agency at the end of the reporting period. The report must be submitted to
8 the senate and house appropriations committees and to the standard report recipients.

9 Sec. 21-221. (1) Funds appropriated in part 1 must not be used to restrict or impede
10 a marginalized community's access to government resources, programs, or facilities.

11 (2) From the funds appropriated in part 1, local governments shall report any action
12 or policy that attempts to restrict or interfere with the duties of a local health officer.
13

14 **DEPARTMENT OF TREASURY OPERATIONS**

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

22 (2) In addition to the amount appropriated to the department for debt service in part
23 1, there is appropriated an amount for fiscal year cash-flow borrowing costs to pay for
24 interest on interfund borrowing authorized under 1967 PA 55, MCL 12.51 to 12.53.

25 (3) In addition to the amount appropriated to the department for debt service in part
26 1, all repayments received by this state on loans made from the school bond loan fund that
27 the state treasurer determines are not required to be deposited in the school loan
28 revolving fund under section 4 of 1961 PA 112, MCL 388.984, are appropriated to the
29 department for the payment of debt service, including, but not limited to, optional and
30 mandatory redemptions, on bonds, notes, or commercial paper issued by this state under 1961
31 PA 112, MCL 388.981 to 388.985.

32 Sec. 21-902b. As a condition of receiving the appropriations in part 1, not later

1 than 30 days after the state of Michigan annual comprehensive financial report under
2 section 494 of the management and budget act, 1984 PA 431, MCL 18.1494, is published, the
3 department shall submit a report to the standard report recipients on all funds that are
4 controlled or administered by the department and not appropriated in part 1. The current
5 and all previous reports prepared as required under this section must be saved and made
6 available on the department's public website and stored in a common location with all other
7 reports that the department is required by law to prepare. The link to the location of the
8 reports must be clearly indicated on the main page of the department's internet website.
9 The report must include all of the following information for each fund for the immediately
10 preceding fiscal year:

- 11 (a) The starting balance.
- 12 (b) Total revenue generated by transfers in and investments.
- 13 (c) Total expenditures.
- 14 (d) The ending balance.

15 Sec. 21-903. (1) From the funds appropriated in part 1, the department may contract
16 with law firms or private collection agencies to collect taxes and other accounts due this
17 state or due a city for which the department has entered into an agreement to provide tax
18 administration services. In addition to the amounts appropriated in part 1 to the
19 department, there are appropriated amounts necessary to fund the cost of these collections,
20 including infrastructure costs. The additional amounts appropriated under this subsection
21 must not exceed 25% of the collections or 2.5% plus operating costs, as applicable. Each
22 contract must prescribe the applicable amount. The amounts appropriated to fund collection
23 costs and fees under this subsection are appropriated from the fund or account to which the
24 corresponding taxes and other accounts being collected are recorded or dedicated. However,
25 if the taxes and other accounts collected are dedicated for a specific purpose under the
26 state constitution of 1963, the amounts appropriated under this subsection are appropriated
27 from the general purpose account of the general fund.

28 (2) From the funds appropriated in part 1, the department may contract with law firms
29 or private collections agencies to collect defaulted student loans and other accounts due
30 the Michigan guaranty agency. In addition to the amounts appropriated in part 1 to the
31 department, there are appropriated amounts necessary to fund collection costs and fees not
32 to exceed 24.34% of the collection or a lesser amount as prescribed by the contract. The

1 amounts appropriated under this subsection are appropriated from the fund or account to
2 which the revenues being collected are recorded or dedicated.

3 (3) By November 30, the department shall submit a report to the standard report
4 recipients and the senate and house of representatives standing committees on
5 appropriations. The report must include all of the following information for the
6 immediately preceding fiscal year:

7 (a) The name of each law firm and each private collection agency that the department
8 contracted with under subsection (1) or (2).

9 (b) The amount collected under each contract.

10 (c) The costs of collection under each contract.

11 (d) Any other information that is pertinent to determining whether the authority
12 described in subsection (1) or (2) should be continued.

13 Sec. 21-904. (1) The bureau of investments of the department may charge an investment
14 service fee against the applicable retirement funds. The revenue from the investment
15 service fees charged under this subsection may be expended for necessary salaries, wages,
16 contractual services, supplies, materials, equipment, travel, worker's compensation
17 insurance premiums, and grants to the civil service commission retirement fund and the
18 state employees' retirement fund. If the bureau of investments of the department charges a
19 total amount of investment service fees under this subsection that is greater than the
20 aggregate amount appropriated in part 1, the bureau of investments of the department shall
21 periodically repay the surplus revenue to the applicable retirement funds. The department
22 shall maintain accounting records in sufficient detail to enable repayment under this
23 subsection.

24 (2) In addition to the funds appropriated in part 1 from the retirement funds to the
25 department, there is appropriated from retirement funds an amount sufficient to pay for the
26 services of money managers, investment advisors, investment consultants, custodians, or
27 other outside professionals that the state treasurer considers necessary to prudently
28 manage the retirement funds' investment portfolios. The state treasurer shall submit an
29 annual report to the standard report recipients and the senate and house of representatives
30 standing committees on appropriations regarding the performance of each portfolio
31 delineated by investment advisor.

32 (3) Not later than November 30, the department shall submit a report to the standard

1 report recipients that identifies the service fees assessed against each retirement system
2 under subsection (1) and the methodology used for assessment.

3 Sec. 21-904a. 1) There is appropriated an amount sufficient to recognize and pay
4 expenditures for financial services provided by financial institutions or equivalent
5 vendors that perform these financial services, including the department, as provided under
6 section 1 of 1861 PA 111, MCL 21.181.

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

12 Sec. 21-905. The municipal finance fee fund is created in the department as a
13 revolving fund. The department shall deposit the fees that the department collects under
14 the revised municipal finance act, 2001 PA 34, MCL 141.2101 to 141.2821, into the municipal
15 finance fee fund. The money in the fund at the end of the fiscal year may be carried
16 forward for future appropriation.

17 Sec. 21-906. (1) The department shall charge for audits as allowed under state or
18 federal law or under a contract between the department and a local unit of government,
19 other principal executive department, or state agency. However, the department shall not
20 charge more than the actual cost for performing the audit. Not later than November 30, the
21 department shall submit a report to the standard report recipients that includes details of
22 the audits performed and audit charges for the immediately preceding fiscal year.

23 (2) The audit charges fund is created in the department as a revolving fund. The
24 department shall deposit the contractual charges collected under subsection (1) into the
25 audit charges fund. The money in the fund at the end of the fiscal year may be carried
26 forward for future appropriation.

27 Sec. 21-907. (1) The department shall create and operate a property assessor
28 certification and training program. The purpose of the program is to offer courses in
29 assessment administration.

30 (2) The assessor certification and training fund is created in the department as a
31 revolving fund. The department shall use the money in the assessor certification and
32 training fund to create and operate the property assessor certification and training

1 program described in subsection (1).

2 (3) Each participant in the program shall pay to the department an examination fee
3 not to exceed \$50.00 per examination and a certification fee not to exceed \$175.00. In
4 addition, each participant shall pay a fee to cover the expenses incurred in offering the
5 program to certified assessing personnel and other individuals interested in an assessment
6 career opportunity. The department shall deposit the fees collected under this subsection
7 into the property assessor certification and training program fund.

8 Sec. 21-908. The amount appropriated in part 1 for the home heating assistance
9 program is to cover the costs, including data processing, of administering federal home
10 heating credits to eligible claimants and of administering the supplemental fuel cost
11 payment program for eligible tax credit and welfare recipients.

12 Sec. 21-909. Revenue from the airport parking tax act, 1987 PA 248, MCL 207.371 to
13 207.383, is appropriated and must be distributed in accordance with section 7a of the
14 airport parking tax act, 1987 PA 248, MCL 207.377a.

15 Sec. 21-910. The disbursement by the department from the bottle deposit fund to
16 dealers as required by section 3c(3) of 1976 IL 1, MCL 445.573c, is appropriated.

17 Sec. 21-911. (1) There is appropriated an amount sufficient to recognize and pay
18 refundable tax credits, tax refunds, and interest as provided by law.

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

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

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

26 (b) A fee of \$6.00 at the time any other writ of garnishment is served on the state
27 treasurer. However, the fee must be reduced to \$5.00 for each writ of garnishment for
28 individual income tax refunds or credits that is filed electronically.

29 Sec. 21-913. (1) The department may contract with private firms to appraise and, if
30 necessary, appeal the assessments of senior citizen cooperative housing units. Payment for
31 this service must be made from the savings that result from the appraisal or appeal process
32 being conducted by private firms.

1 (2) The department may use a portion of the funds appropriated in part 1 for the
2 senior citizen cooperative housing tax exemption program for an audit of the program. The
3 department shall submit copies of any completed audit report to the standard report
4 recipients. The department may use not more than 1% of the funds for administering and
5 auditing the program.

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

9 Sec. 21-915. As required under section 61 of the Michigan campaign finance act, 1976
10 PA 388, MCL 169.261, there is appropriated from the general fund to the state campaign fund
11 an amount equal to the amounts designated for the 2024 tax year. Except as otherwise
12 provided in this section, the amount appropriated does not revert to the general fund and
13 remains in the state campaign fund. Any amount that remains in the state campaign fund in
14 excess of \$10,000,000.00 on December 31 reverts to the general fund.

15 Sec. 21-916. (1) The department may make available to an interested entity a
16 customized list of otherwise unavailable nonconfidential information regarding unclaimed
17 property that is in the department's possession. The department shall charge for this
18 information as follows:

19 (a) For 1 to 100,000 records, 2.5 cents per record.

20 (b) For 100,001 or more records, 0.5 cents per record.

21 (2) The revenue received under subsection (1) must be deposited in the revenue
22 account or fund that is associated with the applicable unclaimed property.

23 (3) Not later than June 1, the department shall submit a report to the standard
24 report recipients and the senate and house of representatives standing committees on
25 appropriations that states the amount of revenue received from the sale of the information
26 under this section.

27 Sec. 21-917. (1) There is appropriated for write-offs and advances an amount equal to
28 total write-offs and advances for departmental programs. The amount appropriated under this
29 subsection must not exceed current year authorizations that would otherwise lapse to the
30 general fund.

31 (2) Not later than November 30, the department shall submit a report to the standard
32 report recipients. The report must include all of the following information for the

1 immediately preceding fiscal year:

2 (a) The amounts appropriated for write-offs and advances under subsection (1).

3 (b) An explanation for each write-off or advance under subsection (1).

4 Sec. 21-919. (1) From funds appropriated in part 1, the department may contract with
5 private auditing firms to audit for and collect unclaimed property due this state in
6 accordance with the uniform unclaimed property act, 1995 PA 29, MCL 567.221 to 567.265. In
7 addition to the amounts appropriated in part 1 to the department, there are appropriated
8 amounts necessary to fund auditing and collection costs and fees not to exceed 12% of the
9 collections or a lesser amount as prescribed by the applicable contract. The appropriation
10 to fund collection costs and fees for the auditing and collection of unclaimed property due
11 this state is from the fund or account to which the revenues being collected are recorded
12 or dedicated.

13 (2) Not later than November 30, the department shall submit a report to the standard
14 report recipients and the senate and house of representatives standing committees on
15 appropriations. The report must include all of the following information for the
16 immediately preceding fiscal year:

17 (a) The name of each auditing firm that the department contracted with under
18 subsection (1).

19 (b) The amount collected by each of the auditing firms.

20 (c) The costs of collection.

21 (d) Any other information that is pertinent to determining whether the authority
22 under subsection (1) should be continued.

23 Sec. 21-920. Not later than June 30, from the funds appropriated in part 1, the
24 department shall do both of the following:

25 (a) Produce a list of all personal property tax reimbursement payments to be
26 distributed in the current fiscal year by the local community stabilization authority.

27 (b) Post the list produced under subdivision (a) on the department's public website.

28 Sec. 21-921. From the funds appropriated in part 1, the department shall, for each
29 revenue administrative bulletin, administrative rule that involves tax administration or
30 collection, and notice interpreting a change in law, submit a notification to every member
31 of the legislature. The department shall submit the notification not later than 3 days
32 after the department posts the notification. Each notification must include all of the

1 following:

2 (a) A summary of the proposed changes from current procedures.

3 (b) Identification of industries that will or might be affected by the bulletin,
4 rule, or notice.

5 (c) A statement of the potential fiscal implications of the bulletin, rule, or
6 notice. This subdivision does not apply to a bulletin, rule, or notice that is a routine
7 update of a tax or interest rate required by statute.

8 (d) A summary of the reason for the proposed change.

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

12 (2) Not later than December 31, the department shall submit a report to the standard
13 report recipients that includes the amount of exemptions denied and the revenue received
14 under the program described in subsection (1) for the immediately preceding fiscal year.

15 Sec. 21-927. The department shall submit a progress report regarding essential
16 service assessment audits to the standard report recipients. The report must include all of
17 the following:

18 (a) The number of audits.

19 (b) The revenue generated from the audits.

20 (c) The number of complaints received by the department related to the audits.

21 Sec. 21-928. The department may provide receipt, check and cash processing, data,
22 collection, investment, fiscal agent, levy and check cost assessment, writ of garnishment,
23 and other user services on a contractual basis for other principal executive departments
24 and state agencies. Funds for the services provided are appropriated and must be expended
25 for salaries, wages, fees, supplies, and equipment necessary to provide the services. Money
26 in the fund that is unobligated at the end of the fiscal year lapses to the general fund.

27 Sec. 21-930. (1) The department shall provide accounts receivable collections
28 services to other principal executive departments and state agencies in accordance with
29 1927 PA 375, MCL 14.131 to 14.134, or to a city with which the department has contracted to
30 provide tax administration services. The department shall deduct a fee equal to the cost of
31 collections from all receipts except for unrestricted general fund collections. Fees must
32 be credited to a restricted revenue account and are appropriated to the department to pay

1 for the cost of collections. If the department deducts fees under this subsection that
2 total an amount that is greater than the actual cost of the collections, the department
3 shall periodically repay the surplus to the respective account. The department shall
4 maintain accounting records in sufficient detail to enable repayment under this subsection.

5 (2) Not later than November 30, the department shall submit a report to the standard
6 report recipients that includes the following information regarding subsection (1) for the
7 immediately preceding fiscal year:

8 (a) The principal executive departments and state agencies served.

9 (b) The funds collected.

10 (c) The costs of collection.

11 Sec. 21-931. (1) Except as otherwise provided in this subsection, the appropriation
12 in part 1 to the department for treasury fees must be assessed against all restricted funds
13 that receive common cash earnings or other investment income. This subsection does not
14 apply to federal or state restricted funds that are temporary in nature or otherwise do not
15 qualify to be assessed treasury fees. The fee assessed against each restricted fund must be
16 based on the size of the restricted fund, calculated as the absolute value of the average
17 daily cash balance plus the market value of investments in the immediately preceding fiscal
18 year, and the level of resources necessary to maintain the restricted fund as required by
19 each department. Not later than November 30, the department shall submit a report to the
20 standard report recipients that identifies the fees assessed against each restricted fund
21 and the methodology used for the assessment.

22 (2) In addition to the funds appropriated in part 1, the department may receive and
23 expend investment fees that are related to new restricted funding sources that participate
24 in common cash earnings or other investment income during the current fiscal year.

25 (3) As used in this section, "treasury fees" includes all costs, including
26 administrative overhead, that are related to the investment of a restricted fund.

27 Sec. 21-932. The board of directors of the Michigan education trust may expend
28 revenue received under the Michigan education trust act, 1986 PA 316, MCL 390.1421 to
29 390.1442, for necessary salaries, wages, supplies, contractual services, equipment,
30 worker's compensation insurance premiums, and grants to the civil service commission
31 retirement fund and the state employees' retirement fund.

32 Sec. 21-934. The department may expend revenues received under the hospital finance

1 authority act, 1969 PA 38, MCL 331.31 to 331.84, the shared credit rating act, 1985 PA 227,
2 MCL 141.1051 to 141.1076, the higher education facilities authority act, 1969 PA 295, MCL
3 390.921 to 390.934, the Michigan public educational facilities authority, Executive
4 Reorganization Order No. 2002-3, MCL 12.192, the Michigan tobacco settlement finance
5 authority act, 2005 PA 226, MCL 129.261 to 129.279, the land bank fast track act, 2003 PA
6 258, MCL 124.751 to 124.774, part 505 of the natural resources and environmental protection
7 act, 1994 PA 451, MCL 324.50501 to 324.50522, the state housing development authority act
8 of 1966, 1966 PA 346, MCL 125.1401 to 125.1499c, and the MFA, Executive Reorganization
9 Order No. 2010-2, MCL 12.194, for necessary salaries, wages, supplies, contractual
10 services, equipment, worker's compensation insurance premiums, grants to the civil service
11 commission retirement fund and the state employees' retirement fund, and other expenses as
12 allowed under those acts or executive reorganization orders.

13 Sec. 21-936. Revenue collected in the state forensic laboratory fund is appropriated
14 and shall be distributed in accordance with section 7 of the forensic laboratory funding
15 act, 1994 PA 35, MCL 12.207.

16 Sec. 21-937. As a condition of receiving funds in part 1, not later than March 31,
17 the department shall submit a report to the standard report recipients and the senate and
18 house standing committees on appropriations regarding the department's collection efforts
19 relative to delinquent accounts. The report must include all of the following:

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

22 (b) The amount of delinquent accounts.

23 (c) The liquidation rates for declining delinquent accounts.

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

26 (e) The department's strategy to manage delinquent accounts when those accounts
27 exceed the collectible period.

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

30 Sec. 21-938. Revenue collected in the qualified heavy equipment rental personal
31 property exemption reimbursement fund is appropriated and must be distributed in accordance
32 with section 9 of the qualified heavy equipment rental personal property specific tax act,

1 2022 PA 35, MCL 211.1129.

2 Sec. 21-939. Revenue deposited in the local government reimbursement fund is
3 appropriated and must be distributed in accordance with section 3a of the Michigan trust
4 fund act, 2000 PA 489, MCL 12.253a.

5 Sec. 21-940. (1) The election administration support fund is created in the state
6 treasury.

7 (2) Any unexpended funds in the election administration support fund must be carried
8 forward and are available for expenditure under this section.

9 (3) Funds may be spent from the election administration support fund only on
10 appropriation, or legislative transfer pursuant to section 393(2) of the management and
11 budget act, 1984 PA 431, MCL 18.1393.

12 (4) The state treasurer may receive money or other assets from any source for deposit
13 in the election administration support fund. The state treasurer shall direct the
14 investment of the election administration support fund. The state treasurer shall credit to
15 the election administration support fund interest and earnings from the election
16 administration support fund.

17 (5) Funds in the election administration support fund at the close of the fiscal year
18 remain in the election administration support fund and do not lapse to the general fund.

19 (6) Funds appropriated in part 1 for election administration support fund must be
20 deposited in the election administration support fund.

21 Sec. 21-941. (1) Not later than November 1, from the funds appropriated in part 1,
22 the department, in conjunction with the MSF, shall submit a report to the standard report
23 recipients and the senate and house of representatives standing committees on
24 appropriations on the annual cost of the MEGA tax credits. The report must include, for
25 each year from 1995 to the expiration of the MEGA tax credit program, the board-approved
26 credit amount, adjusted for credit amendments if applicable, and the actual and projected
27 value of tax credits. For years for which credit claims are complete, the report must
28 include the total of actual certificated credit amounts. For years for which claims are
29 still pending or not yet submitted, the report must include a combination of actual credits
30 if available and projected credits. Credit projections must be based on updated estimates
31 of employees, wages, and benefits for eligible companies.

32 (2) In addition to the report under subsection (1), not later than November 1, the

1 department, in conjunction with the MSF, shall submit a report to the standard report
2 recipients and the senate and house of representatives standing committees on
3 appropriations on the annual cost of all other certificated credits by program for each
4 year until the credits expire or can no longer be collected. The report must include
5 estimates on the brownfield redevelopment credit, film credits, MEGA photovoltaic
6 technology credit, MEGA polycrystalline silicon manufacturing credit, MEGA vehicle battery
7 credit, and other certificated credits.

8 Sec. 21-944. From the funds appropriated in part 1, if the department hires a pension
9 plan consultant using any of the funds appropriated in part 1, the department shall do all
10 of the following:

11 (a) Retain each report provided to the department by that consultant.

12 (b) Notify the standard report recipients that the department has hired a pension
13 plan consultant, including the reason why the department hired the pension plan consultant.

14 (c) Make a report described in subdivision (a) available to a standard report
15 recipient if requested by the standard report recipient.

16 Sec. 21-945. From the funds appropriated in part 1, audits of local unit assessment
17 administration practices, procedures, and records must be conducted in each assessment
18 jurisdiction a minimum of 1 time every 5 years and in accordance with section 10g of the
19 general property tax act, 1893 PA 206, MCL 211.10g.

20 Sec. 21-946. Revenue collected in the convention facility development fund is
21 appropriated and must be distributed in accordance with sections 8, 9, and 10 of the state
22 convention facility development act, 1985 PA 106, MCL 207.628, 207.629, and 207.630.

23 Sec. 21-949. (1) From the funds appropriated in part 1, the department may contract
24 with private agencies to prevent the disbursement of fraudulent tax refunds. In addition to
25 the amounts appropriated in part 1 to the department, there are appropriated amounts
26 necessary to pay the costs of the contracts or to fund operations designed to reduce
27 fraudulent income tax refund payments. The additional amount appropriated under this
28 subsection must not be greater than \$2,000,000.00. The appropriation to fund fraud
29 prevention efforts under this subsection is from the fund or account to which the revenues
30 being collected are recorded or dedicated.

31 (2) Not later than November 30, the department shall submit a report to the standard
32 report recipients and the senate and house of representatives standing committees on

1 appropriations. The report must include all of the following for the immediately preceding
2 fiscal year:

3 (a) The number of refund claims denied because of the fraud prevention operations.

4 (b) The amount of refunds denied.

5 (c) The costs of the fraud prevention operations.

6 (d) Any other information that is pertinent to determining whether the authority
7 under subsection (1) should be continued.

8 Sec. 21-949a. From the funds appropriated in part 1 for city income tax
9 administration program, the department may expand its individual income tax administration
10 for any additional cities that enter into service-level agreements with the department for
11 this purpose. In addition to the funds appropriated in part 1, any additional local funds
12 received as part of the service-level agreements are appropriated to the department for
13 staffing and administration of the program.

14 Sec. 21-949b. Tax capture revenues collected in accordance with written agreements
15 under the good jobs for Michigan program and transferred from the general fund for deposit
16 into the good jobs for Michigan fund, including tax capture revenues collected for
17 calculated payments from the good jobs for Michigan fund to authorized businesses and
18 distributions to the MSF for administrative expenses, are appropriated in accordance with
19 chapter 8D of the Michigan strategic fund act, 1984 PA 270, MCL 125.2090g to 125.2090j.

20 Sec. 21-949c. From the funds appropriated in part 1, funds must be expended in
21 coordination with the department of agriculture and rural development to improve the timely
22 processing and issuance of tax credits from the Michigan's farmland and open space
23 preservation program created under section 36109 of the natural resources and environmental
24 protection act, 1994 PA 451, MCL 324.36109, for the Michigan's farmland and open space
25 preservation program under parts 361 and 362 of the natural resources and environmental
26 protection act, 1994 PA 451, MCL 324.36101 to 324.36116 and 324.36201 to 324.36207.

27 Sec. 21-949d. (1) From the funds appropriated in part 1 for financial review
28 commission, the department shall continue financial review commission efforts in the
29 current fiscal year. The purpose of the funding is to cover ongoing costs associated with
30 the operation of the commission.

31 (2) The department shall identify specific outcomes and performance measures for this
32 initiative, including, but not limited to, the department's ability to perform a critical

1 fiscal review to ensure the city of Detroit does not reenter distress following its exit
2 from bankruptcy and to ensure that the community district does not enter distress and
3 maintains a balanced budget.

4 (3) Not later than March 15, the department shall submit a report to the standard
5 report recipients that includes both of the following:

6 (a) A description of the specific outcomes and measures required in subsection (1).

7 (b) The results and data related to these outcomes and measures.

8 Sec. 21-949e. From the funds appropriated in part 1 for the state essential services
9 assessment program, the department shall administer the state essential services assessment
10 program. The purpose of the program is to provide a phased-in replacement of locally
11 collected personal property taxes on eligible manufacturing personal property. The program
12 must provide the department with the ability to collect the state essential services
13 assessment.

14 Sec. 21-949f. Revenue from the tobacco products tax act, 1993 PA 327, MCL 205.421 to
15 205.436, related to counties with a population of more than 2,000,000 according to the 2000
16 federal decennial census is appropriated and must be distributed in accordance with section
17 12(2)(e) of the tobacco products tax act, 1993 PA 327, MCL 205.432.

18 Sec. 21-949h. Revenue from part 6 of the medical marihuana facilities licensing act,
19 2016 PA 281, MCL 333.27601 to 333.27605, is appropriated and must be distributed in
20 accordance with part 6 of the medical marihuana facilities licensing act, 2016 PA 281, MCL
21 333.27601 to 333.27605.

22 Sec. 21-949i. Revenue from the Michigan Regulation and Taxation of Marihuana Act,
23 2018 IL 1, MCL 333.27951 to 333.27967, is appropriated and must be distributed in
24 accordance with the Michigan Regulation and Taxation of Marihuana Act, 2018 IL 1, MCL
25 333.27951 to 333.27967.

26 Sec. 21-949j. All funds in the wrongful imprisonment compensation fund created in the
27 wrongful imprisonment compensation act, 2016 PA 343, MCL 691.1751 to 691.1757, are
28 appropriated and available for expenditure. Expenditures are limited to support wrongful
29 imprisonment compensation payments under section 6 of the wrongful imprisonment
30 compensation act, 2016 PA 343, MCL 691.1756.

31 Sec. 21-949k. There is appropriated an amount equal to the tax captured revenues due
32 under approved transformational brownfield plans created under the brownfield redevelopment

1 financing act, 1996 PA 381, MCL 125.2651 to 125.2670.

2 Sec. 21-949m. From the funds appropriated in part 1, the Michigan infrastructure
3 council shall plan, conduct, and contract for asset management improvement activities,
4 including, but not limited to, any of the following:

5 (a) Infrastructure data collection activities.

6 (b) Asset manager training.

7 (c) Development of a 30-year asset management plan for this state.

8 (d) Assistance in asset management improvement projects, including maintaining an
9 asset management portal.

10 (e) Any other projects that promote improved asset management for infrastructure in
11 this state.

12 Sec. 21-949n. In addition to the funds appropriated in part 1, the money in the
13 fostering futures scholarship trust fund, including any money received as gifts or
14 donations to the fostering futures scholarship trust fund, is appropriated and the
15 department may issue payments in compliance with the fostering futures scholarship trust
16 fund act, 2008 PA 525, MCL 722.1021 to 722.1031.

17

18 **REVENUE SHARING**

19 Sec. 21-950. The department shall distribute the funds appropriated in part 1 for
20 constitutional revenue sharing to cities, villages, and townships, as required under
21 section 10 of article IX of the state constitution of 1963. Revenue collected in accordance
22 with section 10 of article IX of the state constitution of 1963 in excess of the amount
23 appropriated in part 1 for constitutional revenue sharing is appropriated for distribution
24 to cities, villages, and townships, on a population basis as required under section 10 of
25 article IX of the state constitution of 1963.

26 Sec. 21-951. (1) The funds appropriated in part 1 for city, village, and township
27 local tax equalization payments must be distributed as follows:

28 (a) 1/3 shall be distributed as taxable value payments as provided under subsection
29 (2).

30 (b) 1/3 must be distributed as unit type population payments as provided under
31 subsection (3).

32 (c) 1/3 must be distributed as yield equalization payments as provided under

1 subsection (4).

2 (2) A taxable value payment must be made to each city, village, and township,
3 determined as follows:

4 (a) Determine the per capita taxable value for each city, village, and township by
5 dividing the taxable value of that city, village, or township by the population of that
6 city, village, or township.

7 (b) Determine the statewide per capita taxable value by dividing the total taxable
8 value of all cities, villages, and townships by the total population of all cities,
9 villages, and townships.

10 (c) Determine the per capita taxable value ratio for each city, village, and township
11 by dividing the statewide per capita taxable value by the per capita taxable value for that
12 city, village, or township.

13 (d) Determine the adjusted taxable value population for each city, village, and
14 township by multiplying the per capita taxable value ratio as determined under subdivision
15 (c) for that city, village, or township by the population of that city, village, or
16 township.

17 (e) Determine the total statewide adjusted taxable value population, which is the sum
18 of all adjusted taxable value population for all cities, villages, and townships.

19 (f) Determine the taxable value payment rate by dividing the amount to be distributed
20 under this subsection by the total statewide adjusted taxable value population as
21 determined under subdivision (e).

22 (g) Determine the taxable value payment for each city, village, and township by
23 multiplying the result under subdivision (f) by the adjusted taxable value population for
24 that city, village, or township.

25 (3) A unit type population payment must be made to each city, village, and township,
26 determined as follows:

27 (a) Determine the unit type population weight factor for each city, village, and
28 township as follows:

29 (i) For a township with a population of 5,000 or less, 1.0.

30 (ii) For a township with a population of more than 5,000 but less than 10,001, 1.2.

31 (iii) Except as otherwise provided in subparagraph (xix), for a township with a
32 population of more than 10,000 but less than 20,001, 1.44.

- 1 (iv) For a township with a population of more than 20,000 but less than 40,001, 4.32.
- 2 (v) For a township with a population of more than 40,000 but less than 80,001, 5.18.
- 3 (vi) For a township with a population of more than 80,000, 6.22.
- 4 (vii) For a village with a population of 5,000 or less, 1.5.
- 5 (viii) For a village with a population of more than 5,000 but less than 10,001, 1.8.
- 6 (ix) For a village with a population of more than 10,000, 2.16.
- 7 (x) For a city with a population of 5,000 or less, 2.5.
- 8 (xi) For a city with a population of more than 5,000 but less than 10,001, 3.0.
- 9 (xii) For a city with a population of more than 10,000 but less than 20,001, 3.6.
- 10 (xiii) For a city with a population of more than 20,000 but less than 40,001, 4.32.
- 11 (xiv) For a city with a population of more than 40,000 but less than 80,001, 5.18.
- 12 (xv) For a city with a population of more than 80,000 but less than 160,001, 6.22.
- 13 (xvi) For a city with a population of more than 160,000 but less than 320,001, 7.46.
- 14 (xvii) For a city with a population of more than 320,000 but less than 640,001, 8.96.
- 15 (xviii) For a city with a population of more than 640,000, 10.75.
- 16 (xix) For a township that has a population of not less than 10,000 and provides
- 17 documentation to the department that the township provides for or makes available all of
- 18 the following, the unit type population weight factor for a city with the same population:
- 19 (A) Fire services.
- 20 (B) Police services on a 24-hour basis either through contracting for or directly
- 21 employing personnel.
- 22 (C) Water services to 50% or more of its residents.
- 23 (D) Sewer services to 50% or more of its residents.
- 24 (b) Determine the adjusted unit type population for each city, village, and township
- 25 by multiplying the unit type population weight factor for that city, village, or township
- 26 as determined under subdivision (a) by the population of the city, village, or township.
- 27 (c) Determine the total statewide adjusted unit type population, which is the sum of
- 28 the adjusted unit type population for all cities, villages, and townships.
- 29 (d) Determine the unit type population payment rate by dividing the amount to be
- 30 distributed under this subsection by the total statewide adjusted unit type population as
- 31 determined under subdivision (c).
- 32 (e) Determine the unit type population payment for each city, village, and township

1 by multiplying the result under subdivision (d) by the adjusted unit type population for
2 that city, village, or township.

3 (4) A yield equalization payment must be made to each city, village, and township in
4 an amount that is sufficient to provide the guaranteed tax base for a local tax effort, but
5 not to exceed 0.02. The payment must be determined as follows:

6 (a) The guaranteed tax base is the maximum combined state and local per capita
7 taxable value that can be guaranteed in a state fiscal year to each city, village, and
8 township for a local tax effort, not to exceed 0.02, if an amount equal to the amount
9 described in subsection (1)(c) is distributed to cities, villages, and townships whose per
10 capita taxable value is below the guaranteed tax base.

11 (b) The full yield equalization payment to each city, village, and township is the
12 product of the amounts determined under subparagraphs (i) and (ii):

13 (i) An amount greater than zero that is equal to the difference between the
14 guaranteed tax base determined in subdivision (a) and the per capita taxable value of the
15 city, village, or township.

16 (ii) The local tax effort of the city, village, or township, not to exceed 0.02,
17 multiplied by the population of that city, village, or township.

18 Sec. 21-952. (1) The funds appropriated in part 1 for city, village, and township
19 revenue sharing are for grants to cities, villages, and townships and must be distributed
20 as provided in this section.

21 (2) Each city, village, or township shall receive an amount equal to 104.0% of the
22 revenue sharing payment for which the city, village, or township received under [reference
23 to the equivalent of Sec. 952(2) in the FY25 supplemental, supplemental request 2025-1],
24 rounded to the nearest dollar.

25 (3) For purposes of this section, any city, village, or township that completely
26 merges with another city, village, or township must be treated as a single entity, so that
27 when determining the eligible city, village, and township revenue sharing payment under
28 [reference to the equivalent of Sec. 952(2) in the FY25 supplemental, supplemental request
29 2025-1] for the combined single entity, the city, village, and township revenue sharing
30 amount that each of the merging local units of government was eligible to receive under
31 [reference to the equivalent of Sec. 952(2) in the FY25 supplemental, supplemental request
32 2025-1] is summed.

1 Sec. 21-953. (1) From the amount appropriated in part 1 for county local tax
2 equalization payments, a taxable value payment must be made to each county, determined as
3 follows:

4 (a) Determine the per capita taxable value for each county by dividing the taxable
5 value of that county by the population of that county.

6 (b) Determine the statewide per capita taxable value by dividing the total taxable
7 value of all counties by the total population of all counties.

8 (c) Determine the per capita taxable value ratio for each county by dividing the
9 statewide per capita taxable value by the per capita taxable value for that county.

10 (d) Determine the adjusted taxable value population for each county by multiplying
11 the per capita taxable value ratio as determined under subdivision (c) for that county by
12 the population of that county.

13 (e) Determine the total statewide adjusted taxable value population, which is the sum
14 of all adjusted taxable value population for all counties.

15 (f) Determine the taxable value payment rate by dividing the amount to be distributed
16 under this subsection by the total statewide adjusted taxable value population as
17 determined under subdivision (e).

18 (g) Determine the taxable value payment for each county by multiplying the result
19 under subdivision (f) by the adjusted taxable value population for that county.

20 Sec. 21-954. (1) Cities, villages, and townships receiving a payment under section
21 21-952 and counties receiving a payment under section 21-955 shall receive 1/6 of their
22 total payment on the last business day of October, December, February, April, June, and
23 August. On the last business day of February 2026, cities, villages, and townships
24 receiving a payment under section 21-951 and counties receiving a payment under section 21-
25 953 shall receive 50% of the estimated payment to be received under section 21-951 or 21-
26 953, as applicable. On the last business day of June 2026, cities, villages, and townships
27 receiving a payment under section 21-951 and counties receiving a payment under 21-953
28 shall receive any remaining payment calculated under section 21-951 or 21-953, as
29 applicable.

30 (2) Payments distributed under section 21-951, 21-952, 21-953, or 21-955 may be
31 withheld in accordance with sections 17a and 21 of the Glenn Steil state revenue sharing
32 act of 1971, 1971 PA 140, MCL 141.917a and 141.921.

1 (3) If a city, village, or township that receives a payment under section 21-951 or
2 21-952 is determined to have a retirement pension benefit system in underfunded status
3 under section 5 of the protecting local government retirement and benefits act, 2017 PA
4 202, MCL 38.2805, the city, village, or township must allocate to its pension unfunded
5 liability an amount equal to 50% of the difference between its current year payment under
6 section 21-951 and 21-952 and the amount the city, village or township would have been
7 eligible to receive under [reference to the equivalent of Sec. 952 in the FY25
8 supplemental, supplemental request 2025-1], rounded to the nearest dollar. A city, village,
9 or township that has issued a municipal security under section 518 of the revised municipal
10 finance act, 2001 PA 34, MCL 141.2518, is exempt from this requirement.

11 (4) If a county that receives a payment under section 21-953 or 21-955 is determined
12 to have a retirement pension benefit system in underfunded status under section 5 of the
13 protecting local government retirement and benefits act, 2017 PA 202, MCL 38.2805, the
14 county must allocate to its pension unfunded liability an amount equal to 50% of the
15 difference between its current year payment under section 21-953 and 21-955 and the amount
16 the county would have been eligible to receive under [reference to the equivalent of Sec.
17 955 in the FY25 supplemental, supplemental request 2025-1], rounded to the nearest dollar.
18 A county that has issued a municipal security under section 518 of the revised municipal
19 finance act, 2001 PA 34, MCL 141.2518, is exempt from this requirement.

20 Sec. 21-955. (1) The funds appropriated in part 1 for county revenue sharing are for
21 grants to counties and must be distributed as provided in this section.

22 (2) Each county shall receive an amount equal to 104% of the revenue sharing payment
23 for which the county received under [reference to the equivalent of Sec. 955(2) in the FY25
24 supplemental, supplemental request 2025-1], rounded to the nearest dollar.

25 Sec. 21-956. (1) From the funds appropriated in part 1 for financially distressed
26 cities, villages, or townships, the department shall create and operate a grant program to
27 award grants to cities, villages, and townships that have 1 or more conditions that
28 indicate probable financial distress, as determined by the department. A city, village, or
29 township with 1 or more conditions that indicate probable financial distress may apply in a
30 manner determined by the department for a grant to pay for specific projects or services
31 that move the city, village, or township toward financial stability. Grants must be used
32 for specific projects or services that move the city, village, or township toward financial

1 stability. The city, village, or township must use the grants under this section to do 1 or
2 more of the following:

3 (a) Make payments to reduce unfunded accrued liability.

4 (b) Repair or replace critical infrastructure and equipment owned or maintained by
5 the city, village, or township.

6 (c) Reduce debt obligations.

7 (d) Pay for costs associated with a transition to shared services with another
8 jurisdiction.

9 (e) Administer other projects that move the city, village, or township toward
10 financial stability.

11 (2) The department shall award not more than \$2,000,000.00 to any city, village, or
12 township under this section.

13 (3) Not later than June 30, the department shall submit a report to the standard
14 report recipients that includes all of the following for each grant recipient.

15 (a) The name of the grant recipient.

16 (b) The date the grant was approved.

17 (c) The amount of the grant.

18 (d) A description of the project or projects that will be paid by the grant.

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

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

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

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

30 (d) The tentative completion date is September 30, 2030.

31 Sec. 21-957. A term that is defined in the Glenn Steil state revenue sharing act,
32 1971 PA 140, MCL 141.901 to 141.921, has the same meaning when used in sections 21-950 to

1 21-956.

2 Sec. 21-959. (1) The funds appropriated in part 1 for public safety and violence
3 prevention must be distributed no later than March 31, 2026 as follows:

4 (a) Six point five percent must be distributed to the department of health and human
5 services for grants to cities, villages, townships, tribal entities, and community
6 organizations for the purpose of advancing solutions to community violence. The funds
7 distributed in this subsection to the department of health and human services are
8 appropriated in the department of health and human services for the purpose of
9 administering these grants.

10 (b) Two percent shall be distributed to the crime victim's rights fund created under
11 section 4 of 1989 PA 196, MCL 780.904 and is appropriated in the department of health and
12 human services.

13 (c) Any remaining funds after (1) (a) and (1) (b) are deducted shall be distributed to
14 each city, village, or township in an amount equal to the product of each city's,
15 village's, or township's proportional factor multiplied by the available distribution under
16 this subsection.

17 (2) (a) A city, village, or township is not entitled to receive more than 25 percent
18 of the total distribution under subsection (1) (c). Any calculated distribution amount over
19 25 percent of the total distribution under subsection (1) (c) to a city, village, or
20 township is to be added to the available distribution under subsection (1) (c) for all other
21 cities, villages, and townships.

22 (b) For future distributions, if a city's, village's, or township's violent crime
23 rate, as certified by the department of state police, did not decrease by at least 1
24 percent from the base violent crime rate, the state treasurer shall reduce the city's,
25 village's, or township's distribution amount under subsection (1) (c) by 2 percent and the
26 reduced amount to the city, village, or township is to be added to the available
27 distribution under subsection (1) (c) for all other cities, villages, and townships.

28 (3) Both of the following apply to a city, village, township, tribal entity, or
29 community organization that receives a grant under subsection (1) (a):

30 (a) The city, village, township, tribal entity, or community organization may not use
31 the grant to obtain a vehicle weighing more than 15,000 pounds that is designed or used for
32 a tactical police purpose.

1 (b) The city, village, township, tribal entity, or community organization may
2 subgrant all or part of the grant if the subgrant is used for the purpose described in
3 subsection (1) (a).

4 (4) All of the following apply to a distribution made under subsection (1) (c):

5 (a) Except as otherwise provided in subsection (4) (b), a city, village, or township
6 that receives a distribution shall use the distribution only for operational and capital
7 expenditures that serve the purposes of public safety and violence prevention.

8 (b) A city, village, or township that receives a distribution may not use the
9 distribution to do any of the following:

10 (i) Replace or supplant its reoccurring resources for public safety and violence
11 prevention, unless there is a decline in the estimated total general fund revenue of the
12 city, village, or township from the previous fiscal year and there is a reduction in the
13 reoccurring resources of the city, village, or township that is proportional to the
14 estimated decline in the general fund revenue.

15 (ii) Obtain a vehicle weighing more than 15,000 pounds that is designed or used for a
16 tactical police purpose.

17 (iii) Obtain or use facial recognition technology.

18 (iv) Obtain or use a chemical weapon.

19 (c) A city, village, or township may subgrant all or part of the distribution if the
20 subgrant is used for the purpose described in subsection (4) (a).

21 (5) Subject to subsections (6), (7), and (8), the director of the department of state
22 police shall provide the department with a certified list that contains all of the
23 following:

24 (a) Base violent crime rates.

25 (b) Current violent crime counts.

26 (c) Current violent crime rates, as determined by the director of the department of
27 state police.

28 (6) The current violent crime data described in subsection (5) (b) and (c) mean the
29 calendar year annual data, for each city, village, and township, received and finalized by
30 the department of state police during the prior state fiscal year and the 2 immediately
31 preceding calendar years before the prior state fiscal year.

32 (7) The certified list under subsection (5) must include all violent crimes reported

1 to the department of state police and must only represent the geographical areas of each
2 city, village, and township. The certified list under subsection (5) must only include
3 cities, villages, or townships.

4 (8) The certified list under subsection (5) must contain all cities, villages, and
5 townships in this state and must report a zero for cities, villages, and townships that did
6 not submit crime data.

7 (9) The department of state police shall create and certify the list under subsection
8 (5) by not later than November 30, 2025.

9 (10) As used in this section:

10 (a) "Base violent crime rate" means the violent crime rate of a city's, village's, or
11 township's 2 highest violent crime rates, as certified by the director of the department of
12 state police in the calendar years 2022, 2023, and 2024.

13 (b) "Chemical weapon" means a munition or device that is specifically designed to
14 cause death or other harm through a toxic chemical that would be released as a result of
15 the employment of the munition or device.

16 (c) "Facial recognition technology" means an automated or semiautomated technological
17 process that assists in identifying or verifying an individual based on the individual's
18 face.

19 (d) "Population" means the counts, as defined by the Federal Bureau of Investigation
20 and used by the director of the department of state police, to determine the population for
21 each city, village, and township.

22 (e) "Proportional factor" means the values for each city, village, and township, as
23 determined by the state treasurer, using the certificated data reported by the director of
24 the department of state police, calculated as follows:

25 (i) For each city, village, and township, the average of the highest 2 most recent 3
26 years of violent crime count data.

27 (ii) The value under subparagraph (i) for each city, village, and township summed for
28 a statewide total violent crime count.

29 (iii) Divide each city's, village's, and township's value from subsection (10) (e) (i)
30 by the statewide total violent crime count in subsection (10) (e) (ii) to obtain the
31 proportional factor for each city, village, and township.

32 (f) "Reoccurring resources" does not include either of the following:

1 (i) Funds that were provided by a voter-approved millage or special assessment that
2 has since expired or has otherwise not been renewed.

3 (ii) A distribution described in subsection (1)(c).

4 (g) "Violent crime" means that term as defined by the director of the department of
5 state police in accordance with the department's incident crime reporting program and the
6 corresponding annual crime reports.

7 (h) "Violent crime count" means the number of violent crimes based on victim counts,
8 as certified by the director of the department of state police. When a victim is connected
9 to multiple offenses, the victim is counted under the highest-ranked offense, as defined by
10 the director of the department of state police.

11 (i) "Violent crime rate" means the number of crimes per 100,000 people, determined by
12 dividing a particular city, village, or township violent crime count by the population,
13 then multiplying by 100,000 and round.

14

15 **BUREAU OF STATE LOTTERY**

16 Sec. 21-960. In addition to the funds appropriated in part 1 to the bureau of state
17 lottery, there is appropriated from state lottery fund revenues the amount necessary for,
18 and directly related to, implementing and operating lottery games under the McCauley-
19 Traxler-Law-Bowman-McNeely lottery act, 1972 PA 239, MCL 432.1 to 432.47, and activities
20 under the Traxler-McCauley-Law-Bowman bingo act, 1972 PA 382, MCL 432.101 to 432.152,
21 including expenditures for contractually mandated payments for vendor commissions,
22 contractually mandated payments for instant tickets intended for resale, the contractual
23 costs of providing and maintaining the online system communications network, and incentive
24 and bonus payments to lottery retailers.

25 Sec. 21-964. For the bureau of state lottery, there is appropriated 1% of the
26 lottery's immediately preceding fiscal year's gross sales for promotion and advertising.

27

28 **MICHIGAN GAMING CONTROL BOARD**

29 Sec. 21-970. As used in sections 21-971 to 21-979:

30 (a) "Compulsive gaming prevention fund" means the compulsive gaming prevention fund
31 created in section 3 of the compulsive gaming prevention act, 1997 PA 70, MCL 432.253.

32 (b) "Fantasy contest fund" means the fantasy contest fund created in section 16 of

1 the fantasy contests consumer protection act, 2019 PA 157, MCL 432.516.

2 (c) "First responder presumed coverage fund" means the first responder presumed
3 coverage fund created in section 405 of the worker's disability compensation act of 1969,
4 1969 PA 317, MCL 418.405.

5 (d) "Internet gaming fund" means the internet gaming fund created in section 16 of
6 the lawful internet gaming act, 2019 PA 152, MCL 432.316.

7 (e) "Internet sports betting fund" means the internet sports betting fund created in
8 section 16 of the lawful sports betting act, 2019 PA 149, MCL 432.416.

9 Sec. 21-971. (1) From the revenue collected by the Michigan gaming control board from
10 the total annual assessment of each casino licensee, funds are appropriated and must be
11 distributed as described in section 12a(5) of the Michigan Gaming Control and Revenue Act,
12 1996 IL 1, MCL 432.212a.

13 (2) The revenue collected in the internet sports betting fund is appropriated and
14 must be distributed according to the lawful sports betting act, 2019 PA 149, MCL 432.401 to
15 432.419, is to be distributed.

16 (3) The revenue collected in the internet gaming fund is appropriated and must be
17 distributed according to the lawful internet gaming act, 2019 PA 152, MCL 432.301 to
18 432.322, and the Traxler-McCauley-Law-Bowman bingo act, 1972 PA 382, MCL 432.101 to
19 432.152.

20 Sec. 21-972. After all other required expenditures described in section 16(3) of the
21 fantasy contests consumer protection act, 2019 PA 157, MCL 432.516, section 16(4) of the
22 lawful internet gaming act, 2019 PA 152, MCL 432.316, and section 16(4) of the lawful
23 sports betting act, 2019 PA 149, MCL 432.416 are made, any money remaining in the fantasy
24 contest fund, internet gaming fund, and internet sports betting fund is appropriated and
25 must be deposited in the state school aid fund as described in section 16(3)(b) of the
26 fantasy contests consumer protection act, 2019 PA 157, MCL 432.516, section 16(4) of the
27 lawful internet gaming act, 2019 PA 152, MCL 432.316, and section 16(4) of the lawful
28 sports betting act, 2019 PA 149, MCL 432.416.

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

32 (2) A local revenue sharing board described in subsection (1) shall comply with the

1 open meetings act, 1976 PA 267, MCL 15.261 to 15.275, and the freedom of information act,
2 1976 PA 442, MCL 15.231 to 15.246.

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

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

15 (5) The director of the MDSP and the executive director of the Michigan gaming
16 control board may assist the local revenue sharing boards in determining allocations to be
17 made to local public safety organizations.

18 Sec. 21-974. If revenues collected in the state services fee fund created in section
19 12a of the Michigan Gaming Control and Revenue Act, 1996 IL 1, MCL 432.212a, are less than
20 the amounts appropriated from the state services fee fund, available revenues must be used
21 to fully fund the appropriation in part 1 for casino gaming regulation activities before
22 distributions are made to other state departments and agencies. If the remaining revenue in
23 the state services fee fund is insufficient to fully fund appropriations to other state
24 departments or agencies, the shortfall must be distributed proportionally among those
25 departments and agencies.

26 Sec. 21-975. In expending the funds appropriated in part 1 for advertising for
27 responsible gaming, the Michigan gaming control board shall engage with MDHHS on strategies
28 to support addiction prevention and education efforts in addition to advertising for
29 responsible gaming. Not later than September 1, the Michigan gaming control board shall
30 submit a report to the standard report recipients on the expenditures and programming
31 funded from the appropriations in part 1 for advertising for responsible gaming.

32 Sec. 21-976. The executive director of the Michigan gaming control board may pay

1 rewards of not more than \$5,000.00 to a person who provides information that results in the
2 arrest and conviction on a felony or misdemeanor charge for a crime that involves the horse
3 racing industry. A reward paid under this section must be paid out of the appropriation in
4 part 1 for the racing commission.

5 Sec. 21-977. All appropriations from the equine industry development fund created in
6 section 20 of the horse racing law of 1995, 1995 PA 279, MCL 431.320, except for the racing
7 commission appropriations, must be reduced proportionately if revenues to the equine
8 industry development fund decline during the current fiscal year to a level lower than the
9 amount appropriated in part 1.

10 Sec. 21-978. The Michigan gaming control board shall use actual expenditure data in
11 determining the actual regulatory costs of conducting racing dates and shall submit a
12 report of that data to the standard report recipients and the senate and house of
13 representatives appropriations subcommittees on agriculture. The Michigan gaming control
14 board may not be reimbursed for more than the actual regulatory cost of conducting race
15 dates. In determining actual costs, the Michigan gaming control board shall take into
16 account that each specific breed of horse may require different regulatory mechanisms.

17 Sec. 21-979. From the funds appropriated in part 1 for millionaire party regulation,
18 the Michigan gaming control board may receive and expend internet gaming fund revenue in an
19 amount that is not more than the amount appropriated in part 1 for necessary expenses
20 incurred in the licensing and regulation of millionaire parties under article 2 of the
21 Traxler-McCauley-Law-Bowman bingo act, 1972 PA 382, MCL 432.132 to 432.152. Any unused
22 internet gaming fund revenues are subject to the distribution requirements in section 16 of
23 the lawful internet gaming act, 2019 PA 152, MCL 432.316.

24

25 **STATE BUILDING AUTHORITY**

26 Sec. 21-1100. (1) Subject to section 242 of the management and budget act, 1984 PA
27 431, MCL 18.1242, and on the approval of the state building authority, the department may
28 expend from the general fund of this state during the fiscal year an amount necessary to
29 meet the cash flow requirements of those state building authority projects solely for lease
30 to a state agency identified in both part 1 and this section, and for which state building
31 authority bonds or notes have not been issued, and for the sole acquisition by the state
32 building authority of equipment and furnishings for lease to a state agency as permitted by

1 1964 PA 183, MCL 830.411 to 830.425, for which the issuance of bonds or notes is authorized
2 by an appropriations PA that is effective for the immediately preceding fiscal year. Any
3 general fund advances for which state building authority bonds have not been issued must
4 bear an interest cost to the state building authority at a rate that is not greater than
5 the rate earned by the state treasurer's common cash fund during the period in which the
6 advances are outstanding and are repaid to the general fund of this state.

7 (2) On sale of bonds or notes for the projects identified in part 1 or for equipment
8 as authorized by an appropriations PA and in this section, the state building authority
9 shall credit the general fund of this state an amount equal to the amount expended from the
10 general fund plus interest, if any, as described in this section.

11 (3) For state building authority projects for which bonds or notes have been issued
12 and on the request of the state building authority, the state treasurer shall make advances
13 without interest from the general fund as necessary to meet cash flow requirements for the
14 projects. The state building authority shall reimburse the state treasurer for the advances
15 when the investments earmarked for the financing of the projects mature.

16 (4) If a project identified in part 1 is terminated after final design is complete,
17 advances made on behalf of the state building authority for the costs of final design must
18 be repaid to the general fund in a manner recommended by the director of the state building
19 authority.

20 Sec. 21-1102. (1) The state building authority shall not release state building
21 authority funding to a university or community college to finance the construction or
22 renovation of a facility that collects revenue in excess of money required for the
23 operation of that facility unless the university or community college agrees to use that
24 excess revenue to reimburse the state building authority. The excess revenue received by
25 the state building authority as reimbursement must be credited to the general fund to
26 offset rent obligations associated with the retirement of bonds issued for the applicable
27 facility. The auditor general shall annually identify and audit the facilities that are
28 subject to this section. Costs associated with the administration of the audit must be
29 charged against money received by the state building authority as reimbursement under this
30 section.

31 (2) As used in this section, "revenue" includes state appropriations, facility
32 opening money, other state aid, indirect cost reimbursement, and other revenue generated by

1 the activities of the facility.

2 Sec. 21-1103. Not later than October 15, the state building authority shall submit a
3 report to the standard report recipients and the JCOS regarding the status of construction
4 projects associated with state building authority bonds as of the end of the immediately
5 preceding fiscal year. Not later than 30 days after a refinancing or restructuring bond
6 issue is sold, the state building authority shall submit a report to the standard report
7 recipients and the JCOS regarding the status of construction projects associated with that
8 bond issue. Each report must include all of the following:

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

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

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

17

18 **ONE-TIME APPROPRIATIONS**

19 Sec. 21-1200. The funds appropriated in part 1 for MI financial empowerment shall be
20 used to develop and conduct a marketing campaign to promote financial literacy to Michigan
21 residents. Eligible expenses include, but are not limited to, the purchase or creation of
22 educational materials, paid advertising, planning and hosting events, or other activities
23 to successfully execute the program.

24 Sec. 21-1201. (1) From the one-time funds appropriated in part 1 for the hazardous
25 arc wire removal project, the department shall award a grant to support the removal of
26 abandoned wire that was used to serve arc-type streetlamps located in a city with a
27 population that is greater than 600,000 and located in a county with a population greater
28 than 1,700,000, according to the most recent federal decennial census.

29 (2) The department shall grant funds to an electric utility that owns utility poles
30 on which the arc wire is co-located.

31 (3) For each of the three years following the receipt of any grant made pursuant to
32 this section, the grant recipient shall file a report with the department and Michigan

1 public service commission detailing the number of miles of arc wire removed during the
2 preceding 12 months using the funds granted to it under this section, the cumulative total
3 number of miles of arc wire removed using the funds granted to it under this section, the
4 cost-per-mile for such arc wire removal, and the total number of miles of arc wire
5 remaining on the utility's system.

6 (4) Nothing related to the hazardous arc wire removal project shall preclude the
7 utility from combining funds granted to it under this section with other funds for its arc
8 wire removal and related activities or using funds for trimming trees as required to
9 support arc wire removal activities, rebalancing of pole-top equipment, reconfiguring
10 utility-owned equipment so that is left in a safe configuration, or other activities
11 incidental to the arc wire removal activities.

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Article 22

MISCELLANEOUS

PART 1

PROVISIONS CONCERNING APPROPRIATIONS

Sec. 22-101. The appropriations in this article are subject to the following provisions concerning appropriations for the fiscal year ending September 30, 2026:

1 **GENERAL SECTIONS**

2 Sec. 22-201. (1) Pursuant to section 30 of article IX of the state constitution of
 3 1963, total state spending from state sources for fiscal year 2026 is estimated at
 4 \$48,106,717,200.00 in the 2026 appropriations acts and total state spending from state
 5 sources paid to local units of government for fiscal year 2026 is estimated at
 6 \$25,390,911,000.00. The state-local proportion is estimated at 52.78% of total state
 7 spending from state resources.

8 (2) If payments to local units of government and state spending from state sources
 9 for fiscal year 2026 are different than the amounts estimated in subsection (1), the state
 10 budget director shall report the payments to local units of government and state spending
 11 from state sources that were made for fiscal year 2026 to the senate and house of
 12 representatives standing committees on appropriations within 30 days after the final book-
 13 closing for fiscal year 2026.

14 Sec. 22-202. The appropriations authorized under this bill are subject to the
 15 management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

16 Sec. 22-211. (1) Pursuant to section 352 of the management and budget act, 1984 PA
 17 431, MCL 18.1352, which provides for a transfer of state general fund revenue into or out
 18 of the countercyclical budget and economic stabilization fund, the calculations required by
 19 section 352 of the management and budget act, 1984 PA 431, MCL 18.1352, are determined as
 20 follows:

	<u>2024</u>	<u>2025</u>	<u>2026</u>
Michigan personal income (millions)	\$643,791	\$667,612	\$694,316
less: transfer payments	138,700	144,200	149,400
Subtotal	\$505,091	\$523,412	\$544,916
Divided by: Detroit Consumer Price Index	2.932	3.001	3.095
Equals: real adjusted Michigan personal			
income	\$172,265	\$174,401	\$176,052
Percentage change	N/A	1.2%	1.0%
Growth rate in excess of 2%?	N/A	0.0%	0.0%
Equals: calculated transfer to countercyclical			
budget and economic stabilization fund for the			
fiscal year ending September 30, 2026 (millions)	N/A	\$0.0	

1 Growth rate less than 0%?..... N/A NO

2 Appropriation from countercyclical budget and
3 economic stabilization fund allowed for the

4 fiscal year ending September 30, 2026?..... N/A NO

5 (2) Notwithstanding subsection (1), there is appropriated for the fiscal year ending
6 September 30, 2026, from general fund/general purpose revenue for deposit into the
7 countercyclical budget and economic stabilization fund the sum of \$50,000,000.00.

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9 **REVENUE STATEMENT**

10 Sec. 22-301. Pursuant to section 18 of article V of the state constitution of 1963,
11 fund balances and estimates are presented in the following statement:

12 BUDGET RECOMMENDATIONS BY OPERATING FUNDS

13 (Amounts in millions)

14 Fiscal Year 2026

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			Estimated
	Beginning	Estimated	Ending
	<u>Balance</u>	<u>Revenue</u>	<u>Balance</u>
19 OPERATING FUNDS			
20 General fund/general purpose	721.6	14,650.4	11.7
21 School aid fund	1,002.6	18,891.4	18.6
22 Federal aid	0.0	28,767.0	0.0
23 Transportation funds	0.0	8,583.1	0.0
24 Special revenue funds	2,788.3	8,824.6	2,103.8
25 Other funds	2,144.7	129.0	2,273.7
26 TOTALS	\$6,657.2	\$79,845.5	\$4,407.8